

The significance of modernizing public accounting in Algeria to save public funds in conformity with International Public Sector Accounting Standards (IPSAS)

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Abstract:

This research sought to determine the significance of the public accounting reform project in Algeria with worldwide accounting standards for the public sector as a requirement for unifying accounting processes and protecting public funds, using the French experience as a model. To accomplish this study, we used a descriptive and analytical technique.

Among the most significant outcomes: The Algerian government has made significant efforts to improve its public accounting system in conformity with international norms, and it encourages the preservation of public finances.

Keywords: public accounting, International Public Sector Accounting Standards, Modernization project, preserving public monies, French experience.

JEL Classification Codes: M41; M48; N4

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Introduction:

International public sector accounting standards aim to modernize public accounting. In the early 1980s, several efforts were made to develop international foundations for the public accounting profession in order to move it closer to financial accounting. The Public Accounting Standards Board was formed before being superseded by the International Accounting Standards Board in 2004. For the public sector (IPSASB), this board aims to serve the public interest and protect the state's public funds from embezzlement and financial corruption by promoting transparency and full disclosure of financial information, thereby facilitating the implementation of oversight.

Algeria like other countries, sought to gain these benefits by implementing several reforms to its public accounting system through a project to modernize public accounting with the assistance of a French consulting office interested in reforming public accounting, with the primary goal of adapting the local accounting system to the international reference IPSASs, given that France was a pioneer in this region. However, this project has yet to be implemented and has remained imprisoned in amendments and additions for a variety of reasons, including a lack of political will, as well as the absence of an independent body with broad powers and authority to monitor and accompany the project's implementation, as it is regarded as a qualitative leap toward the application of the accrual basis to public accounting.

The problem:

Is Algeria's public accounting system compatible with International Public Sector Accounting Standards (IPSAS) for modernization projects?

Hypotheses:

Algeria adopted international accounting standards for the public sector to improve its accounting system and safeguard public funds from theft and administrative corruption.

Importance of the study:

This research report highlights how international public sector accounting standards improve financial information quality and trustworthiness.

The report demonstrates how Algeria aims to capitalize on the economic benefits of implementing these standards.

Study technique:

We used a descriptive technique to provide concepts and an analytical approach to analyze the feasibility of modernizing public accounting projects to meet international standards.

Firstly. The theoretical foundation for the research:

1. Generalities in public accounting:

1.1. Public accounting is defined:

as a system of laws that control the collecting of public funds, distribution for government purposes, and publication in regular financial reports, This accounting concentrates on the legal and financial management of government revenue and expenditures (Muhammad Al-Saleh Baloul & Miloud Abboud, 2019), as well as decision-making (Khabaiti Kheidar & Mona Younis, 2016, p. 03), According to the Algerian legislator, public accounting is a set of legal rules that establish how to carry out and supervise the state's accounts and operations of revenues and expenditures, as well as the councils associated with them, attached budgets, local community budgets, and administrative public agencies. He did this by referring to Law No. 90-21 of August 15, 1990, in its first and second paragraphs. This legislation also addresses the duties and obligations of public accountants and those responsible for disbursements. (Official Gazette, Law No. 90-21 relating to public, August 15, 1990, p. 1132) .

-Our aims match with the aforementioned definitions, including monitoring national money to avoid theft and manipulation, and supplying vital data for the state budget.

- Presenting the state's actual financial situation at the conclusion of each fiscal year and giving the data required for financial planning. (Hakim Baradiya, 2016, p. 04)

1.2. Organizations that benefit from the outcomes of public accounting:

-Legislative authority monitors government entities' compliance with laws and resource allocation;

- Executive power involves evaluating administrative unit performance, identifying anomalies, and following planning and decision-making procedures;

- Senior management evaluates performance, identifies variances and reasons, and makes informed choices;
- Investors should evaluate the government's financial status, commitments, and ability to meet them;
- Scholars and researchers are completing and increasing public finance studies and research;
- Public: Assuring taxpayers that their representatives allocate funds in a way that promotes tax knowledge. (Acha Fatima, 2022, p. 36)

