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**IPSAS Implementation, Extent of Compliance, Responsible Factors, and Impacts: A Review of Literature**

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doi.org/10.51505/IJEBMR.2025.9806

URL: <https://doi.org/10.51505/IJEBMR.2025.9806>

Received: July 12, 2025

Accepted: July 23, 2025

Online Published: Aug 07, 2025

**Abstract**

The study is a review of extant literature on International Public Sector Accounting Standards (IPSAS) adoption and implementation, with major focus on studies conducted in developing nations. This was necessitated by confounding submissions regarding the effects of IPSAS on quality of accounting information reported under it and very rare attention on review of studies conducted in developing economies. The existing studies reviewed were selected systematically by focusing on published peer-reviewed articles for a period from 2010 to 2025 and as extracted from google scholar. Major attention was accorded studies that focused on developing economies. It was discovered that most of the existing studies found no full compliance with IPSAS disclosure requirements and that IPSAS helps to enhance transparency and accountability, but with mixed effect on corruption eradication or reduction in developing economies. It is recommended that empirical investigation should be extended to determine the extent of compliance with all IPSASs already in issue. Legal institutional support for IPSAS's improved implementation should also be prioritised.

**Keywords:** Accountability, Corruption, Developing nations, IPSAS, Transparency.

**1. Introduction**

Globally, efforts to harmonise, and enhance public financial information management and disclosure systems informed the birth of International Public Sector Accounting Standards (IPSAS). It was envisioned that this move would reduce variability of accounting and financial reporting in the financial markets, and also escalate comparability power of the government financial statements, locally and globally (Adamu & Ahmed, 2014; Scannell & Tawiah 2024). But, an investigation conducted to unveil extent of adoption of IPSAS accrual-based accounting in both national and sub-national governments globally cum factors responsible for diverse level of adoption and compliance, showed that although a move towards accrual accounting is being recorded (Muraina & Dandago, 2020), reluctance to switch to the new reporting framework is also noted (Christiaens et al., 2015). Whereas, Alshujairi (2014) advocate a need to reform public sector accounting system through adoption of accrual based IPSAS.

IPSAS is a set of accounting standards issued by IPSAS Board to be observed by public sector entities all over the world, while preparing government financial statements. The central objective is to strengthen public financial management through increased adoption of accrual-based IPSAS, against the traditional cash accounting basis formerly in use in the public sector. That is, IPSAS is meant to improve the quality of general purpose financial statements issued by the government entities, in order to enhance assessment of the resource allocation decisions of governments with a view to attain increased transparency, comparability, reliability, relevance and accountability (Jensen, 2023; Muacassange, 2025; Scannell & Tawiah, 2024). Meanwhile, most of the forty-two (42) IPSAS currently in issue have its International Accounting Standards equivalent which are meant to be observed by entities in the private sector. Thus, in a bid to measure up with global trend, several developing nations have adopted IPSAS, in line with International Federation of Accountants' (IFAC) expectation. Ostensibly, varying degree of compliance with the accounting standards have been noticed across various reporting climes all over the world (Maali & Morshed, 2025).

For instance, Atuilik (2013) found that financial statements of public accounts in Ghana is not in full compliance with IPSAS, while Abimbola et al. (2017) noted that IPSAS's adoption increases accountability, transparency and reduces corruption in some selected local government in Oyo state, Nigeria. On the contrary, Adamu and Ahmed (2014) identified time constraint and weak supply of needed resources as major challenges bedevilling IPSAS adoption in developing nations. Evidence from about 84-country based study conducted by Amiri and Hamza (2020) showed that in some countries, adoption of cash-based IPSAS was positively driven by coercive and mimetic institutional pressures. This suggests that IPSAS adoption was contingent upon certain conditions in some countries, but good economic governance impacts full accrual-based IPSAS adoption.

According to Bakre et al. (2021), since it was difficult for IPSAS to prevent global financial crisis that surfaced from developed economy in 2008, how will it improve transparency and accountability especially in corrupt socio-political climes that dominate developing nations? This is a concern regarding the efficacy of IPSAS as accounting standard that is believed would improve accountability and reduce corruption in public financial management, suggesting that IPSAS is a mere grandiloquence (Bakre et al, 2021). In addition, IPSAS has been greeted with critiques in the areas such as its costs of implementation, weak pressure to adopt it, its alignment with specialities in public sector, and failure of some countries to synchronise its government accounting systems with IPSAS (Schmidhuber et al., 2022). Scannell and Tawiah (2024) stress further that studies that focus on IPSAS is still at the elementary stage, hence, the need to expand frontier of knowledge in this area since it is claimed to have propensity to enhance transparency and accountability in the government sector.

