



IPSASB[®]

ADB

2024 ADB Regional Public Sector Accounting Forum

2-3 October 2024

Fairmont Makati



Roberta Casali

Vice President Finance and Risk
Management, ADB



Helen Hall

Controller, ADB



IPSASB

International Public
Sector Accounting
Standards Board®

2024 IPSASB
ROUNDTABLE

2024 IPSASB REGIONAL ROUNDTABLE – ADB

October 2-3, 2024

Manila, Philippines

In the Room



Nor Yati Ahmad
IPSASB member
Malaysia



Sung-Jin Park
IPSASB member (incoming)
Korea



Rasmimi Ramli
IPSASB Technical Advisor,
Malaysia

IPSASB
STAFF



Ross Smith
Program and Technical
Director



Agustina Llambi
Senior Manager

AGENDA – Day 1

- 1 Event Introduction and Overview
- 2 IPSAS Implementation I
- 3 IPSAS Implementation II
- 4 IPSAS Implementation III
- 5 2024-2028 Strategy: Maintenance
- 6 Natural Resources
- 7 Presentation of Financial Statements
- 8 Application of IPSAS
- 9 Summary & Closing Remarks

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Roundtable_Asia

- Log into the Wi-Fi
- To participate in live polls:
 - Join at slido.com with #IPSASB2024Roundtable_Asia
 - Use the QR code on the left
 - No need to download an app.
- Insert your name to participate
- Your feedback will shape the future pronouncements

An aerial photograph of the Manila City Hall, a large yellow building with a green roof and a prominent clock tower with a red dome. The building is situated in a city with a dense skyline of skyscrapers in the background. A multi-lane highway with traffic is visible to the right of the building. The sky is hazy and orange from the rising sun. A semi-transparent rectangular box is overlaid on the center of the image, containing the text 'INTRODUCTION' and 'Presentation (5 minutes)'.

INTRODUCTION

Presentation (5 minutes)

About the Board

International Public Sector Accounting Standards Board

- The global public sector financial reporting standard setter
- Independent Board: 18 Board members from around World
- Activities funded by International Federation of Accountants (IFAC), ADB and sovereign governments

International Public Sector Accounting Standards (IPSAS)

- 39 Accrual-based IPSAS and 3 Recommended Practice Guidelines
- Guidance developed via inclusive, open and transparent due process
- Independent oversight under Public Interest Committee (representatives from WB, IMF, OECD and INTOSAI)



Membership



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**What is the total number of
accrual IPSAS?**

① Start presenting to display the poll results on this slide.

AGENDA – Day 1

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- 3 IPSAS Implementation II
- 4 IPSAS Implementation III
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- 8 Application of IPSAS
- 9 Summary & Closing Remarks

Panel Discussion:
IPSAS Implementation Experience Sharing and Public Financial Management Reform

Panelists:



Aman Trana
Director General, PPFD
ADB



Sung-Jin Park
Member
IPSASB



Ross Smith
Program and Technical Director
IPSASB



Helen Hall
Controller, CTL
ADB

Moderator:

QUESTION 1

Could you please provide an overview of the major trends and challenges in public financial management reform that countries in Asia and the Pacific are facing today?

QUESTION 2

From your experience with IPSASB, what are the main benefits of implementing IPSAS accrual accounting for public financial management in developing countries?

QUESTION 3

What are the primary goals of your country's current public financial management reform strategy? Can you share any specific initiatives or policies that have been particularly successful?

QUESTION 4

How can international organizations like ADB support developing countries in their journey towards public financial management reform, particularly in their roadmap to IPSAS accrual accounting adoption?

QUESTION 5

One challenge in public financial management reforms is achieving transparency and accountability. What strategies can countries employ to enhance transparency and accountability in their financial management system?

QUESTION 6

What role does technology play in modernizing public financial management systems?

Do you have any suggestions to other countries in leveraging technological innovation to improve their financial management practice?

QUESTION 7

What are your key recommendations for countries that are embarking on or currently undergoing public financial management reforms in the context of accrual basis accounting adoption?

What steps should they prioritize to ensure that their reforms are effective and sustainable.

AUDIENCE Q&A



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COFFEE BREAK
(PLEASE BE BACK AT 11:00AM)

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Presentation and Panel Discussion: Public Sector Accounting Assessment (PULSE)

Panelists:



Dmitri Gourfinkel
Senior Financial Management
Specialist
World Bank



Gor Kocharyan
Division Head
Ministry of Finance
Republic of Armenia



Lela Patariaia
Department Deputy Head
Ministry of Finance
Georgia



Maria Joao Kaizeler
Principal Financial Management
Specialist
ADB

Moderator:

QUESTION 1

Could you elaborate on how the PULSE tool may help countries, such as Armenia and Georgia, identify and prioritize areas where further alignment with IPSAS is required?

QUESTION 2

Can you share with us what were the key takeaways or key benefits the PULSAR Program has provided to your country.

How complex has been to conduct the PULSE assessment and how it is helping enhance public sector accounting and financial reporting framework in your country and map out the pathway of IPSAS accrual accounting adoption?

QUESTION 3

What specific challenges did your team encounter in conducting the PULSE assessment, and how do you plan to use its findings?

QUESTION 4

Can you share some insights on the progression of rolling out the PULSE tool?

What have been the key success factors for gaining traction for applying the PULSE tool in Western Balkans and the EU Eastern Partnership countries and what plans does the World Bank has in applying it in different regions?

QUESTION 4

Can you share some insights on the progression of rolling out the PULSE tool?

What have been the key success factors for gaining traction for applying the PULSE tool in Western Balkans and the EU Eastern Partnership countries and what plans does the World Bank has in applying it in different regions?

QUESTION 5

What factors influence the decision to delay the adoption of certain IPSAS standards, and how do you prioritize which standards to implement first, given the different contexts of your public sectors?