2. Generalities about international public accounting standards

2.1. The International Accounting Council defines international public sector accounting standards:

as a set of guidelines that professionals use to reduce variation and harmonize public sector accounting records across national borders (Brusca & Martinez, 2016, p. 14) , These standards are informational in nature and are utilized by all levels of government, including local and regional, as well as worldwide public bodies and organizations (Lalaibiya Malik & Rizqin Abboud, 2016, p. 06) , to supplement the financial accounts of public-sector institutions State and municipal governments, as well as their councils, colleges, and hospitals, are examples of public-sector institutions Public economic institutions are excused from using these requirements because they are subject View Public Sector Accounting Standards Across the Globe The International Accounting Standards for Financial Reporting (IAS/IFRS). (Andreas Bergmann, Giuseppe Grossi, Iris Rauskala, & Sandro Fuchs, 2016, p. 09)

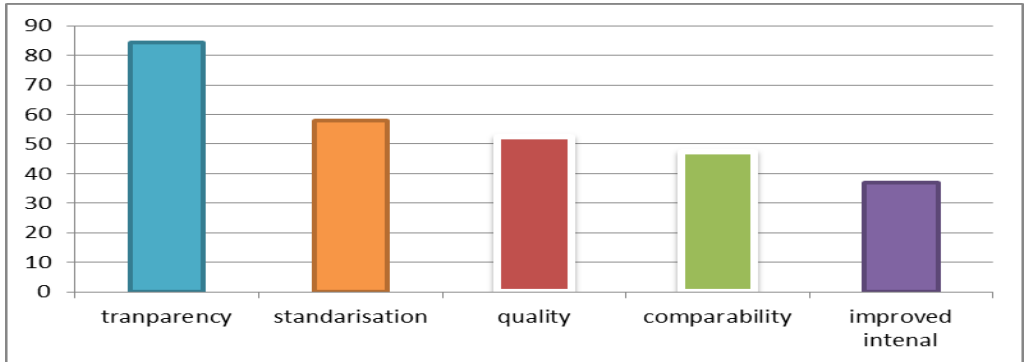
2.2. The International Public Sector Accounting Standards (IPSAS) classification:

The IPSAS standards for handling state accounts are divided into the following categories based on their area of expertise:

- Requirements for state budget: The assets are as follows: The liabilities are dated 05-19-25, and the management account criteria are 34-35-36-37.
 - Field application standards: 32-26-15-20-18-10-04;
 - State consolidated accounts standards: 24-22;
- Additional criteria discovered: 32-26-15-20-18-10-04. (Elena Alina Colbea & Elena Hlaciuc, 2021, p. 04)
- Ijeoma and Oghoghomeh's 2014 study found that implementing IPSASs led to higher projected interest rates due to greater financial

transparency (84.2%) and uniformity Harmonization and consistency (57.9%), quality (52.6%), comparability (47.4%), increased internal controls (36.8%), and other advantages are shown in Figure: (oghoghomeh tjeoma.N.B, 2014, p. 21)

Figure number (01): The most major benefits predicted from using IPSAS.



Source: Prepared by researchers based on Ijeoma and Oghoghomeh, 2014, p25.

Note: International accounting standards offer significant benefits for the public sector, but adoption remains a challenge, especially in developing countries:

➤ **Benefits of public sector adoption of international accounting standards:**

- High-quality financial management enables comparability, understanding, and adaptability in reaction to globalization;
- It also tightens financial control over state property to avoid corruption;
- Develop unified answers to global concerns;
- Maintain responsibility through accurate and objective data. (Tobias Polzer, Giuseppe Grossi & Christoph Reichar & Giuseppe Grossi & Christoph Reichar, 2021, p. 13)

➤ **International accounting standards have downsides for the public sector:**

- including their inability to be used globally and the requirement for a diverse selection of accounting solutions;
- The high scientific and professional level of the standards' contents belies the variations in educational attainment between nations;
- National laws must be amended to implement these standards;
- The IPSASB faces political pressure during standard-setting and amending processes;

- Political and economic systems that differ between industrialized and developing nations. (Adhikari, P, Kuruppu, C, & Matilal, S, 2013, p. 15)