Upon a claim by Bakre et al. (2021) that better accounting standard may not necessarily be a remedy for economic development, it is not clear whether this claim has connection with variation in extent of compliance with IPSAS disclosure demands, especially in developing economies. It is also pertinent to unveil the degree of compliance with the accounting standards

at both national and sub-national levels based on review of extant empirical studies. The essence is to point out the (average) degree of compliance with the accounting standards based on the submissions of extant studies with a view to inform policy direction by the accounting standards setters.

There is also a concern that IPSAS lacks major global acceptance (Rompotis & Balios, 2025), which should prompt further research inquiry to exhume the efficacy of IPSAS, capable of enhancing adoption of the accounting standards or otherwise. Although a thematic review of extant studies was conducted by Scannell and Tawiah (2024) on IPSAS for a period from 2000 to 2023, it was documented that increasing adoption of IPSAS was informed by benefits it offers, while certain challenges impeding its implementation were identified. Also, a related study conducted by Schmidhuber et al. (2022) examined basis for adopting IPSAS, implementation of accrual based IPSAS, and implications of IPSAS adoption. However, the current study differs from these previous studies.

Based on this background, the core thrust of this study is to conduct a review of relevant existing studies on the extent of compliance with IPSAS disclosure requirements as published from 2010 till 2025. The study equally x-ray the factors that determine extent of compliance with the accounting standard. In addition, the review was extended to cover the impacts of adopting and implementing of IPSAS on public sector financial management. It is envisaged that the outcome of this review will not only provoke future empirical investigation, it will also drive policy direction of the global and national accounting standard setters, and provide insights to the preparers of government accounts. Section two covers in-depth review of related studies, section three states methods employed, while section four and five present discussion of findings and the conclusion respectively.

## **2. Review of Literature**

Apparently, several studies have noted dissimilar nature of public accounting system in use by governments, as well as divergence of correlation between the accounting systems and IPSAS, all over the world (Bellanca & Vandernoot, 2013a). In Europe, Christiaens et al. (2010) had earlier observed that IPSAS failed to play an essential role in most of the central, as well as sub-national government accounting reforms. According to Maali and Morshed (2025), IPSASs accrual accounting was envisioned to foster transparency, thereby leading to improvement in public funds' management and governance. However, it has been established that strict implementation of IPSAS was not in existence in the EU owing to lack of specific legislation to implement the standard (Bellanca & Vandernoot, 2013b; Maali & Morshed, 2025). This underscores the fundamental importance of legal backing for any accounting standard to be effective and achieve intended purpose(s). Nevertheless, studies conducted on IPSAS adoption, implementation, extent of compliance, responsible factors and its effects on transparency, accountability, accounting quality are hereby reviewed. This formed basis for discussion and conclusion of the study.

### **Extent of compliance with IPSAS Adoption/Implementation and Determinants**

All over the world, adoption and implementation of IPSAS have taken different shapes. Its embrace in the developing economies has also taken a different form compare to the developed economies. While the accounting standards were majorly pushed forward by the developed economies, many developing economies have adopted the standards due to certain conditions, factors or coercion. Thus, adoption of IPSAS and the extent of compliance were driven by different factors, while the level of compliance also differs across nations as revealed by extant studies reviewed.

According to Brusca et al. (2016), efforts to adopt IPSAS in the Latin America nations was confronted by some obstacles which indicates that implementation of IPSAS could be hampered by different constraints, some of which are conditional, economic or institutional. An attempt to investigate the ability of IPSAS to reform governmental financial data system through a survey method by Christiaens et al. (2010) revealed divergence in the adoption procedure of IPSAS-based accrual accounting. According to Christiaens, et al. (2010), crave for efficiency, transparency, performance management, and basis for funding support from international organisations, obviously informed the drive for accrual accounting IPSAS, especially among government of developing economies. This corroborates the submission of Amiri and Hamza (2020) that adoption of IPSAS was based on contingency purpose.