AUDIENCE Q&A

NETWORKING LUNCH
(PLEASE BE BACK AT 1:00PM)

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Presentations: Country Experiences

Presenters:



Sung-Jin Park
Associate Professor
Yonsei University
Korea



Samnang Heng
Head of Public Accounting Standard Office
Accounting and Auditing Regulator
Cambodia

AGENDA – Day 1

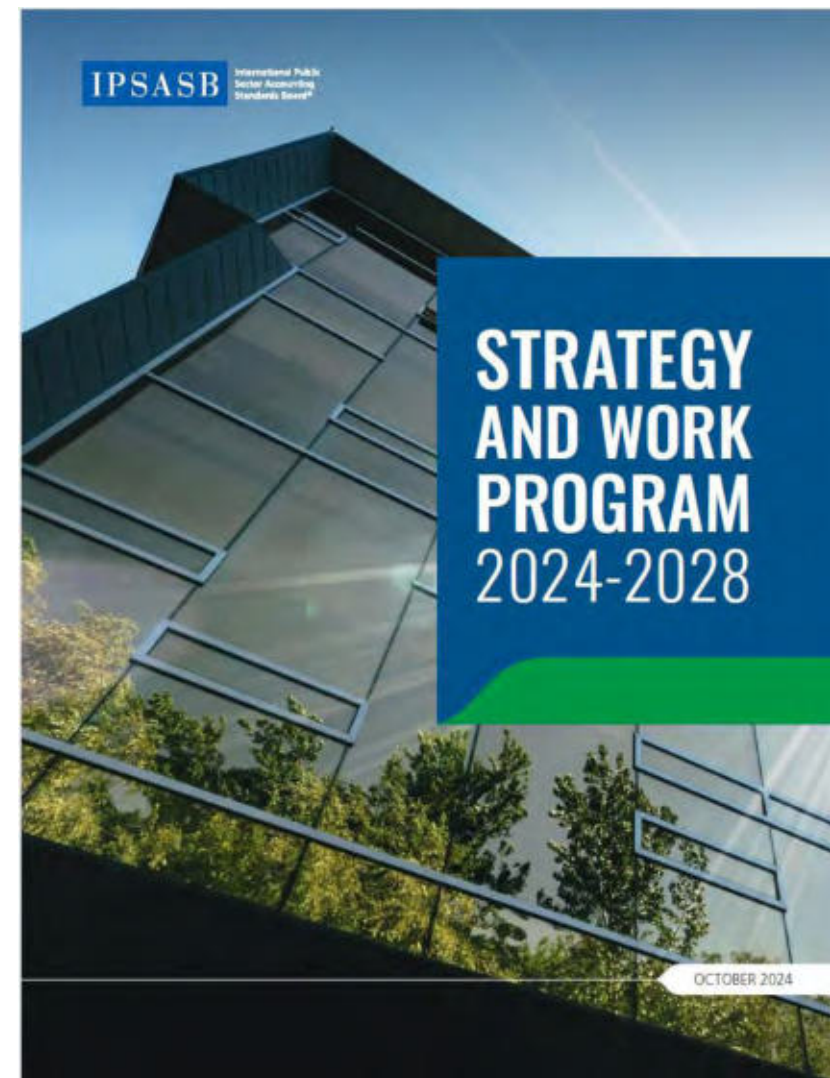
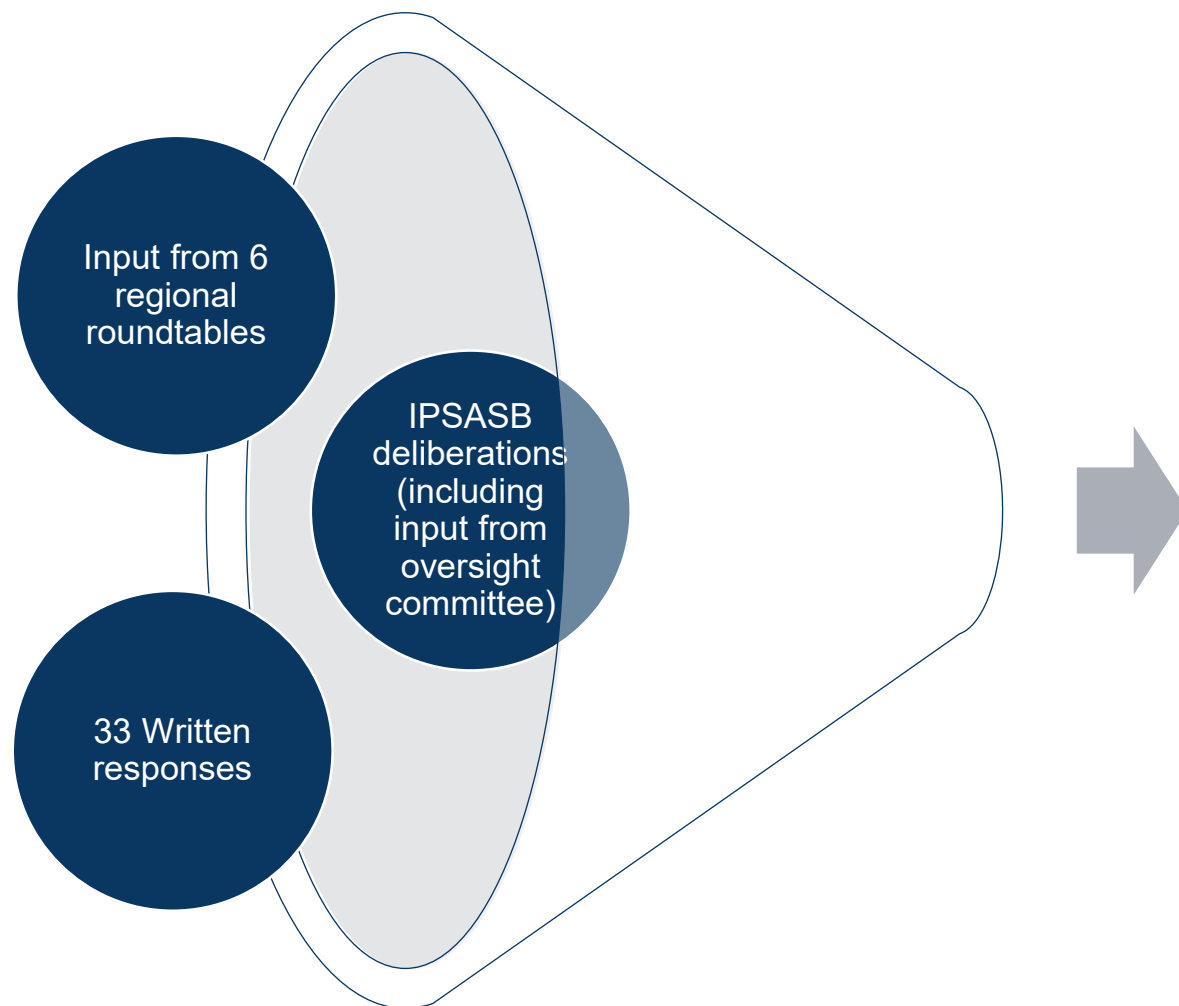
- 1 Event Introduction and Overview
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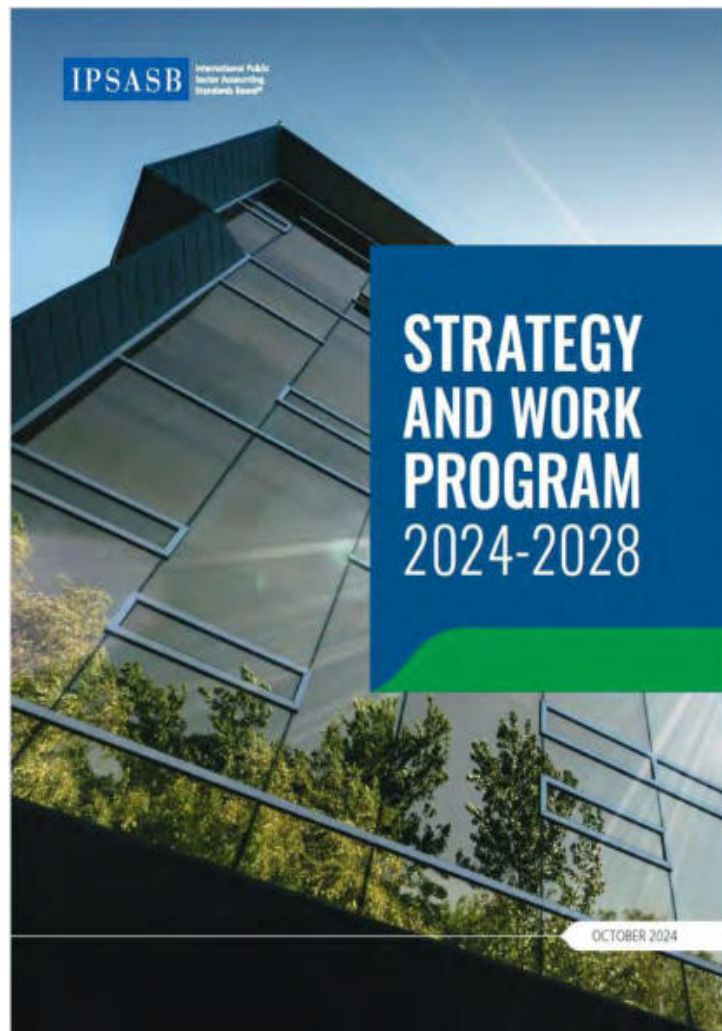
2024-2028 STRATEGY: Maintenance