Secondly. The significance of Algerian public accounting being updated to meet international public sector accounting standards requirements:

With its conceptual framework, international accounting rules known as the International Public Sector Accounting rules (IPSAS), published by the International Public Sector Accounting Standards Board (IPSASB), and purely managerial characteristics, modern public accounting has advanced remarkably:

1. Algerian requirements for adopting international public sector accounting standards:

To use international public accounting standards in Algeria, the following conditions must be met:

1.1. Requirements for adopting international public sector accounting standards: Because the Algerian government's accounting system has many flaws, including a lack of a thorough and transparent representation of the state's financial assets, it must be updated to meet international standards: (Doisy Abdul-Jabbar, (12/20/2022), p. 08)

- **Changing laws to comply to international public sector accounting standards:** Algeria's public accounting reform requires a change in public sector laws. This encourages discussion and broadens the area through ideas, theories, and concepts, all of which contribute to a seamless and adaptive transition to international standards; (Ghareeb Boulrabah & Laila Rima Haidoub, 2014, p. 10)

- **Accounting measuring mechanisms must be modified:** Specifically, the cash basis, which does not permit the disclosure of accounting information, must be replaced by an accrual basis, which gives the fiscal year moral character and its own financial liability; (Acha Fatima, 2022, p. 75)

- **Greater power decentralization:** To improve the effectiveness of oversight and performance at the body level, the state must reduce power concentrations and distribute the load among regional and local institutions. This is because each unit has a different goal, resulting in a variety of duties and programs (Ben Raho kada, 2022 , p. 68)

- **Employee training in the public sector:** To assist the transition to the accrual basis, which allows for the adoption of global public sector

accounting standards, guardian bodies must offer accountants with training; (Walid bin Turk, 2023, p. 07)

- **Decision-makers' political support:** Due to the considerable cost and financial resources required to complete the adoption, Algeria must receive support from pertinent parties, including the legislative and executive authorities, in order to transition to international public sector accounting standards; (Abdos Iman, 2018, p. 09)

- **Striking to offer public-sector entities access to modern technologies:** Bringing technology into government enterprises improves financial data accuracy, accelerates standard acceptance, and makes accounting adoption more flexible. (Samira Bouakaz, 2023, p. 08)

1.2. The significance of adopting global accounting standards for the public sector:

- Improving financial data standards for international comparability;
- Using the accrual accounting system for government organizations provides a comprehensive view of public finances;
- Doubling the level of oversight over regional and local organizations, which helps to keep public funds under control, protect state property from manipulation, and reduces the likelihood of financial corruption. (BENCENNA Nacer, 2022, p. 06)

2. The significance of global public sector accounting standards for the advancement of Algeria's public accounting framework:

Worldwide accounting standards for the public sector are vital in establishing and modifying Algeria's public accounting framework to be consistent with worldwide systems.

2.1. Project preparation agreements: To benefit on France's expertise in accounting reform, Algeria agreed to engage with a French consulting firm (GIP-ADETEF) to design a project to restructure its accounting system. It was decided that the project would span four years, with the start of work set for February 2005 and ending in April 2009. In addition to the project team, which was represented by the Ministry of Finance's General Administration of Accounting, an administrative task force was formed. (Bouabbana fethia, 2020, p. 07)

➤ **Objectives of the modernization project:**

Algeria attempted to establish a set of goals for the new accounting framework following the identification of the preliminary studies. These goals are as follows:

- To record the state's established rights and duties, accrual accounting is intended to replace cash accounting;
- The objectives are as follows: - It seeks to bring Algeria's accounting system into line with international public sector accounting standards;
- It seeks to improve the reliability of financial data and how it is presented to users;
- It seeks to stay up to date with the recent economic reforms and changes that Algeria has experienced. (Khalaf Allah bin Youssef & Maash Qwaider, 2022, p. 12)

2.2. Second Partial Title : Evaluating the modernization project in Algeria:

After the agreements reached to modernize the system according to the agreed objectives, the phase of designing the operational and organizational framework for the new system began, as shown in the following table:

