

THE IPSASB SEEKS COMMENTS ON SUSTAINABILITY REPORTING IMPLEMENTATION GUIDANCE PROPOSALS

Submit comments by January 16, 2023

Nov 03, 2022 | New York, New York | English

The International Public Sector Accounting Standards Board (IPSASB), developer of IPSAS®, international accrual-based accounting standards for use by governments and other public sector entities around the world, has issued a new Exposure Draft (ED) proposing additional guidance on how two previously published Recommended Practice Guidelines (RPGs) can be applied now by governments and public sector entities to report on sustainability program information. This is ahead of any decision on the potential development of a sustainability reporting framework for the public sector.

Released today for public comment, [ED 83, Reporting Sustainability Program Information —RPGs 1 and 3: Additional Non-Authoritative Guidance](#) aims to demonstrate how RPG 1, *Reporting on the Long-Term Sustainability of an Entity's Finances* and RPG 3, *Reporting Service Performance Information* can be immediately applied to report on sustainability program information. Additional Implementation Guidance is proposed, along with Illustrative Examples on such key topics as green bonds, carbon taxes, tax expenditures, and other programs developed to mitigate the effects of climate change and achieve the UN's Sustainable Development Goals. The proposed guidance is intended to support implementation of the key areas highlighted in the recent OECD paper [Green budgeting: A way forward](#). Like IPSAS, RPGs are intended to enhance the quality and transparency of public sector financial reporting by providing better information for public sector financial management and decision making. The IPSASB encourages public sector entities to follow RPGs when preparing their broader general purpose financial reports.

Concurrently with the release of this ED, the IPSASB is considering the responses it received to its recent [Consultation Paper, Advancing Public Sector Sustainability Reporting](#). It will decide whether and how to move forward in this area at its December 2022 meeting.

“Strong governance, good strategic and risk management, and accountability for the use of public sector resources are essential if governments are to play their parts in addressing climate change and sustainability more broadly,” said IPSASB Chair Ian Carruthers. “As we explore the potential development of a public sector sustainability framework, we urge governments and jurisdictions in the interim to look to the strong foundations for reporting on programs addressing both climate

change and the SDGs that the IPSASB has already provided in its RPGs. This is now more explicitly addressed through the proposed additional guidance in this ED.”

Comments on ED 83 are requested by January 16, 2023, and will be reviewed and discussed by the IPSASB and will help shape the final Implementation Guidance and Illustrative Examples added to the existing RPGs.

[Access the ED and its related At-a-Glance summary.](#)

About the IPSASB

The International Public Sector Accounting Standards Board (IPSASB) works to strengthen public financial management globally through developing and maintaining accrual-based International Public Sector Accounting Standards® (IPSAS®) and other high-quality financial reporting guidance for use by governments and other public sector entities. It also raises awareness of IPSAS and the benefits of accrual adoption. The Board receives support from the Asian Development Bank, the Chartered Professional Accountants of Canada, the New Zealand External Reporting Board, and the governments of Canada and New Zealand. The structures and processes that support the operations of the IPSASB are facilitated by the International Federation of Accountants (IFAC). For copyright, trademark, and permissions information, please go to [permissions](#) or contact permissions@ifac.org.

About the Public Interest Committee

The governance and standard-setting activities of the IPSASB are overseen by the Public Interest Committee (PIC), to ensure that they follow due process and reflect the public interest. The PIC is comprised of individuals with expertise in public sector or financial reporting, and professional engagement in organizations that have an interest in promoting high-quality and internationally comparable financial information.