Presentation (15 minutes)

Development of the 2024-2025 Strategy and Work Program



Strategy



Strengthening Public Financial Management and sustainable development globally through increasing adoption and implementation of accrual IPSAS and International Public Sector Sustainability Reporting Standards.

DELIVERING GLOBAL STANDARDS

- Addressing Constituents' Needs
- Collaborating Internationally
- Clarifying Principles



INSPIRING ADOPTION AND IMPLEMENTATION

- Raising Awareness
- Building Alliances
- Supporting Jurisdictional, Regional & International Initiatives



Promoting Adoption and Implementation



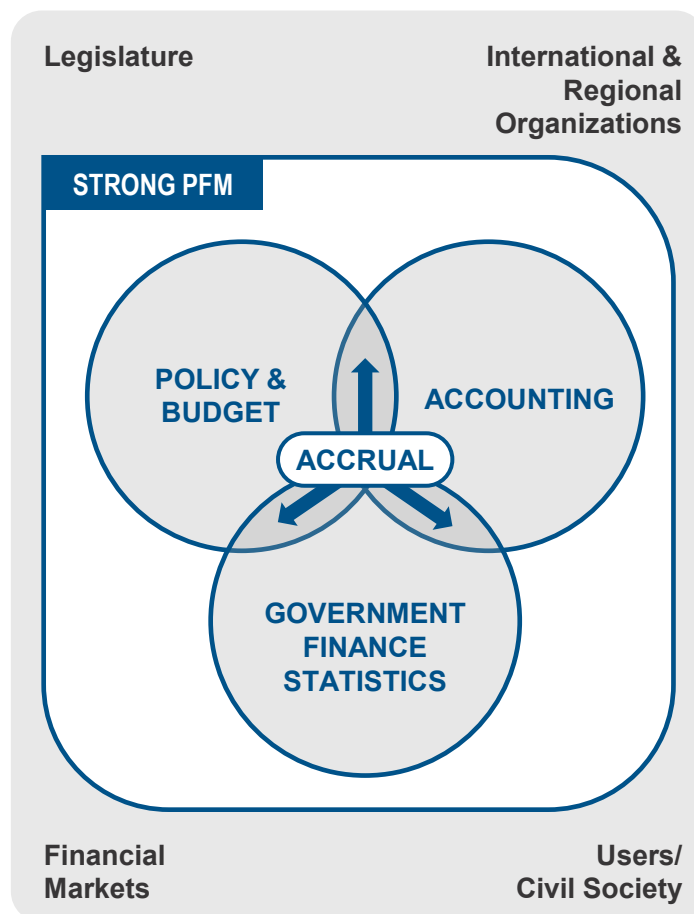
Activity	IPSASB	Governments	IFAC Members	Consultants/ Contractors	Supranational & Regional Organizations	Auditors
Promoting adoption	✓	✓	✓	✓	✓	✓
Supporting Implementation						
Financial Support		✓			✓	
Capacity Development		✓	✓	✓*	✓*	
Technical Guidance	✓	✓	✓*			✓
Practical Guidance		✓	✓*	✓	✓*	✓*
Continuing Professional Development		✓	✓			

*Not a primary role, but potential for influence and involvement.

