
**Intergovernmental Working Group of Experts on International
Standards of Accounting and Reporting
(ISAR)**

**39th SESSION
1 – 3 November 2022**

Wednesday, 2 November 2022

**Agenda item 4. Review of practical implementation of
international standards of accounting and reporting in the
private and public sectors**

Presented by

Jorge Gil
Group of Latin American Accounting Standard Setters

*This material has been reproduced in the language and form as it was provided.
The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.*

Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) - Thirty-ninth session - 1 to 3 November 2022

Agenda item 4. Review of practical implementation of international standards of accounting and reporting in the private and public sectors



Created in July 2011

**Grupo Latinoamericano
de Emisores de Normas
de Información Financiera**

**Group of Latin-american
Accounting Standard Setters**

Jorge José Gil – Chairman – (Facpce Argentina)



Grupo Latinoamericano
de Emisores de Normas
de Información Financiera



**I am chairman
of GLASS, which
aims to achieve
a single voice
for Latin
America before
the IASB and
the ISSB.**

**My answers will
refer to the IFRS
and IFRS for
SMEs
framework and
not IPSAS.**



1. Are there barriers limiting the further adoption of IFRS and IPSAS worldwide?

In Latin America we have a good percentage of adoption of IFRS and IFRS SMEs among the countries.

The problems are not observed in the adoption (although the general scheme can be improved), but in the implementation and control of its application.



2. To what extent have the benefits of adopting IFRS and IPSAS been realized? ?

Practical benefits for companies are observed because:

- their financial statements are understood in most parts of the world,
- they have achieved a reduction in the cost of preparing financial statements;
- in the profession: the conceptual framework of these standards is unified,
- in professional bodies in their training approach.



3. What are some of the key lessons learned with regard to the regulatory, institutional, and human capacity-building aspects of the implementation of IFRS and IPSAS? ?

Adoption processes must be gradual and complete.



Adoption in SMEs requires a specific analysis in each country. It must seek to solve the main needs of companies and the Government, which generally begin by transforming them into formalized companies.



Institutions must prepare their human resources and modify their processes to achieve a virtuous circle that begins with obtaining FS with IFRS or IFRS for SME



Human resources must be adequately prepared to understand:

- a) the economic reality of the transactions,
- b) the separation with tax information



3. What are some of the key lessons learned with regard to the regulatory, institutional, and human capacity-building aspects of the implementation of IFRS and IPSAS? ?

University education must be updated.



Continuous further training must be a condition for the participants.



Lack of participation of the interest groups in the periods of consultation of the standards.



Lack of dissemination and training in the practical aspects of the new standards and changes.



Lack of requirements to act as auditors.



Incomplete curriculum in universities.



4. Are there areas that require further capacity-building in member States, to facilitate the implementation of IFRS and IPSAS? ?

- The regulators and supervisors of the Government to be able to control the application of the standards.**
- Understanding the conceptual framework of standards.**
- The identification of the economic reality and not the instrumental one.**
- The separation of the General EF that those who are prepared to determine the taxpaying capacity.**



Grupo Latinoamericano
de Emisores de Normas
de Información Financiera



5. How can the Intergovernmental Working Group of Experts further its work with the Accounting Development Tool to support member States in the practical implementation of IFRS and IPSAS?

**The mentioned
tool is very
useful. I
recommend:**

- a) Continue to interest the countries (particularly in Latin America) in their application and prepare action plans based on the conclusions obtained.
- b) Work with other international organizations in a coordinated manner because there may be overlapping efforts (such as the ROSC of the World Bank)



Grupo Latinoamericano
de Emisores de Normas
de Información Financiera



PREGUNTAS



COMENTARIOS

