Strengthening Linkages Between IPSAS Standards and the GFSM – December 2025 Report Back

1. A summary of the advice provided by CAG members from the December 2025 CAG Meeting and how the IPSASB has responded to the CAG member comments are included in the table below:

<table>
<tr><th>Representatives’ and Observers’ Comments</th><th>IPSASB Staff Response</th></tr>
<tr><td colspan="2" align="center">December 2025 CAG Meeting Comments</td></tr>
<tr><td colspan="2">IPSASB Principal, João Fonseca, introduced this session by providing CAG members with a project overview, highlighting its link to the IPSASB’s 2024-2028 Strategy and Work Program, and the IPSASB’s phased approach for the project. He noted several important considerations for the project: accounting data based on IPSAS Standards helps improve the data for statistical purposes where recognition and measurement alignment exists, and any presentation differences (where recognition and measurement requirements are aligned) does not prevent the usage of the underlying accounting data for statistical reporting purposes.

Mr. Fonseca asked CAG members to consider the following question:

• What aspects of the Project does the CAG believe need to be focused on in communicating the Project benefits to the accounting and statistical communities?</td></tr>
<tr><td colspan="2">The CAG members commented as follows:</td></tr>
<tr><td>1. Ms. Colignon asked about the expected differences between the upcoming 2027 Government Finance Statistics Manual (GFSM) and the System of National Accounts (SNA), and whether the differences are primarily in recognition or presentation requirements, for consideration in the next phase of this project.</td><td>Mr. Fonseca responded that the IMF set up two different sets of research projects: the first set focuses on consequential amendments to maintain alignment between GFSM and SNA, while the second set may entail some recognition and measurement differences that may impact our assessed alignment with the IPSAS Standards. For example, the IMF may consider bringing provisions guidance from IPSAS Standards into GFSM, resulting in differences from SNA 2025 which currently has limited guidance on provisions.</td></tr>
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2.	Ms. Stachniak highlighted that clearer guidance on where the statistical framework differs from IPSAS Standards would greatly assist jurisdictions' planning reforms, particularly in designing integrated data-gathering systems that support financial, statistical, and budgetary reporting from a single reliable source. She recommended that the project's communications underline the value of designing automated and coordinated data systems, based on accounting principles, to ensure reliable consistent data supports efficient reporting needs.	Noted. The At-a-Glance and Webcast on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Ms. Stachniak recommendations.

3. Ms. Attia noted that this project is central to the IPSASB's future vision, supporting the growing need for integrated statistical dashboards and improved transparency, and enabling governments to use IPSAS-based financial information for macroeconomic analysis and performance monitoring, and reduce duplication across reporting frameworks. She suggested the IPSASB communicate the benefits in relation to the entity's accounting: (a) Entities that have fully adopted IPSAS Standards and also prepare GFSM-based reports, and have therefore already mapped and configured their data systems for both requirements, can benefit immediately from the proposed comparison tables and IPSAS 22, *Disclosure of Financial Information about the General Government Sector* for performance-based budgeting and integrated financial–performance reporting; and (b) Entities that have not, or only partially, adopted IPSAS Standards and GFSM requirements can use the proposed guidance as a structured roadmap to improve data quality, align presentation, and map IPSAS Standards classifications to GFSM categories.	Noted. The At-a-Glance on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Ms. Attia recommendations.
4. Ms. Attia also encouraged the IPSASB to stress the importance of ensuring financial systems can generate outputs in both IPSAS Standards and GFSM formats to facilitate smoother reform and broader adoption.	Noted. The At-a-Glance on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Ms. Attia recommendation.

5. Mr. Winrow advised the IPSASB to highlight the importance and value of having high-quality information subject to external audit. Financial data that are prepared consistently in accordance with IPSAS Standards and subject to external audit provide the most reliable and clear information for statistical purposes. He referenced a recent example from the UK, where the whole-of-government accounts received a disclaimer of opinion due to audit issues in local entities, to illustrate the consequences of unreliable underlying information.	Noted. The At-a-Glance on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) and the history of the project in the Request for Comments page of Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Mr. Winrow recommendation.
6. Mr. Braham encouraged continued dialogue in this area, and advised the IPSASB to communicate the benefits of this project in relation to the reporting community: (a) For the statistical community, greater alignment between IPSAS Standards and statistical standards would enable statisticians to access real-time and disaggregated information, enhancing the quality and timeliness of their analyses. This would be useful for the reporting of transfers, where transfers are recognized when they are created or transformed rather than when paid under the statistical reporting framework. (b) For preparers, improved alignment would reduce the need for dual tracking and reconciliations and alleviate some of the operational challenges preparers presently face. In current practice, many preparers are required to maintain reconciliations between accounting and statistical systems, a process that is both burdensome and complex.	Noted. At the May 2026 meeting of the Government Finance Statistics Advisory Committee Mr. Fonseca presented Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlighting Mr. Braham recommendation in (a). The At-a-Glance on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) and the history of the project in the Request for Comments page of Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Mr. Braham recommendation in (b).