Advocating Benefits of Reporting Information



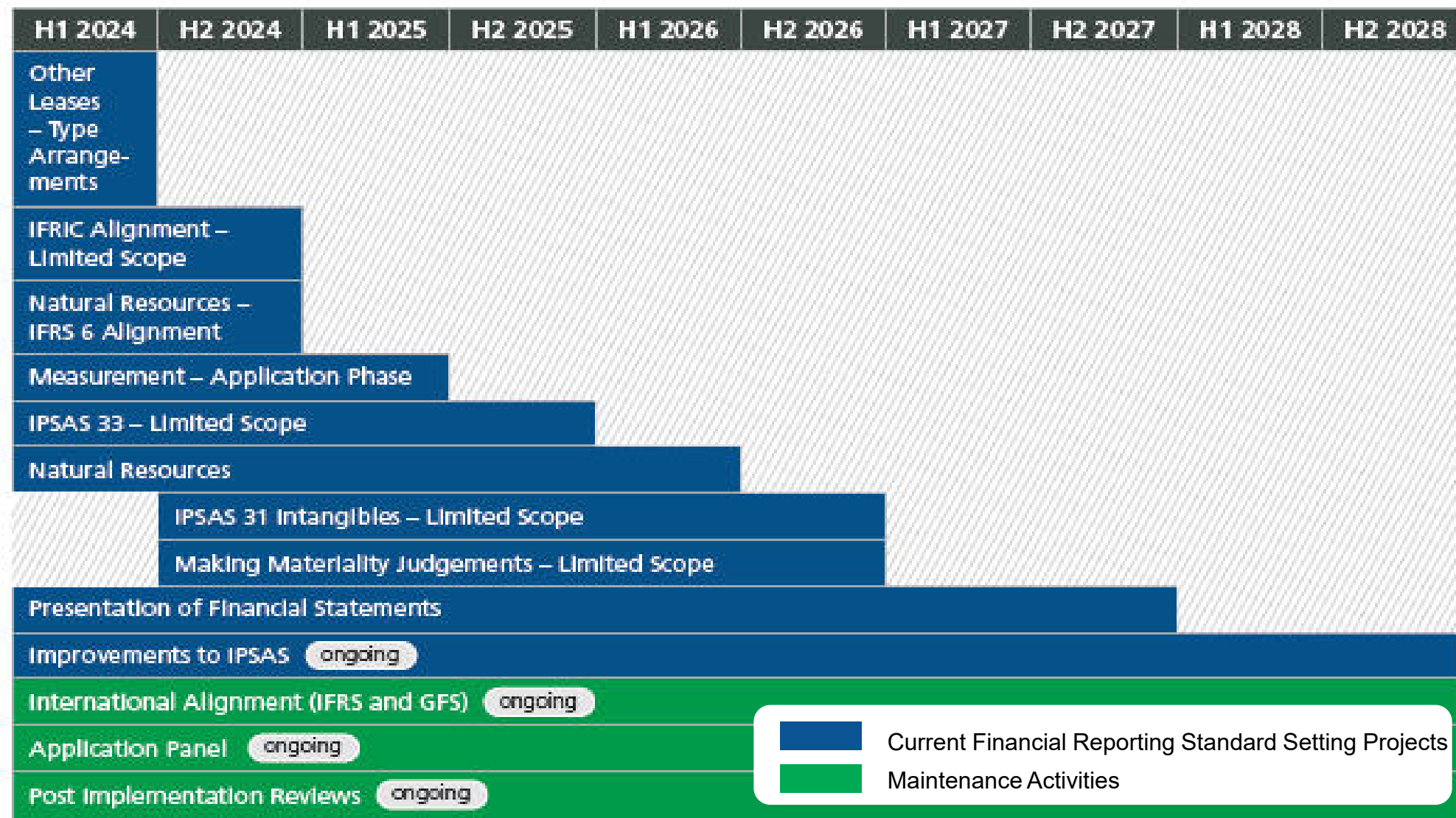
Accrual Information as Foundation for Strong PFM



Sustainability Reporting as a Foundation for Sustainable Development



2024-2028 Financial Reporting Work Program



Maintenance



Application Panel

- Will assess application challenges identified by constituents
- Will develop recommendations for the IPSASB's consideration at its quarterly meetings
- Feedback to be posted online for IPSASB stakeholders

Maintenance



Post-Implementation Review

- Seek feedback from constituents on current IPSAS
- Evaluate whether individual IPSAS are achieving the reporting requirements as intended by the IPSASB when developed
- Determine whether amendments to existing guidance are necessary

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**In a few words, share with the
IPSASB what keeps you up at
night on the application of IPSAS?**

① Start presenting to display the poll results on this slide.

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SESSION FORMAT

- Presentation
- Table Discussion
- Report Back
- Feedback through live polls – Slido



NATURAL RESOURCES

- Presentation (20 minutes)
- Table Discussions (30 minutes)
- Report Back (5 minutes)
- Slido (5 minutes)

Why Natural Resources?

➤ Part of IPSASB's Overall Approach To Sustainability Reporting



Prevalent
public sector
issue

Limited
information
before
exploitation

Encourages
better
management
of natural
resources

Tangible Natural Resources – Proposed Definition

Natural Resources

- Naturally occurring
- Embodies service potential, the capability to generate economic benefits, or both

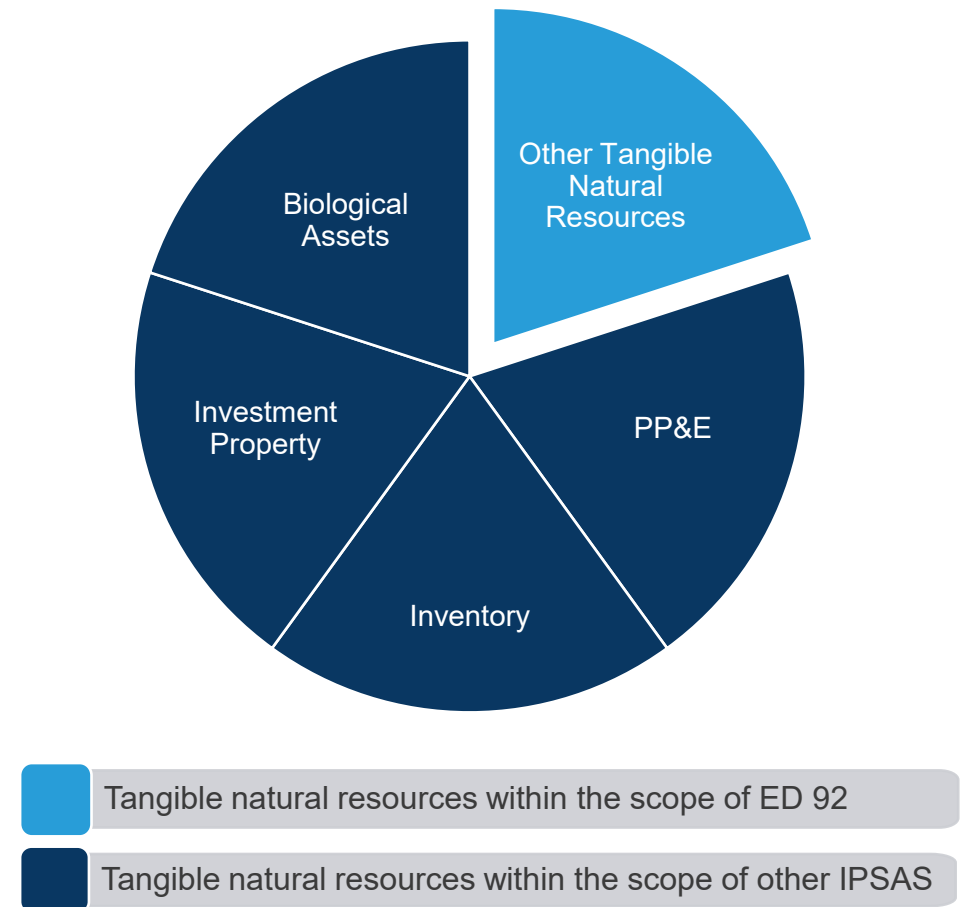
Tangible Natural Resources

- Natural Resources with physical substance

- Definition applies broadly to **all** tangible items meeting the above criteria
 - Some tangible natural resources could fall within scope of other IPSAS
 - See next slide on Proposed Scope