Furthermore, on extent of compliance with the accounting standards in a developing economy, Atuilik (2013) employed qualitative approach to examine whether financial statement of Ministry, Department and Agency (MDAs), and consolidated fund accounts of Ghana are in compliance with IPSAS's disclosure demands. It was found that the reporting bodies failed to comply with IPSAS. Also, Bellanca and Vandernoot (2013) examined the extent of Belgian public establishments' compliance with IPSAS 1, 6, and 22. The study found out varied level of compliance with the accounting standards among the sampled government entities. These empirical facts reveal that full compliance with IPSAS disclosure requirements was yet to be achieved by then. This should signal a concern to both local and international IPSAS regulatory bodies and the need to investigate the development thereafter.

Sellami and Gafsi (2020) explore impact of the strength of public management systems and accounting education on extent of IPSAS compliance among sixty sub-Saharan African governments entities between from 2014 to 2017 using 116 self-constructed disclosure index covering IPSAS 1, 2, 3, 14 and 24. The findings show significant variation in the level of compliance with IPSAS across sampled African governments' public entities which was positively driven by the strength of public management systems and accounting education. This suggests that proper accounting education on IPSAS disclosure requirements as well as the form of public management systems put in place is capable of enhancing the level of compliance with the standards.

By using 116-item based IPSAS disclosure checklist that was self-constructed and drawn from IPSASs 1, 2, 3, 14 and 24, Mnif, and Gafsi (2020) investigated extent of compliance with

accrual-based IPSASs and factors influencing it among 100 public entities drawn from different African nations. It was discovered that the entities recorded 65.7 percent IPSAS compliance, and that government openness, quality of administration and management, and prior experience with IAS/IFRS are associated with IPSAS disclosure level, while government financial condition is not. The result was based on panel regression and robust test using data for a period from 2015 – 2017. Although the study captured data from sub-Saharan Africa countries including Ghana, Tanzania, Mauritius, Burundi, and Uganda, heterogeneous state of each nation and continent is likely to have impeded the position of the study for generalisation.

Also, Mnif and Gafsi (2023) examined the extent of compliance with IPSAS among 125 public sector entities in developing economies using 116 disclosure items drawn from accrual-based IPSAS 1, 2, 3 14 and 24 for a period from 2015 to 2018, as well as the influence of political-administrative and socio-economic environment on the level of compliance. Significant level of disparity was recorded on the extent of compliance with an average 61 percent compliance level which was positively driven by the degree of government openness (political culture), level of citizens' wealth, and quality of public administration. But government financial status, size of jurisdiction and political competition were found non-significant factors. A little above average level of compliance with the disclosure requirements of IPSAS found by Mnif and Gafsi (2020) and Mnif and Gafsi (2023) shows that adopters of IPSAS in developing economies are yet to fully comply with the disclosure demands of the accounting standard. This discovery calls for further and thorough empirical inquiry into why this none substantial level of compliance with a view to proffer possible solutions.

Focusing on a specific economy, Attefah et al. (2023) employed 255 IPSAS disclosure items checklist to examine the extent of compliance with IPSAS among 260 local government entities in Ghana from 2019 to 2021. The study noted inadequate compliance with the disclosure requirements of the accounting standards with downward trend in the compliance level, while identified responsible factors are divergence of and difficulty in meeting statutory deadlines, weak training for the preparers consistent with Sellami and Gafsi (2020), and insufficient information systems and accounting software.

On IPSAS implementation, Bellanca and Vandernoot (2013b) employed survey method to investigate the level of IPSAS implementation among EU member states. Tendency of the use of modern accounting system that is close to IPSAS-accrual, lack of legal basis for IPSAS among EU member states, and disparities in IPSAS application and accounting type used were noted. Nangonzi (2019) investigate factors impeding IPSAS adoption in Uganda with a submission that huge implementation costs, government unstable systems and structures, weak professional capacity and perception that IPSAS is not a national heritage among others are the identified responsible factors.

Amiri and Hamza (2020) also employed questionnaire to obtain information from IFAC and ACCA members in big-4 audit firms, ministries of finance, and international banks on variation in the extent of IPSAS adoption in 84 countries. By using multinomial logistic regression and

principal component analysis, the study observed that contingency, institutional and economic network factors are conditions for adopting IPSASs; mimetic and coercive institutional pressures were the core drivers of cash-based IPSAS adoption, while good economic governance, and economic collaborative partnership with foreign partners informed adoption of full accrual-basis IPSAS and modified accrual-basis IPSAS respectively. These findings throw a big concern regarding sustainable relevance of IPSASs since its adoption in developing economies is largely a function of certain contingencies.