Table N°1: Preliminary assessment of the upgrading project

Study elements	beginning of the study	End of study	Study content
Report on the beginning of work.	15 February 2005	01 April 2005	Examine numerous contractual and administrative elements to decide the starting point Beginning work and declaring it by delivering a start-of-work report
Report on the start of the test presentation of reform principles.	01 April 2005	30 July 2005	Identify and develop several tests for public accounting system change, and propose them for comment.
Expense cycle selection report.	01 August 2005	01 November 2005	Create a conceptual foundation for different parts of the system.
Flow Report	01 July 2005	01 February 2006	Studying applications and methods of work, studying the work system and drafting the book of conditions for the supplementary system

			(March and July 2005), proposing a system of control and audit of state accounts, and registering data for the new system related to all officials' tasks and responsibilities.
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Source: ministère de finance, « plan comptable de l'état, Rapports mensuel », N°30, direction général de comptabilité, Algérie, décembre 2007, p 36

Note: Table 01 shows that the system was evaluated from To design a plan that facilitates the transition from the old system to one that corresponds to the International Public Sector Accounting Standards, Also work on a handbook to international standards and an accounting method It is regarded as a framework for defining how to run and account for Government units.

➤ **Introducing the global public sector accounting standards that Algeria's modernization effort has adopted:** In the context of what is known as the fragmentation of international standards, in which the body in charge of the modernization project studied international and French standards and selected a mix of international standards, a guide was drafted containing a set of accounting standards for the public sector that are compatible with Algerian accounting reality. Furthermore, 17 appropriate standards were adopted, 12 of which were taken from international standards and 5 from French standards, in conformity with Algerian conditions. (Ministère de finance, 2013, p. 36)

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- These standards will be covered in the following table:

Table N°2: A list of international standards that Algeria's public accounting modernization initiative adopted

Standard number	Standard name	Standard number	Standard name
Ipsas01	View the financial data	Ipsas13	Lease Contracts
Ipsas02	Cash Flow Statement	Ipsas19	Provisions, obligations, and contingent assets
Ipsas03	Accounting policies and developments in Accounting estimations and mistakes	Ipsas12	Impairment of non-cash generating assets
Ipsas07	Investments in joint facilities (associate)	Ipsas23	Revenue from non-exchange transactions
Ipsas09	Revenue from exchange trades	Ipsas24	Show budget information in financial statements
Ipsas12	Inventory	Ipsas31	Intangible assets

Source: Prepared by researchers based on information provided by Mr. Musa Ezz El Din, Sub-Director of Modernization and Control of State Accounting Standards, Ministry of Finance, Ben Aknoun, Algeria, 14/11/2018.

Note: Algeria has adopted twelve international public sector accounting standards, as shown in the table above. The only argument for choosing these standards is that Algeria's accounting environment is ideal for them

Table N°3: List of French standards implemented as part of Algeria's public accounting modernization initiative

Standard number	Standard name	Standard number	Standard name
02	Burdens	10	Components of the state treasury
06	Financial assets	11	Term debts and financial instruments
09	Rights on current assets		

Source: Prepared by researchers based on information provided by Mr. Musa Ezz El Din, Sub-Director of Modernization and Control of State Accounting Standards, Ministry of Finance, Ben Aknoun, Algeria, 14/11/2018

Note: The chart above shows which French public accounting standards believed to be the most appropriate for Algeria's accounting environment were utilized in the initiative to rebuild the country's public accounting system.

➤ **The Algerian standards draft adopted the following essential standards:** The table below covers the planned public accounting standards that Algeria will use until September 2020:

Table N°4: Project-adopted public accounting standards

Standard number	Standard name	Standard number	Standard name
01	Presentation of financial statements	10	Intangible assets
02	Revenue from non-exchange transactions	11	Provisions, obligations, and contingent assets
03	Statement of Cash Flows	12	Revenue from exchange trades
04	Burdens	13	Inventory
05	Components of the state treasury	14	Lease contracts
06	Term debt and financial instruments	15	Impairment of non-cash-generating assets
07	Investments in associates	16	Accounting policies, estimations, and mistakes
08	Show budget information in financial statements.	17	Rights to present assets
09	Physical assets		

Source: (hassiani abdelhamid & bouabbana fethia , 2021, p. 11)

Note: The following highlights the features of this new state accounting system, which adheres to French and worldwide public sector accounting standards:

- The restricted state's accounting chart includes tables like the treasury flow table and statement of financial status, and establishes rights using the double entry principle.

