

EUROPEAN PUBLIC SECTOR ACCOUNTING STANDARDS (EPSAS)

The need for more rigorous, transparent and comparable reporting of fiscal data became a priority following the sovereign debt crisis. In 2011 the European Council issued [Council Directive 2011/85/EU \(the Budgetary Frameworks Directive\)](#) setting out the rules on Member State budgetary frameworks necessary to ensure compliance with the Treaty obligation to avoid excessive government deficits. This Directive requested the Commission to assess the suitability of the International Public Sector Accounting Standards (IPSAS) for the Member States.

In 2013 the European Commission presented the report [“Towards implementing harmonised public sector accounting standards in Member States – The suitability of IPSAS for the Member States”](#) to the Council and the European Parliament. This report, accompanied by a [staff working document](#), was based on information received through consultations with Commission services, international organisations, Member States’ experts and other interested parties. The report concluded that, even if IPSAS cannot be implemented in EU Member States as it stands currently, the IPSAS standards represent an indisputable reference for potential development of [European Public Sector Accounting Standards \(EPSASs\)](#), based on a strong EU governance system.

Two EPSAS task forces have been established by Eurostat, the statistics office of the European Commission, Task Force EPSAS Governance and Task Force EPSAS Standards. Task Force EPSAS Governance was created to exchange views with the Member States’ authorities on possible future governance arrangements and underlying key principles of EPSAS. Task Force EPSAS Standards was created to exchange views with the Member States’ authorities on technical aspects of the standards. The Treasury Department is representing the Maltese Authorities on these task forces.