Even though Gómez-Villegas et al. (2020) noted some innovations for decades in public administration reforms among Latin America nations, isomorphism and grandiloquence, spanning from mimetic behaviour, are being observed. This suggests that IPSAS's adoption and implementation could have been largely informed by herd behaviour in some quarters, rather than its ability to enhance reporting quality in the public sector. This position was also reiterated by Olaoye and Talabi (2018) that IPSAS is a mere imposition on developing nations. Thus, IPSAS has a tendency of not improving reporting quality in the public sector, contrary to the submission of Erin et al. (2016).

Mnif, Sellami and Gafsi (2019) examine environmental factors that are responsible for the adoption of IPSAS in sampled 110 nations. The results show that coercive isomorphic pressure (such as external public funding), importance of government sector entities', and mimetic isomorphic pressure (that is, extent of external openness) are factors driving IPSAS adoption, while normative isomorphic pressure (such as educational level) reveal no significant influence on IPSAS adoption as presence of local GAAP demonstrate negative effect.

In another dimension, Abdulkarim et al. (2023) examined the influence of culture and language on IPSAS implementation as part of accounting reforms in public sector. Information were elicited from 101 respondents and findings based on paired-sample t-test, and OLS show that significant association exists between language, culture, and implementation of IPSAS, while secrecy, cultural element of professionalism, and uniformity impound significant effect on IPSAS implementation. This research outcome suggests that culture and language drive implementation of IPSAS.

Furthermore, Gomes et al. (2023) conducted a research to examine the implications of IPSAS implementation through the perception of chief financial officers regarding the usefulness of accounting information prepared under the accounting standard using local government context in the Iberian Peninsula. Both qualitative and quantitative techniques were employed to draw data from primary source using survey design. It was recorded that the reform was predicated on coercive and mimetic isomorphism, consistent with the submission of Amiri and Hamza (2020) based on evidence from 84 countries. Besides, while Portuguese chief finance officers appears to be more optimistic regarding the use of IPSAS since it was adapted, lower usefulness of the standard is driven by strong knowledge the officers have in cash-basis and budgeting approach based on Spanish context. But, individual officer's belief about the accounting standard influence their views about financial information generated under the standard. This shows the influence of

individualism in the level of IPSAS's implementation and compliance. That is, the extent of IPSAS's acceptance by adopter or adapter is a function of their interest or belief in the accounting standard.

In another vein, Saleh et al. (2023) examine the bases for implementing IPSAS as well as challenges and issues around it, especially among developing economies. By using archival method, the study categorised challenges facing IPSAS implementation into three which are; resources such as availability of competent finance and account staff, sound information, and telecommunication facilities; accounting and reporting concerns which include measurement and recognition of elements of financial statements; and human factor which has to do with commitment of the management to ensure its success. This study further helps to unveil additional factors behind IPSAS adoption and implementation. It reveals that implementation of the accounting standard is contingent on availability of certain required infrastructure and human competence. All these require humongous amount to put in place. This perhaps suggests basis for reluctance in adopting or implementing the standard, as well as lack of full compliance.

Following cultural dimension put forward by Hofstede, Gomes dos Santos and Albuquerque (2024) made attempt to assess certain factors that explain convergence to IPSAS among 166 countries that either adopted or adapted the standards by including country-based macroeconomic and contextual parameters. Outcomes of the probit and logistic regression performed show that indebtedness levels and collectivism are factors that explain convergence to IPSAS. Also, Chatti et al. (2024) made effort to address identified gap in empirical studies that are cross-country in nature by exploring the association in-between IPSAS adoption and economic, socio-political, and technological systems. Based on quantitative methodological approach, the results shows that contextual, organizational and external factors that public sector operates drive IPSAS adoption. This also reveals that aside from entity-specific factors, there are some dynamics beyond the control of government entities influencing its ability to embrace the tenets of IPSAS.

Succinctly, the extant studies reviewed here show that there are varying degrees of compliance with the disclosure demands of IPSAS and no full overall compliance was recorded. Furthermore, its adoption was majorly informed by contingencies, coercion (perhaps because of indebtedness), imitation, lack of infrastructure and proficient human resource, or quest to improve on the quality of the public sector financial management. Though responsible factors differ among nations, developing economies present mimetic ground for adopting the accounting standard, while weak trainings, depth of competent hands and infrastructure hinder its enhanced compliance. These are expected to draw the attention of accounting standard setters in order to identify the issues and attenuate it.