Exposure Draft 92 – Proposed Scope

- Tangible natural resources which are used as items within the scope of other IPSAS are excluded from ED 92:
 - IPSAS 12, *Inventories*
 - IPSAS 16, *Investment Property*
 - IPSAS 27, *Agriculture*
 - IPSAS 45, *Property, Plant, and Equipment*
- ED 92 is a **residual standard**
- Example of in-scope item:
 - Tangible natural resources held for conservation



Proposed Scope – Example



- A tangible natural resource could have different accounting classification based on its primary intended use
- E.g., a public sector entity controls a forest and manages its biological transformation
 - Primary intention is to harvest and sell lumber
 - Forest would be within the scope of IPSAS 27, *Agriculture*
- Alternatively, access to or use of the forest could be restricted
 - Primary intention is to conserve the forest by limiting impact of human activity on local flora and fauna
 - Forest would be within the scope of ED 92

What is Addressed by the Project

- ✓ Accounting (recognition, measurement and disclosure) of in-scope tangible natural resources within the IPSAS Conceptual Framework
- ✓ Highlight existing relevant IPSAS literature

What is Not Addressed

- ✗ Broader conceptual accounting matters such as what is considered an asset under IPSAS
- ✗ Broader Public Financial Management matters, such as:
 - How to use accounting information to develop policies
 - Best practices on how natural resources are managed
- ✗ Environmental sustainability matters

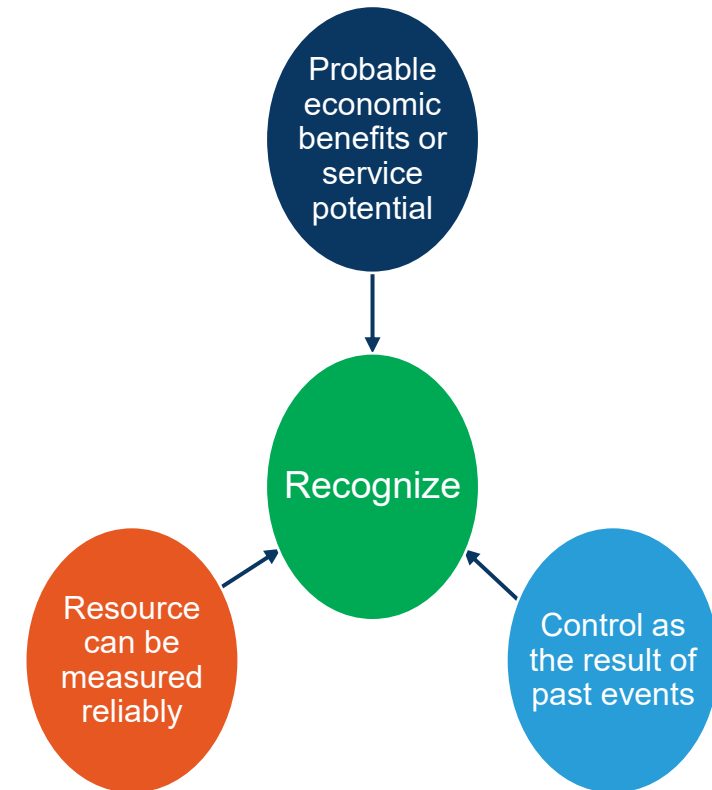
Proposed Recognition and Measurement Guidance

Recognition

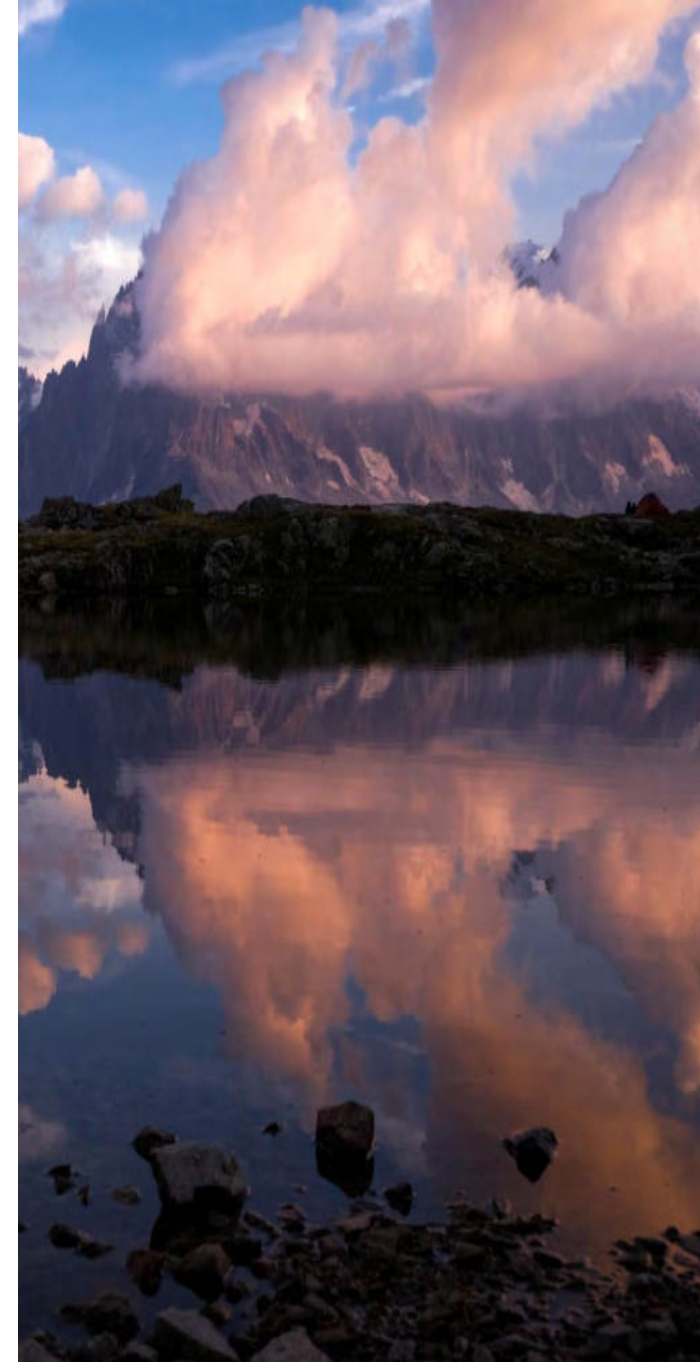
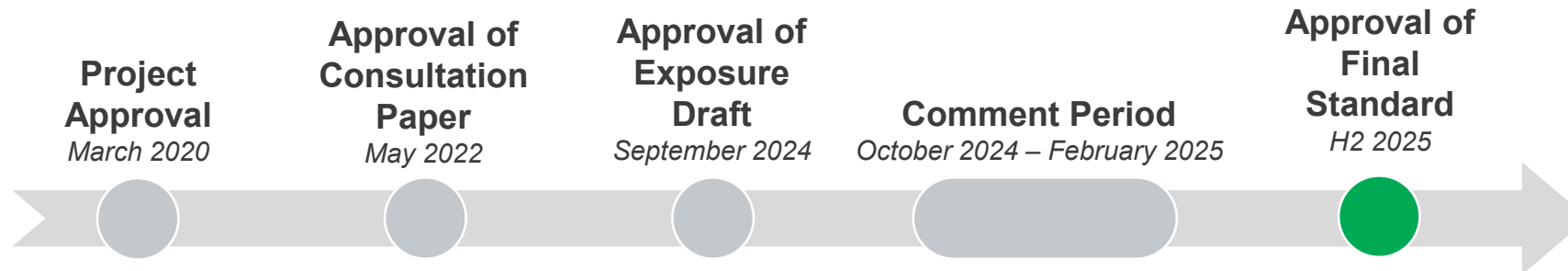
- Consistent with the recognition criteria for other tangible assets