- It also allows for the accrual basis for recording financial operations and the general budget.

• It's also worth noting that the state's new accounting system, which meets international standards, is being evaluated in 2018 and 2019 before taking into force as scheduled in 2020. (hassiani abdelhamid & bouabbana fethia , 2021, p. 12)

➤ **Identifying the last features of public accounting system modernization:**

This phase focuses on the last parts of milestones The new system is described in the following table:

Table N°5: Determining the final features of Algeria's modernization project

Study elements	begin ning of the study	End of study	Study content
Monthly report	January 2008	July 2008	Rewrite the book of terms for public spending
State Accounting Plan Guide	January 2008	Oct ober 2008	Studying the model that decides how to use the state's accounting plan
Draft texts	Janua ry 2008	Oct ober 2008	Drafting administrative papers and texts
State's accounting chart	Janua ry 2008	Mar ch 2008	Definition of the state's accounting plan and financial statements for this system
Draft texts	July 2008	Sep tember 2008	Definition of the state's accounting plan and financial statements for this system.
Repor ts related to training programs	Joan 2008	Sep tember 2008	Basic settings and programs are being prepared to support the project implementation process
Inter mediate Report	Septe mber 2008	Dec ember 2008	This report indicates how the initiative is being mainstreamed throughout all ministries
A monthly report	Dece mber 2008	Mar ch 2009	Strengthen the execution of prior reform recommendations
The final report.	April 2009		This paper describes the final design of the modernization project

Source : ministère de finance, » plan comptable de l'état, Rapports mensuel », N°30, direction général de comptabilité, Algérie, décembre 2007, p 37

Note: The table above has indicated the final features related to the overall structure of State accounting and numerous procedures. To begin the real implementation of the upgrading project.

Thirdly. IPSAS standards' contributions to the preservation of public money include:

When considering the efforts to develop public accounting and the issuance of IPSAS public sector accounting standards, as well as the disclosure and transparency policies that accompany their adoption, it appears that the primary goal is to establish accounting standards that are less complex and meet the renewed needs of business practices, government departments, and public institutions, as well as to enable the acquisition of quality information that meets the needs of its users, including disclosure. Early in the crisis, and because openness and clarity are fundamental components of governance in general, the implementation of IPSAS public sector accounting standards would strengthen and boost the efficacy of public fund governance. (Mohamed KHIDHER & Hamrit Rachid, 2023, p. 10)

1. IPSAS standards enable openness, accountability, and supervision in the public sector:

The modern concepts of the public accounting system provide a clear picture of how to dispose of public money using international public sector accounting standards, which contribute greatly to establishing the principle of transparency of the state budget and the credibility of financial statements at the end of the year, which contributes to rationalizing public money management and demonstrates the role of IPSAS standards. To promote transparency, accountability, and supervision in the public sector, the following measures are taken : (assia guemmon, 2021, p. 09)

2. Accrual accounting and its function in maintaining balance-sheet transparency:

Transparency in managing the budget of local communities, public bodies, and institutions is a key necessity to promote budget transparency, and one of the essential prerequisites and components of comprehensive and sustainable development in all development sectors. When these parties conduct their job in a transparent way, they work to publish all information linked to their expenditures and income, and include civil society in monitoring, executing, and managing its budgets

(Zouhair Chellal, 2014), while avoiding secrecy in the administration of public affairs this effort will enhance its supervision frameworks and prevent corruption and waste of public funds in it, and on the other hand, it will regulate with some precision its projections of the financial resources necessary in the next budgets, transparency also aids to identifying possible hazards surrounding public finance prospects, resulting in early and smooth steps at the public finance level to meet changing economic conditions and therefore lessen the frequency and severity of crises. It has been demonstrated that the level of public finance transparency can also aid in providing an indication of the extent of the country's financial credibility and in shaping market perceptions of the public financial performance record, which contributes to the country's financial and economic stability. (Boukfusa M'hamed & Tefali Ben Younes, 2022, p. 11)