### **Influence of IPSAS on Accountability, Transparency, and Corruption**

Part of the concerns that IPSAS was intended to address are accountability and transparency, as well as corruption among others. The standard was also expected to be more informative to support information need of diverse users of accounting information. However, there are

conflicting outcomes of the impact of IPSAS adoption and implementation on public sector financial reporting and management. According to Kartiko et al. (2018), accrual IPSAS strengthens fiscal transparency when accrual accounting policies are prioritised over its commitment and completeness of reports. Since fiscal transparency is one of the core issues confronting public sector (Oriol & Ferreira, 2025), especially in the developing economies, then it can be inferred that IPSAS has inherent quality to attenuate identified lack or inadequate fiscal transparency.

As a case, Abimbola et al. (2017) assessed the impact of IPSAS on transparency, corruption reduction and financial accountability in selected local governments in Oyo state, Nigeria. By using survey research design to elicit primary data from 105 internal auditors and accountants in the local governments, the study noted improvement in transparency, accountability and reduction in corruption level upon IPSAS adoption based on chi-square analysis performed. However, the study was limited to selected local government and subjective idea of the targeted population, which was while Bellanca and Vandernoot (2013b) previously advocated for the incorporation of additional data, blended with more extensive analysis, using secondary data.

Idoko et al. (2018) tested the correlation that subsist between IPSAS, and accountability and transparency in the Nigerian public sector using data obtained from selected respondents from the Central bank of Nigeria and office of the Auditor General for the Federation. The study documents strong correlation, suggesting that IPSAS adoption increases the degree of accountability and transparency attained. Atuilik and Salia (2019) examined the influence of IPSAS adoption on accountability and transparency in Liberia public sector. Findings based on primary data source revealed that IPSAS enhances the extent of accountability and transparency in the country's public service regrading public funds, although other factors such as revenue leakage and improper disclosure of expenditure were identified as still hampering the level of accountability.

Additionally, Muraina, and Dandago (2020) employed survey design to investigate the effect of IPSAS implementation on financial reporting quality in Nigeria. By using partial least square-3 method of analysis, the study noted that IPSAS improved accountability level, thereby enhancing financial reporting quality in Nigeria. This could have probably confirmed the submission of **Ohaka's** et al. (2016) *ex ante* based finding that adopting IPSAS has enormous potential to improve accountability and transparency in the Nigerian government's financial management using primary data. Contrarily, Olaoye and Talabi (2018) noted that application of accrual-based IPSAS has not improved financial management, revenue generation, foreign direct investment and reduction in corruption in Nigeria, based on primary data obtained from Ekiti state, Nigeria. Even though Muraina and Dandago's (2020), Ohaka et al. (2016), and Olaoye and Talabi's (2018) studies were carried out in Nigeria, subjective survey method was used, leaving room for further studies that rely on secondary data source, and also measure the level of compliance with IPSAS.

According to Cuadrado-Ballesteros et al. (2020), embracing IPSAS as part of government accounting reforms increases accountability and transparency with improved information

disclosure thereby attenuating corruption among 33 OECD countries examined between 2010 and 2014. Also, Erin et al. (2016) found that IPSAS adoption increased financial reporting quality based on information obtained through a survey of 164 staff in the account departments of Lagos state ministries in Nigeria. On the contrary, a survey conducted by Enofe et al. (2017) in Nigeria comprising respondents from federal, state and local governments revealed that positive association exists between implementation of IPSAS and corruption. That is, as more IPSAS is implemented, corruption level increases. This is not an evidence to only establish that IPSAS has been implemented in Nigeria, but that it has confounding impacts on corruption.