Measurement

- Initially at cost or deemed cost (current value) depending on whether control was obtained in a transaction in an orderly market
- Subsequently at historical cost or current value



Natural Resources – Project Timeline



2024 IPSASB Regional Roundtable – Asia

Natural Resources

TABLE DISCUSSION

30 minutes

Specific Matters for Comment and Others

- Do you agree that the guidance for natural resources should be located in a standalone IPSAS? (5 minutes)
- Do you agree that providing guidance on tangible natural resources held for conservation (e.g., forest example) would provide useful information? (10 minutes)
 - Besides natural resources held for conservation, what other items would you anticipate being within the scope of this Exposure Draft? (5 minutes)
- Do you believe that it would be helpful to develop non-financial reporting guidance on natural resources? (10 minutes)

2024 IPSASB Regional Roundtable – Asia

Natural Resources

**REPORT
BACK**

10 minutes

2024 IPSASB Regional Roundtable – Asia

Natural Resources

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**Do you agree that the guidance for
natural resources should be
located in a standalone IPSAS?**

① Start presenting to display the poll results on this slide.

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**Do you agree that providing guidance on
tangible natural resources held for conservation
(e.g., forest example) would provide useful
information?**

① Start presenting to display the poll results on this slide.

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**Besides natural resources held for conservation,
what other items would you anticipate being
within the scope of this Exposure Draft?**

① Start presenting to display the poll results on this slide.

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**Do you believe that it would be helpful to
develop non-financial reporting guidance
on natural resources?**

① Start presenting to display the poll results on this slide.

COFFEE BREAK
(PLEASE BE BACK AT 3:20 PM)

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The background of the slide is a photograph of a wooden desk covered with various financial documents. These documents include spreadsheets with bar charts, line graphs, and tables of numbers. Some papers are held together by black binder clips. A black pen is visible in the upper left corner. The overall scene suggests a professional or academic setting related to finance or accounting.

PRESENTATION OF FINANCIAL STATEMENTS

Presentation (20 minutes)

Presentation of Financial Statements

Project overview

The project's **objective** is to improve the communication effectiveness of information reported in public sector financial statements, by developing a new IPSAS to replace IPSAS 1 *Presentation of Financial Statements*.

Presentation is focused on the selection, location, and organization of the information reported in general purpose financial statements.

Desired Outcomes



Presentation of Financial Statements - Overview

Project drivers

- Consistency with the Conceptual Framework
- Alignment with IFRS 18
- Limit unnecessary differences with GFS
- Address any public sector-specific issues