- Given the inherent characteristics of government activity and its unique nature, adequate financial information must be provided and documented in line with precise and unambiguous laws to manage revenue estimation and rationalize spending. In accrual accounting, all revenues, costs, assets, liabilities, and property rights (net assets) are recorded when the appropriate economic activity happens, regardless of the time to transfer money, Preparing the budget on this basis also requires an intensive review and redesign of budgetary procedures, as well as a greater focus on parallel management and planning of liquidity to ensure that liquidity needs are closely taken into account at the planning stage and that caution is exercised in managing it throughout the fiscal period and the validity of the budget. Registration on an accrual basis is one of the prerequisites developing the state's general budget and promoting its openness, particularly since it delivers the following benefits: (Meziani Nouredine, 2019, p. 11)

- It depicts the government's genuine financial status, including financial entitlements and liabilities, as well as the actual worth of assets;

- Government expenditures are actually displayed based on the cost of using resources, not the value of their purchase;

- This enables for estimating the cost of actions and outputs generated by departments, ultimately determining their efficacy;

- Improves financial management and budgeting; (Hakim Baradiya, 2016, p. 8)

- Adheres to generally established accounting principles, such as International Public Sector Accounting Standards;
- It follows the financial and accounting standards established by international organizations such as the International Monetary Fund and the World Bank;
- Improved asset and liability management;
- Better financial planning to satisfy government commitments on time;
- Increasing uniformity and comparability across global countries, and improving reporting of government financial information in conformity with the International Monetary Fund's criteria;
- Assessing accountability for all resources under the government's control, as well as their allocation. (Boukfusa M'hamed & Tefali Ben Younes, 2022, p. 12)

3. International public sector accounting standards play an important role in combatting corruption:

adopting accounting standards in the public sector can reduce corruption by requiring clear measurement of revenues and expenses:

- This can be demonstrated through reports that promote accountability and responsibility.
- Tools for risk management and decision-making to improve behavior
- Performance measurement through comparison with similar institutions
- Account auditing to enhance credibility for financial statement users. (Bouabbana fethia, 2020, p. 11)

Fourthly. French experience in implementing public accounting standards:

Within the framework of the French experience regarding reforming its state accounting system and moving from the cash basis to the accrual basis, as this idea resulted in the issuance of the organic law LOLF related to the Finance Law on August 1, 2001, and through this section, we will review the stages that the reform of the public accounting system in France went through, the extent to which this system is moving towards adopting international accounting standards.

1. Administrative Reform Phase for Regional Bodies:

France's administrative structure underwent three eras of decentralization to reform regional authorities. Tasks were moved from the state to municipal and regional entities between 1982 and 1986, reducing the state's obligation and load. Then followed the period of solidifying cooperation among municipalities after moving a number of From 1986 to 2003, tasks from the state to regional authorities were outsourced to municipalities to complete, resulting in discrepancies in financial capacity, prompting the establishment of cooperation bodies between municipalities and regions, Finally (M'HAMED BOUKEFFOUSSA & Beyounes Tefali, 2022, p. 15), decentralization was constitutionalized between 2003 and 2015, which is seen as a significant step toward increasing decentralization. The constitutional amendment established a statute stating that France is an indivisible, secular, democratic republic with a central organization. Many cooperative entities were also established until the NOTRE legislation was passed, which mandated a new division of regional bodies with the goal of extending their functions, resulting in an administrative fabric that differed from what existed earlier. One of the most essential requirements of this law is that the state delegated a set of activities to regional bodies on the condition that these entities bear accountability while remaining consistent with the government's overall strategy. (Akram Shteh & Hakim Boujtou, 2019, p. 11)

2. Financial reform phase: Decentralization in France prompted a rethinking of the country's governmental finances. Here are some of the reforms:

- Managing discretionary expenses: Because moving work to various bodies will result in cost savings, they will have the ability to spend in any area. (Milot, j.-P, 2013, p. 21)

- Allowing regional bodies to freely spend public funds:

- The new amendment to public finances provided the state the discretion to use financial resources as needed to fulfill the amendment's purposes.