In a bid to confirm the general belief that adoption and implementation of improved quality accounting standard enhance accountability through improved financial reporting quality, Hamed-Sidhom et al. (2021) examined the effect of IPSAS adoption on official development assistance beneficiary nations. The study covered 2015 to 2018, and 168 country-year observations were drawn to perform panel regression analysis. The finding suggests that adopting IPSAS has capability to influence perceived corruption level. However, Atuilik (2013) found no significant difference in corruption perception level between developed countries that have adopted IPSAS, and developing nations where IPSAS has not been adopted, using corruption perception index metrics. Furthermore, Atuilik (2013) recorded significant difference in the perception level between developing nations that have adopted IPSAS and those that have not adopted the standard. This further suggests that IPSAS adoption may not necessarily improve public entities' financial reporting quality, probably its extent of compliance matters. But, the submission of Atuilik (2013) is antithetic to that of Tawiah (2021) who noted that adoption of IPSAS helped to curtail corruption in developing economies especially in nations where accrual-based IPSAS is fully adopted, using data drawn from 77 developing nations from 2005 to 2017. Further on possible impact of IPSAS, Tawiah (2023) examined the influence of IPSASs adoption on transparency and accountability as measures of quality of governance using panel data obtained from 107 developing and developed economies. The study documents positive significant effect of IPSAS adoption on governance quality which implies that IPSASs adoption enhances transparency and accountability between government and members of the public, but it is more pronounced in developing nations. Furthermore, Ben Slama and Jandoubi (2024) made attempt to provide insight regarding the acclaimed impact of IPSAS on perceived level of corruption and public governance including transparency and accountability in developing countries from Middle East and North Africa, as well as sub-Saharan Africa. Data were obtained from 36 countries from 2010 to 2020. Results based on multivariate analysis depict that IPSAS adoption enhances accountability and transparency with decline in perceived corruption.

Also, Tawiah (2023) explore 77 developing nations to ascertain whether IPSAS enhances or represses corruption in the sampled nations during a period from 2005 and 2017. Findings based on system generalised method of moments show that IPSAS implementation has significant negative association with corruption which implies that IPSAS helps to reduce corruption and it is more pronounced among nations that have adopted accrual-IPSAS. Equally, Yassine et al. (2024) investigate the impact of IPSAS adoption on accounting information issued in Morocco as a single developing nation. The study employed Bibliometric analysis by using VOSviewer

tool. It was documented that IPSAS implementation aids transparency and good quality of financial reporting, provides improved accounting data for accountability, financial management, and decision making.

Rompotis and Balios (2025) examined progress on IPSAS adoption with a view to identify benefits derived and highlight the differences between IPSAS and IFRS. The study notes that IPSAS has improved the quality of accounting information issued under it, enhanced accountability and transparency as well as decision-making process, boost trust in public finances, but a lot need to be done to ensure its global acceptability.

Masoud (2025) embarked on a study similar to that of Tawiah (2023) but by comparing 69 IPSASs adopters to 104 non-adopting nations across the globe using a panel dataset that span from 2000 to 2022. Effects of IPSASs implementation on public sector accountability, transparency and financial performance were examined and the findings revealed improved transparency and accountability in the public sector. However, unlike Tawiah (2023), Masoud (2025) records increased benefits to developed economies that adopted the accounting standard than developing nations who experienced lesser benefits such as improved governance and reduction in corruption. But, the benefits are more evident in the economies with strong institutional frameworks. This underscore the importance of the strength of established institutional framework as moderating factor regarding the influence of IPSAS in enhancing accountability, transparency and reducing corruption. Thus, it is not sufficient to adopt or implement IPSAS; it is equally very germane to install supportive institutional framework like legal support.

Furthermore, in the Latin America, Lira et al. (2025) examined whether adoption of accrual-based IPSASs helps to tackle perceived corruption using a longitudinal design and panel data covering 19 nations for a period from 2010 to 2020. It is observed that IPSAS adoption helps to reduce perceived corruption in the sampled Latin-American nations.

Maali and Morshed (2025) investigate possible influence of IPSAS adoption on corruption control and governance quality in Italy, Portugal and Spain, as well as mediating role of legal systems, anti-corruption measures and political stability. The study employed Partial Least Squares Structural Equation Model (PLS-SEM) to reveal that the use of IPSAS to fight corruption and improve public governance varies across institutions and implementation stages. Specifically, the study records that full adoption of IPSAS improves public governance and reduce corruption as noted in Spain; partial adoption leads to moderate improvement as obtained in Portugal; while none adoption shows poorest outcome as noted in Italy. But institutional frameworks play significant mediating influence in the relationship.

### **3. Methods**

This study engaged systematic review of relevant literature on IPSAS adoption, implementation, extent of compliance, implications, and effects or impacts of IPSAS adoption/implementation. Reviewed studies covered a period from 2010 to 2025. Unlike Schmidhuber et al. (2022) that

focused on IPSAS-based studies published in web of science, Wiley and EBSCO, the current study is significantly different as it captures other peer-reviewed studies published by other reputable journals indexed in google scholar. Thus, the relevant studies were identified using IPSAS, International Public Sector Accounting Standards, extent of compliance with IPSAS, IPSAS adoption/implementation and effect/impact.