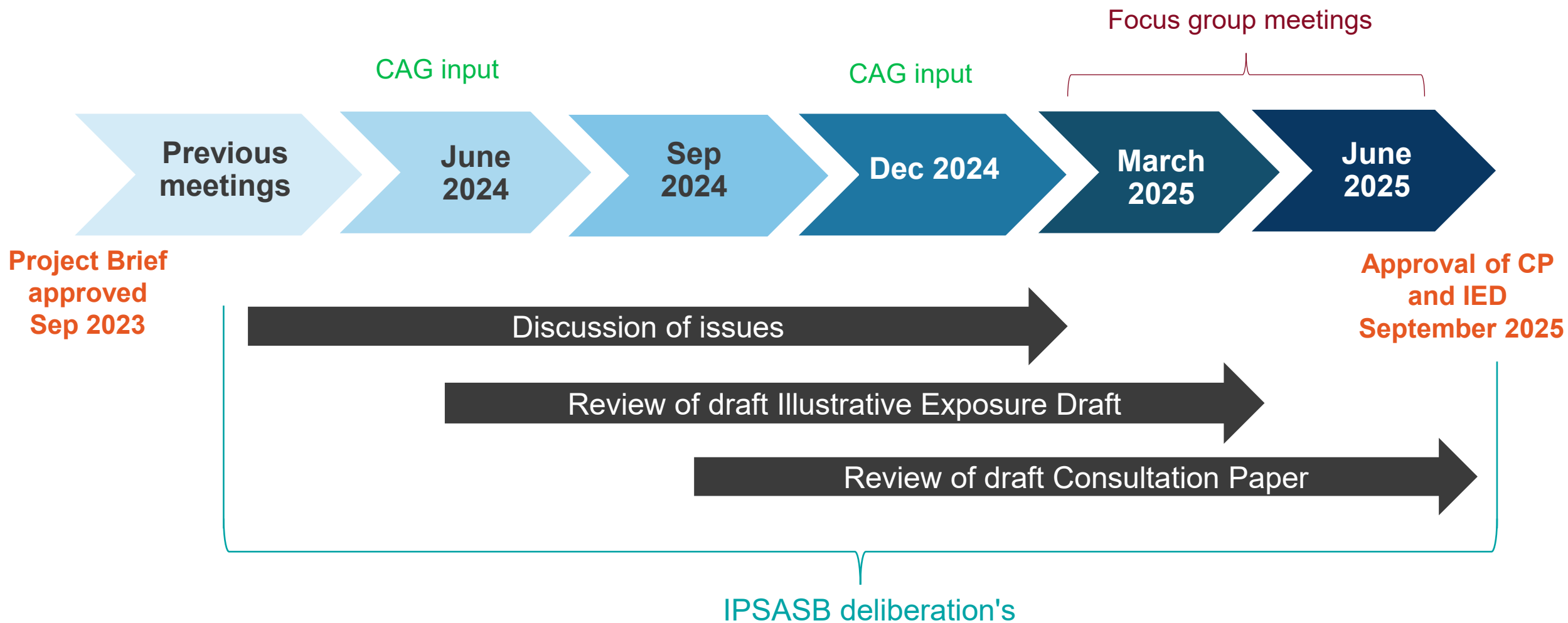
Focus on Primary Statements

- Statement of Financial Position

Key topics

- General presentation principles
- Structure of financial statements
- Presentation of revenue and expense items outside the surplus or deficit
- Categorization of information
- Aggregation and disaggregation
- Mandatory sub-totals
- Management-defined performance measures

Presentation of Financial Statements-Timeline (Phase 1)



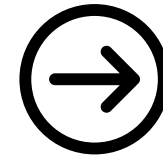
Presentation of Financial Statements

Key decisions to date

To develop a new IPSAS to replace IPSAS 1, *Presentation of Financial Statements*



To use IFRS 18 as the starting base and adapt it to reflect the public sector context



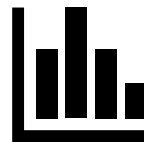
To issue a consultation paper accompanied by a 'full' illustrative exposure draft in Phase 1



To explore the concept of allowing for different presentation approaches



To focus on the statement of financial position, statement of financial performance, and statement of changes in net assets/equity



To define the elements of financial statements (assets, liabilities, revenue, and expenses) based on the IPSASB Conceptual Framework



Presentation of Financial Statements

Focus on the Primary Financial Statements

Primary financial statements in scope

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Changes in Net Assets/Equity



Three key aspects of each statement

- Broad classification of items presented
- Mandatory line items
- Structure and presentation of specific sub-totals

The role of the primary financial statements is to provide structured summaries of a reporting entity's recognized assets, liabilities, net assets/equity, revenue, expenses, and cash flows, which are useful to users of financial statements.

Presentation of Financial Statements

Statement of Financial Position

IPSASB has agreed to the Preliminary View that:

- The **current/non-current approach** be retained as the general approach for classifying assets and liabilities on the face of the Statement of Financial Position;
- The **order of liquidity approach** should be retained, with application permitted on an exception basis;
- For entities with diverse operations, **a mix of these two approaches** may be appropriate.

The PV maintains the existing requirements in IPSAS and continues to be aligned with IFRS.

Statement of Financial Position		
As at 31 December 20X2		
	20X2 CU	20X1 CU
ASSETS		
Financial assets		
...		
Total Financial assets		
Non-financial assets		
...		
Total non-financial assets		
Total assets		
LIABILITIES		
Financial liabilities		
...		
Total financial liabilities		
Non-financial liabilities		
...		
Total non-financial liabilities		
Total liabilities		
Net assets		
NET ASSETS/EQUITY		
...		
Total net assets/equity		

Presentation of Revenue and Expense Items

Current presentation in IPSAS

Statement of Financial Performance

- Presents all revenue and expenses for the period unless an IPSAS requires or permits the item to be reported directly in net assets/equity
- Reports the 'surplus or deficit for the period'

Statement of Changes in Net Assets/Equity

- Presents the change in accumulated funds – surplus or deficit for period;
- Presents items of revenue and expense required or permitted by IPSAS to be recognized directly in net assets/equity – through separate equity reserves; and
- Contributions from or distributions to owners.



Typically includes unrealized gains/losses arising from the remeasurement of certain assets and liabilities e.g. revaluation of property, plant, and equipment

Presentation of Revenue and Expense Items

IPSAS

Statement of Financial Performance

Revenue

Expense

Surplus or deficit

Statement of Changes in Net Assets

Surplus or deficit

Other gains or losses

Contributions from/(to) owners

Presentation of Income and Expense Items

Presentation in IFRS

Statement of Profit or Loss

- Presents all revenue and expenses for the period unless an IFRS requires or permits otherwise the item to be reported through **other comprehensive income** (OCI)
- Reports the 'profit or loss for the period'