- Special levy for local bodies: This entails giving the bodies the ability to create or alter certain of the fees within their geographical scope.

•Borrowing: The legislation allows regional organizations the power to borrow from can meet their investing needs without relying on banks and others . (Khamisa Ibrahim & Bin Musa Kamal, 2020, p. 22)

3. Budget reform phase: On August 1, 2001, France enacted a new organic law, LOLF, related to the state's general budget it was implemented for the first time during the 2006 budget cycle, this statute has two axes one connected to the general budget and the other to the public accounting system, this law requires transitioning from: (Kissi Fadia, 2011, p. 18)

- Item budgeting to program budgeting the LOLF law assisted in shifting from the quantitative nature of expenditure to allocation with specific goals and expected results, through the application of indicators to evaluate performance in achieving results, and the most important aspect of the issue is the relative freedom to transfer appropriations from one program to another.

- The structure based on the nature of expenditure was replaced by another based on public policies, and the general budget was organized into three tasks:

•According to LOLF, the parliamentary voting unit is the highest in the general budget pyramid, collecting burdens associated with ministries and programs.

•Programs (Public Policy Implementation Unit) serve as a licensing unit for Parliament to transfer appropriations between programs.

•Activities (appropriations direction unit): appropriately depicts the direction of cash allocations. (Françoise Klein, 2005, p. 28)

4. The formation of the French Public Accounting Standards Committee (CNOCP):

It was declared in 2008 in an amended legislation dated December 30, 2008, following the merging of the National Accounting Council (CNC) and the Accounting Regulatory Committee (CRC) in 2007. The CNOCP is recognized as an advisory body that reports to the Ministry of Public Accounting.

4.1. CNOCP categorization under International Public Sector Accounting Standards (IPSAS) for the French environment:

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The CNOCP has categorized the international standards (IPSAS) based on how closely they resemble the requirements. This allows us to describe how well they work with French accounting in the following table.

Table N°6: ISPAS Standards Categorization by CNOCP.

Standards don't need to be amended	Standards that require modification based on the French environment	Standards must be adjusted for use in Europe.	Standards were abolished
-10-04-03-02 -14-13-12-11 27	-16-25-23-09-01-20 32-31-26-21-19-17	-28-08-07-06-05 30-29	24 -22

Source: Ministère du budget et des comptes publics, & CNOCP. (2011), rapport d'activité CNOCP. Paris

Note:The table clearly shows that the Public Accounting Standards Organization (CNOCP) examined the worldwide standards known as IPSAS. Based on the circumstances of the French public sector, the worldwide standards were divided into four categories. The table also led us to the conclusion that the French approach disregards the full implementation phase.

4.2. The yearly review and update of public accounting standards in France marks a gradual trend towards standards:

Public accounting standards were not extensively established and applied as part of the French public accounting reform and the change to the accrual basis in 2006, regardless of whether they were compliant with IPSAS. Rather, since the foundation of the CNOCP, the standards have been steadily created and applied, as shown in the table below Public policy in France and its conformity with the IPSAS. (Gutiérrez Ruiz, C, 2012, p. 25)

Table N°7: French accounting standards for the public sector and the degree of dependence on IPSAS standards

The year the standard was created	Standards developed from the IPSAS standards	
	French public accounting standards	IPSAS standard is based on it.
2004	Standard 01: Financial Statements	IPSAS01: "Presentation of financial statements IPSAS 02: "Statement of cash flows
	Standard 04: Operating revenues Government Interventions and Financial Revenues	IPSAS 09: "Revenue from transactions Mutuality
	Standard 06: Physical Fixings	IPSAS 17: Physical installations.
	Standard 11: Financial debts and instruments. Finance on time	IPSAS15: "Financial Instruments Presentation and Disclosure
	Standard 12: Nonfinancial Liabilities	IPSAS 19: Provisions, obligations, and contingent assets
	Standard 13: Obligations to be indicated in the appendices	
	Standard 14: Accounting techniques, changes in accounting estimates and mistakes	IPSAS03: "Accounting policies, changes in estimates and errors
	Standard 15: Events after the day of closing accounts	IPSAS14: "Events following the reporting date
French public accounting standards without relying on the IPSAS		
2004	Standard 2: Burdens, Standard 03: Sovereign Revenues Standard 5: Moral Stabilizations, Standard 07: Financial Confirmations. Standard 08: Stocks Standard 9: Rights and Assets Current, Standard 10 : Treasury Components	
2011	Standard 16: Segmental Information	
2013	Standard 17: Historic and Cultural Properties	
2015	Standard 18: Contracts for contributions to accomplishing a public service Standard 21: Quotas for greenhouse gas emissions.	