#### **4. Discussion of Findings**

According to Schmidhuber et al. (2022), IPSAS was meant to enhance comparability of financial information across international boundaries and also reduce indifferences among national generally accepted accounting principles. However, an evidence based on studies reviewed shows that insignificant number of studies focused on comparison of IPSAS implementations among nations beyond a period around the year of adoption, especially in developing nations. This is very essential in order to unveil the way and manner in which IPSAS has enhanced the quality of financial statements among nations, particularly regarding comparability as a measure of enhanced qualitative characteristics of financial statements. This is also of utmost importance to the accounting standard setters and multinational creditors.

Furthermore, regarding level of adoption and implementation, though increasing number of countries adopt/adapt the accounting standard, several factors hamper its continued adoption and implementation. These are human factor (such as extent of knowledge on IPSAS acquired, and a notion that it is not indigenous based), cost implication, technological architecture, and cultural belief. The implication is that for IPSAS adoption and implementation to be enhanced, the accounting standard setters should move towards expanding knowledge on essence of IPSAS, particularly accrual-IPSAS and its disclosure requirements; ensure improved involvement of representatives in developing and developed economies in setting the accounting standards; provide funding support through the multinational lending bodies in form of grants; and engage in periodic re-orientation of the nations that are highly sensitive to change in cultural belief. Assured support and inclusive stakeholder engagement in the process are foreseen to enhance the level of implementation of the accounting standards.

The reviewed literature equally show that no full compliance has been recorded in prior studies. This could have been as a result of several factors such as extent of knowledge gathered by the adopters of the standard and preparers of the financial statements, accounting software in use, resistance to change, lack of supporting legal framework, non-existence of punitive measure, and conditional adoption. IPSAS is supposed to be an accounting standard to be embraced and complied with by the concerned preparers of financial statements. However, failure to provide a legal back-up for it could result to partial compliance since there is no established law or statute under which any erring reporter could be punished. This expresses the importance of adequate legal support for the accounting standard to be well embraced by the preparers of financial statements. Also, the mimetic attitude and indebtedness of some adopters are potential drawbacks to consistent compliance in the long run.

Since IPSAS is structured in a way to make financial statement more informative and it also embraces accrual principle, transparency and accountability are expected to be enhanced. Although most of the studies reviewed show that IPSAS have improved transparency and accountability in the public sector financial reporting, confounding submission exists regarding its ability to reduce corruption. The implication is that IPSAS has not been able to eradicate manipulation of financial data despite its acclaimed enhanced transparency and accountability. Its failure to curtail corruption in some area is an indication that its ability to enhance uniformity, easy detection of fraud, support for audit and regulatory oversight is in doubt. This has strong policy implication for the standard setters and potential adopters, especially the developing economies.

Succinctly, IPSAS is here with us to redefine and is already redefining public sector financial reporting. Empirical studies and reviews are being conducted to exhume its implications. However, it cannot be generalised that IPSAS has completely improved financial reporting quality in the public sector as well as meet stakeholders' information needs. It is equally obvious that most of the existing studies reviewed employed subjective primary data.

## **5. Conclusion**

This study was a systematic review of extant studies on IPSAS. More attention was accorded studies that focused on the developing nations. The aspect of IPSAS considered in the study are its adoption/implementation, extent of compliance, and effects on public sector financial reporting. Concisely, the study found that there is no full compliance with IPSAS disclosure requirements yet which could be as a result of coercive and mimetic conditions surrounding its adoption or implementation, especially in the developing nations. Also, its increasing adoption or implementation is hampered mostly by factors such as costs of adoption, cultural belief, and inadequate knowledge. In addition, acclaimed improvement in transparency and accountability as a result of IPSAS adoption is fraught with its inability to tame corruption. This invariably suggests that the acclaimed transparency and accountability potentials of IPSAS are questionable. Thus, the study concludes that IPSAS is yet to be fully embraced by the expected adopters as this has resulted to its inability to reduce or eradicate corruption completely in developing nations. This outcome suggests policy insight for the local and international standard setters. Hence, the study recommends future study to explore the extent of compliance with all IPSASs in issue with a focus on specific country, common economic region, and/or comparison between developing and developed economies using content analysis. It is equally important to validate existing findings by employing empirical investigation using secondary data to extend knowledge on implication of the accounting standard.

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