

**IPSASB**

International Public  
Sector Accounting  
Standards Board®

# SUSTAINABILITY REPORTING IN PUBLIC SECTOR – IPSASB UPDATE

Ian Carruthers, IPSASB Chair (remote)

Ross Smith, IPSASB Program and Technical Director

PULSAR Meeting - Vienna  
December 3, 2024





# Project Background



## Public Sector Needs Sustainability Reporting

- Progress has been made on **corporate** climate reporting, but a significant gap remains for **sovereign entities**
- The capital-raising activities of which are not presently considered in existing public sector climate frameworks needs to be developed

## Proposals

- The IPSASB should lead the development of SR standards for the public sector;
- The first projects should be climate-related disclosures and general disclosure requirements; and
- This guidance needed to be developed with haste (stakeholders said they needed guidance as soon as possible)

# Building on private sector guidance



# Role of Public Sector in Climate



# Own Operations - Overview

## Own Operations



**Climate-related risks and opportunities that could affect the entity's day-to-day activities**



Includes all public sector activities such as service delivery, policy design and implementation



Expect to be applicable to **all public sector entities**

## Governance

- Oversight of climate-related risks and opportunities

## Strategy

- Strategy and decision-making, current and anticipated financial effects, climate resilience

## Risk Management

- Processes to identify, assess, prioritize and monitor climate-related risks and opportunities

## Metrics & Targets

- Scopes 1, 2, 3 GHG emissions based on GHG Protocol or other established methodology, and other metrics and targets

# Climate-related Public Policy Programs - Overview

## Public Policy Programs



### Climate-related public policy programs and their outcomes

Any public policy programs such as laws or regulation, taxes, subsidies, **with a primary objective to achieve climate-related outcomes**



Only required for **select entities responsible for outcomes** of climate-related public policy programs

## Governance

- Oversight of climate-related public policy programs and their outcomes

## Strategy

- Strategy and decision-making, anticipated challenges and financial implications

## Risk Management

- Processes to identify, assess, prioritize and monitor challenges to achieving outcomes

## Metrics & Targets

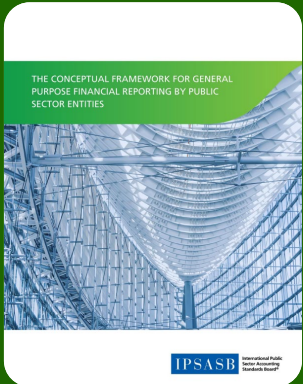
- Reasonably attributable change in GHG emissions and how it is progressing towards its targets, and other metrics and targets

# Materiality & Conceptual Foundations



## MATERIALITY

### Definition of materiality aligns with the IPSASB Conceptual Framework



*“In the context of climate-related disclosures, information is material if omitting, misstating or obscuring it could reasonably be expected to influence the discharge of accountability by the entity, or the decisions that primary users make on the basis of the entity’s general purpose financial reports prepared for that reporting period.”*



## FAIR PRESENTATION

Faithful representation of information



## REPORTING ENTITY

Same as the financial statements

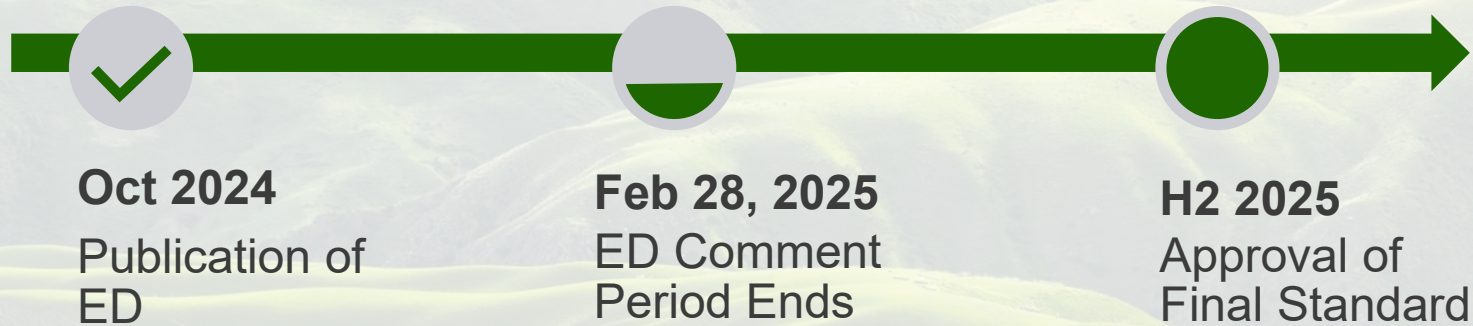


## CONNECTED INFORMATION

Between, within, and across disclosures



## Next Steps



- Deadline for comments is **February 28, 2025**.
- Respondents can submit their comments electronically through the IPSASB's website: [www.ipsasb.org](http://www.ipsasb.org)



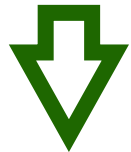
# Identification of Sustainability Priority Projects



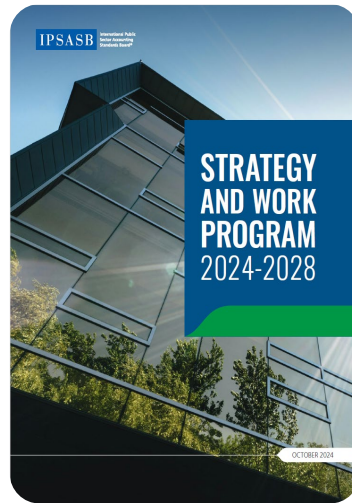
Mar 2023



Scoping assumptions



Important foundation and reference point for potential future projects



PREVALENCE



CONSEQUENCES



URGENCY



FEASIBILITY

Developing authoritative guidance based on RPG 1 and RPG 3

---

General sustainability-related disclosures

---

Nature-related disclosures



**Questions?**