Source: (Khamisa Ibrahim & Bin Musa Kamal, 2020, p. 27)

Note: The table shows that France's reform of the state public accounting system was not a complete application of IPSAS standards, but rather a partial agreement through the adoption of certain standards based on them. France is still working towards convergence with IPSAS by gradually implementing new accounting standards, some of which are derived from IPSAS;

- France's public accounting reform is a long process that involves preparing and implementing new rules and alternatives in phases.

Conclusion :

This study dealt with the project of modernizing the public accounting system and the extent of its compatibility with international accounting standards for the public sector, as these standards rely primarily on the accrual basis. Some countries have begun applying these standards and others have begun preparing a draft accounting plan in accordance with international accounting standards in public accounting, from Among them is Algeria, where the implementation of the accounting plan was initiated in 2003, but it was frozen in 2007. A new project that is compatible with the financial accounting system will be prepared during 2004, as it is a major step toward implementing international accounting standards for the public sector. However, preparing the project can only be done through... Study the reality of the Algerian public accounting system currently and study the requirements for adopting international public sector accounting standards, as international public sector accounting standards seek to achieve an increase in the efficiency of the performance of institutions and develop systems that can mitigate or reduce fraud, conflicts of interest and unacceptable behavior, develop systems to monitor the performance of these institutions and establish a structure It determines the distribution of all rights and responsibilities and determines the rules, procedures and plans related to the workflow within the organization.

Among the most prominent results achieved are:

- The Algerian state has made great efforts to provide public accounting with a new accounting system that meets international standards and the needs of modern management, as well as to make the public accounting system flexible and responsive to accounting changes international;

- The current public accounting system requires an appropriate economic and financial environment to respond to the requirements of applying international public sector accounting;

- Responding to international public sector accounting standards is no longer an option for states to keep pace with modern developments, which allows states, especially the Algerian state, to enable representatives of the people to read clearly and transparently the state's revenues and expenditures;

-The International Public Sector Accounting Standards (IPSAS), which are largely inspired by the International Financial Reporting Standards, have become the universal accounting language recognized in various parts of the world, and can serve as a reference for national governments that wish to undertake reforms to apply the accrual basis and generally accepted accounting practices in private sector;

- The aim of issuing international accounting standards for the public sector is to develop accounting thought as an initiative to solve accounting problems, and this is through issuing accounting standards accepted at the international level that help reduce differences between countries;

-Public authorities in Algeria must pay more attention to public accounting and international public sector accounting standards and accelerate the implementation of the project to modernize the public accounting system;

- Improving public accounting in Algeria through the gradual application of standards and adapting them to the Algerian environment is considered necessary, considering that these standards will bring many advantages to public accounting and raise them to the global level;

- France adopted a gradual reform approach to implement it by moving from the accrual basis to the cash basis;

- Budgetary reform is necessary for an integrated reform in line with IPSAS standards by shifting towards program and performance budgeting;

- Administrative decentralization facilitates the initial shift towards IPSAS by dividing the tasks related to preparing the necessary ground

for accounting reform, and also facilitates the monitoring of financial operations;

- The necessity of forming a future body to follow up on the implementation of the project, whose goal is to follow up and supervise the various ministries participating in the process of applying international standards for the public sector.

Discussing hypotheses:

• **Hypothesis:** Algeria adopted international accounting standards for the public sector to develop its accounting system and protect public money from embezzlement and administrative corruption.

• **Analysis:** The study proved the validity of the hypothesis, as there are persistent and varying efforts by many countries to move towards adopting it. Among these countries are some that have reached advanced levels of implementation, and some are still in the stage of preparation and reform, such as Algeria.

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