



**POSITION PAPER**

**ACCELERATING IPSAS  
ADOPTION IN AFRICA:  
THE CASE FOR PRACTICAL  
APPLICATION GUIDELINES**

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## Problem Statement

Africa's journey towards accrual-based financial reporting is well underway, but progress is uneven and hampered by a critical gap: the absence of context-sensitive application guidelines. At the 2025 IPSASB Standard Setters Forum in Lisbon, African and Middle East delegations raised concerns about the lack of IPSAS implementation support. Unlike IFRS, where entities benefit from extensive implementation resources, IPSAS practitioners often face ambiguity in applying complex standards to real-world situations. IPSASB acknowledged this gap but highlighted its resource limitations.

This lack of guidance has contributed to slow adoption and inconsistent application across the continent. Without structured support, IPSAS risks remaining a technical aspiration rather than a transformative tool for fiscal transparency and accountability. Compounded with this, many governments do not maintain or struggle with incomplete asset registers, asset valuation, weak systems, and limited technical capacity.

AAAG, working with African partners, proposes a coordinated initiative to develop IPSAS application guidelines. By doing so, Africa can accelerate adoption, strengthen reporting credibility, and ensure accrual IPSAS becomes a driver of better debt management, asset stewardship, and service delivery.

## Context and Impact

Across Africa, countries stand at different points along the IPSAS adoption spectrum: some, like Ghana, Nigeria, Rwanda, and Tanzania, have advanced to full accrual reporting; others, such as Kenya, Uganda, and Mauritius, are in transition; while many still remain on cash basis.

Despite these differences, the barriers are strikingly similar. Asset registers are incomplete or unreliable. Valuing infrastructure, heritage, and biological assets remains a technical challenge. In most cases Financial Information Management Systems (FMIS) are not accrual-ready. Public sector accountants and auditors skilled in accrual-accounting practices are in short supply, especially outside central ministries. In some countries, outdated laws or weak institutions can delay reform altogether.

The result is slow and fragmented adoption thus risks undermining Africa's credibility with development finance institutions, credit rating agencies, and its own citizens. If left unaddressed, IPSAS suite of standards may remain theoretical rather than a transformative tool for fiscal governance.

## Policy Solutions

To accelerate IPSAS adoption, Africa must move beyond technical aspirations and focus on practical measures that make implementation real and sustainable. AAAG proposes five interlinked solutions:

### 1. Develop Practical Application Guidelines

IPSAS adopters and practitioners need simple, actionable guidance that translates the Standards into day-to-day practice. This means producing step-by-step application guidelines for key standards, supported by toolkits for asset and liability mapping, Standard Chart of Accounts (SCOA) alignment, and reporting formats. Examples, drawn from practical experiences, will ensure guidance is relevant to the realities rather than abstract technical rules.

## 2. Strengthen Capacity and Peer Learning

Reform cannot succeed without skilled professionals who understand how to apply IPSAS. Regional training programs should target accountants, auditors, and finance officers at both the central and subnational levels. Peer-to-peer arrangements, where countries such as Tanzania, Ghana, Nigeria, and Rwanda mentor those still lagging, can accelerate learning. Technical exchanges, facilitated by AAAG and AUC in collaboration with Public Sector Accounting Standards Board Kenya (PSASB-K), Accounting Standards Board South Africa (ASB-SA) will ensure practical solutions are shared widely.

## 3. Anchor IPSAS in Institutions and Law

For reforms to endure, they must be institutionalised. This requires embedding accrual IPSAS into PFM Acts and regulations that stipulate clear accountability frameworks that provide for implementation milestones. This will ensure that progress is monitored and reported.

## 4. Align Systems with Accrual Requirements

Digital systems are the backbone of modern public finance. To enable IPSAS, governments must configure IFMIS for accrual reporting, integrate budget, accounting, reporting modules and automated templates that reduce manual errors. Without systems alignment, even the best guidelines and training will fail to translate into reliable reporting.

## 5. Build the Business Case for Accrual IPSAS

Finally, governments and their partners must see IPSAS not just as an accounting exercise but as a driver of better governance. Accrual information strengthens debt management by fully capturing pension liabilities, loans, and arrears; it highlights the value of public assets such as infrastructure installation, schools, and hospitals; and it reveals the true cost of running government, enabling more disciplined fiscal decisions. Building on this business case is critical to securing political commitment and sustaining reform momentum.

## Conclusion

Accrual IPSAS is not just a suite of accounting standards; it is a driver of fiscal credibility and accountability. Yet without practical tools to guide implementation, many countries risk stalled reforms and weakened transparency.

AAAG calls for a coordinated initiative to fill this gap by producing practical application guidelines, building capacity, developing transition frameworks, and aligning systems and laws. These targeted solutions will directly enable adoption, accelerate reform, and position Africa as a leader in global public financial management.

## Call to Action

Africa must shift IPSAS from **aspiration to application**. With the right tools, training, and frameworks, adoption can be accelerated across the continent, ensuring that IPSAS becomes a lived-practice that strengthens fiscal discipline and builds trust in public finances.

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