7.	Ms. Raboy noted that the proposed comparison tables are incredibly valuable and will benefit both the accounting and statistical communities. She encouraged the IPSASB to highlight the information in financial statements that is audited and prepared on an accrual basis are reliable for statistical reporting purposes. Using the same set of high-quality underlying data for multiple reporting purposes enhances transparency and completeness, and provides potential operational benefits (such as efficiency gains, reduced duplication) and a common reference for improved dialogue across the accounting, statistical, and economic communities. Beyond the benefits, Ms. Raboy also urged the IPSASB to clearly articulate differences in the reporting boundaries between IPSAS Standards and GFSM frameworks, as some transactions are reported under one framework but not the other.	Noted. The proposed non-authoritative guidance in Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight the differences between IPSAS Standards and GFSM frameworks recommended by Ms. Raboy. The history of the project in the Request for Comments page of Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Ms. Raboy recommendation related to the information in financial statements that is audited and prepared on an accrual basis are reliable for statistical reporting purposes.

8.	Mr. Williamson welcomed the project and emphasized that, in practice, alignment challenges often arise at the chart of accounts level, which forms the foundation of both accounting and statistical reporting systems. The IMF and World Bank frequently encourages entities to develop a “GFSM-compliant” chart of accounts. Mr. Williamson asked for clarity on the IPSASB’s perspective on chart-of-accounts design.	Mr. Smith responded that this project supports the broader public financial reform agenda, which is an important part of our Strategy and Work program, by helping jurisdictions unlock the full value of accrual information and by encouraging closer collaboration across communities. He reflected that the project builds on more than a decade of collaboration between the statistical community and the IPSASB, including early mapping of similarities and differences and a Consultation Paper in 2012. Furthermore, the IPSASB is engaged with the SNA update process to reflect the broader landscape of statistical classifications. Mr. Smith noted that each jurisdiction can determine how to set up their own chart of accounts, what to map to, and at what level of detail, to address their specific reporting needs. Some practical tools already exist, such as the PULSAR program’s example chart of accounts, which demonstrate how IPSAS Standards and statistical reporting requirements can be mapped within a unified chart of accounts structure.
9.	Mr. Johri acknowledged that full reconciliation between IPSAS Standards and GFSM have notable benefits and give credibility of both frameworks, but is difficult to achieve because the capture of data is driven by its intended use for decision-making, which differs between accounting and statistical reporting. Furthermore, their underlying recognition and measurement requirements also differ. He emphasized that the first and most important step is to identify and clearly explain why differences exist, to show why both are credible information sources. Once these differences are well articulated, jurisdictions can then consider how to build toward closer alignment over time.	Mr. Smith responded that the project does not aim for full reconciliation between IPSAS Standards and GFSM. The Task Force decided to focus on areas of alignment between the two frameworks, where IPSAS Standards-based accounting data can directly strengthen statistical reporting. He noted that IPSASB continues to maintain and regularly publish an IPSAS Standards-GFSM Alignment Dashboard, and the new or updated comparison tables proposed in this project will further highlight similarities and differences arising from the different nature of the two reporting frameworks. While complete alignment is not achievable, significant IPSAS Standards-based accounting data is already useful for statistical purposes, and better use and integration of this data will support an entity’s robust and efficient GFSM reporting.

10.	Ms. Zhou, on behalf of Ms. Sanz Redrado, underscored the importance of this alignment project, for both the accounting and statistical communities. Maintaining the link to GFSM is particularly important in Europe, where GFSM figures drive fiscal policy and countries are increasingly using IPSAS-based accounting standards. Ms. Sanz Redrado emphasized that this work is particularly useful for preparers of public accounts, who regularly support statisticians' data needs, and for the statistical community, which often faces challenges in sourcing and interpreting accounting data. She highlighted the need for strong and clear communication for both communities and recommends the IPSASB use its existing outreach channels, alongside potential partners such as the World Bank, OECD, the IMF's GFS Advisory Group, and the EU's EPSAS network. Lastly, Ms. Sanz Redrado suggested producing a joint explanatory video featuring both a public accountant and a statistician could help with the narrative across communities.	Noted. At the May 2026 meeting of the Government Finance Statistics Advisory Committee Mr. Fonseca presented Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlighting Ms. Redrado recommendation related to collaboration with partners. The Webcast on Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlight Ms. Redrado recommendation related to the joint explanatory video featuring both a public accountant and a statistician.
11.	Ms. Zhou, on behalf of Mr. Simpson, shared similar views to those expressed by Ms. Sanz Redrado and other CAG members. He commended the IPSASB for its good work promoting the benefits from the perspective of the accounting community but noted that the messaging is less visible or strong from the statistical community. He encouraged opportunities to create stronger two-way communication and recommended bringing the IMF more prominently into the dialogue to help reinforce and broaden the narrative around the project's value.	Noted. At the May 2026 meeting of the Government Finance Statistics Advisory Committee Mr. Fonseca presented Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22) highlighting Mr. Simpson recommendation related to bringing the IMF more prominently into the dialogue with IPSASB.

12.	Ms. Colignon advised the IPSASB to consider developing other supporting guidance, such as a staff document, that could help statisticians easily identify what is different from IPSAS Standards (versus not different), so they can focus their work on investigating and sourcing relevant data for the differences.	Noted. In February 2026, it was published an IPSASB Staff Q&A on *Accounting for Contingencies and Financial Guarantees* highlighting Ms. Colignon recommendation related to differences between IPSAS Standards and GFSM 2014 on this specific topic.