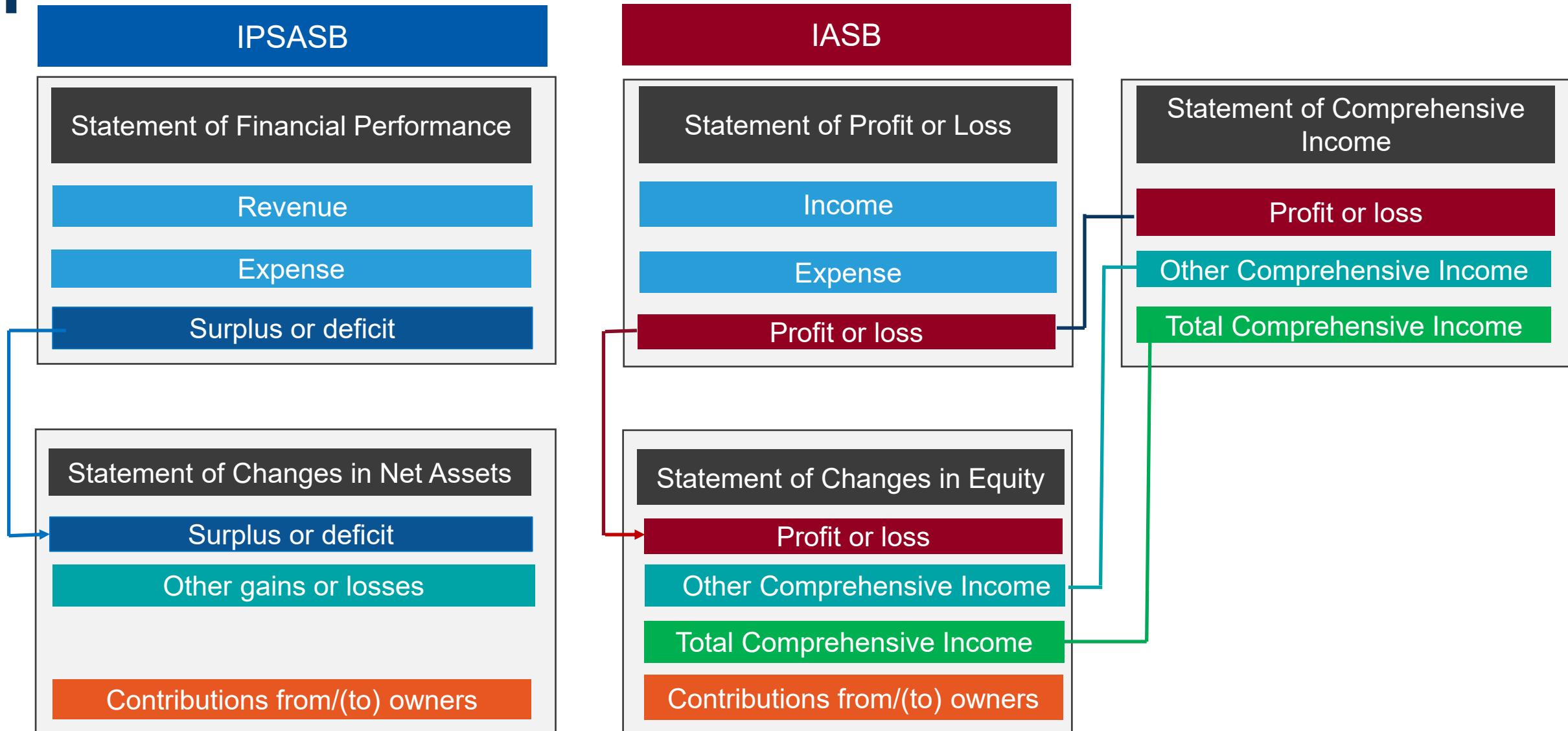
Statement of Comprehensive Income

- Presents:
 - The profit or loss for the period; and
 - Other items of revenue and expense reported as OCI
- Reports the total comprehensive income for the period



OCI items include the same items of revenue and expense that IPSAS recognizes directly in net assets/equity

Presentation of Revenue and Expense Items



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APPLICATION OF IPSAS

- Presentation (20 minutes)
- Table Discussions (30 minutes)
- Report Back (5 minutes)
- Slido (5 minutes)

Balance Sheet

Assets

Current Assets

Cash and Cash Equivalents
Marketable Securities
Accounts Receivable
Prepayments
Other Current Assets

Total Current Assets

Non-Current Assets

Property, Plant, & Equipment
Intangible Assets
Investments
Deferred Long-Term Assets

Total Non-Current Assets

Total Assets

Liabilities

Current Liabilities

Accounts Payable
Short-Term Debt
Current Income Tax Due
Other Current Liabilities

Total Current Liabilities

Non-Current Liabilities

Long-Term Debt
Deferred Income Tax Due
Other Non-Current Liabilities

Total Non-Current Liabilities

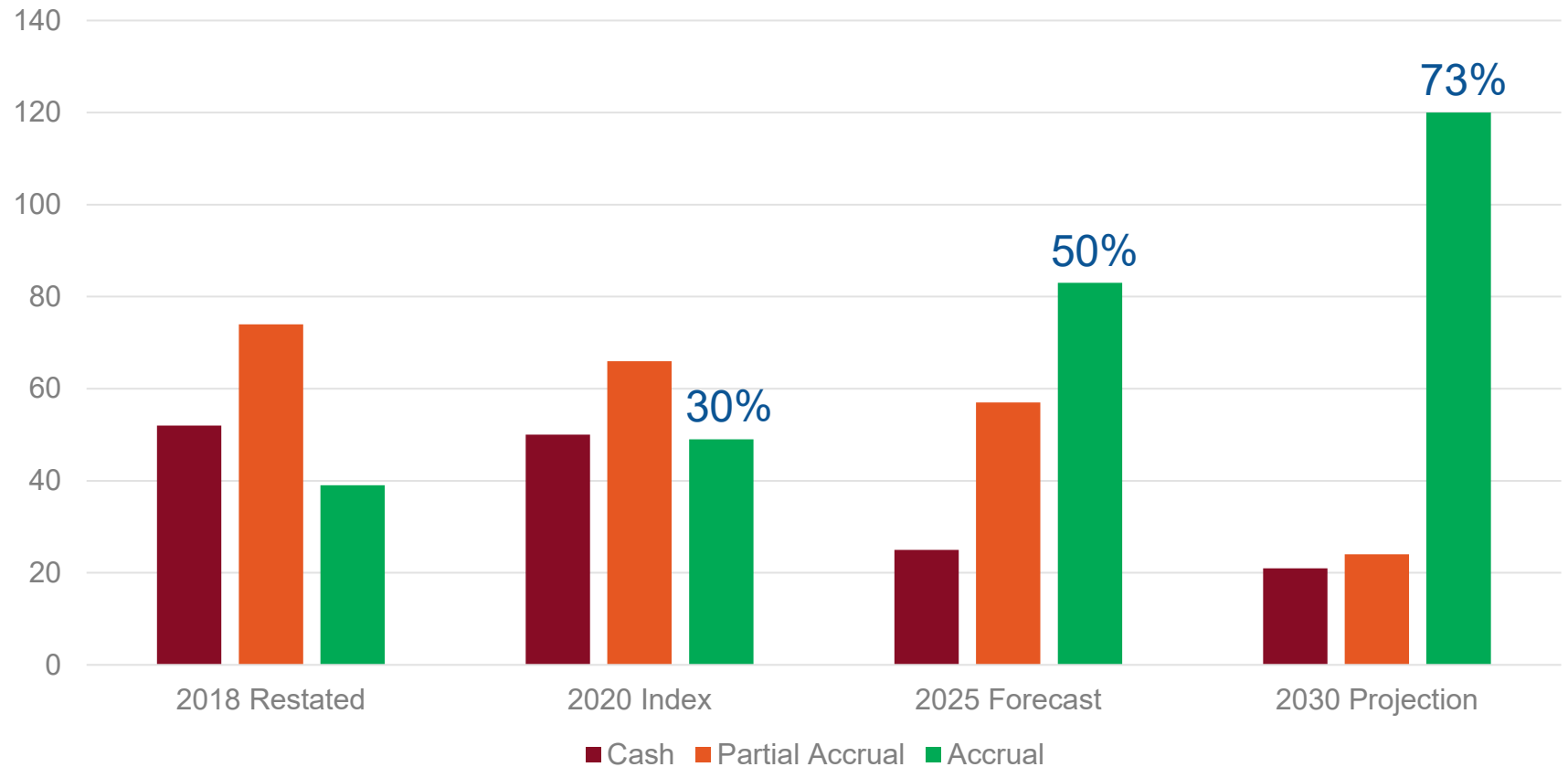
Total Liabilities

Shareholders Equity

Capital
Reserves

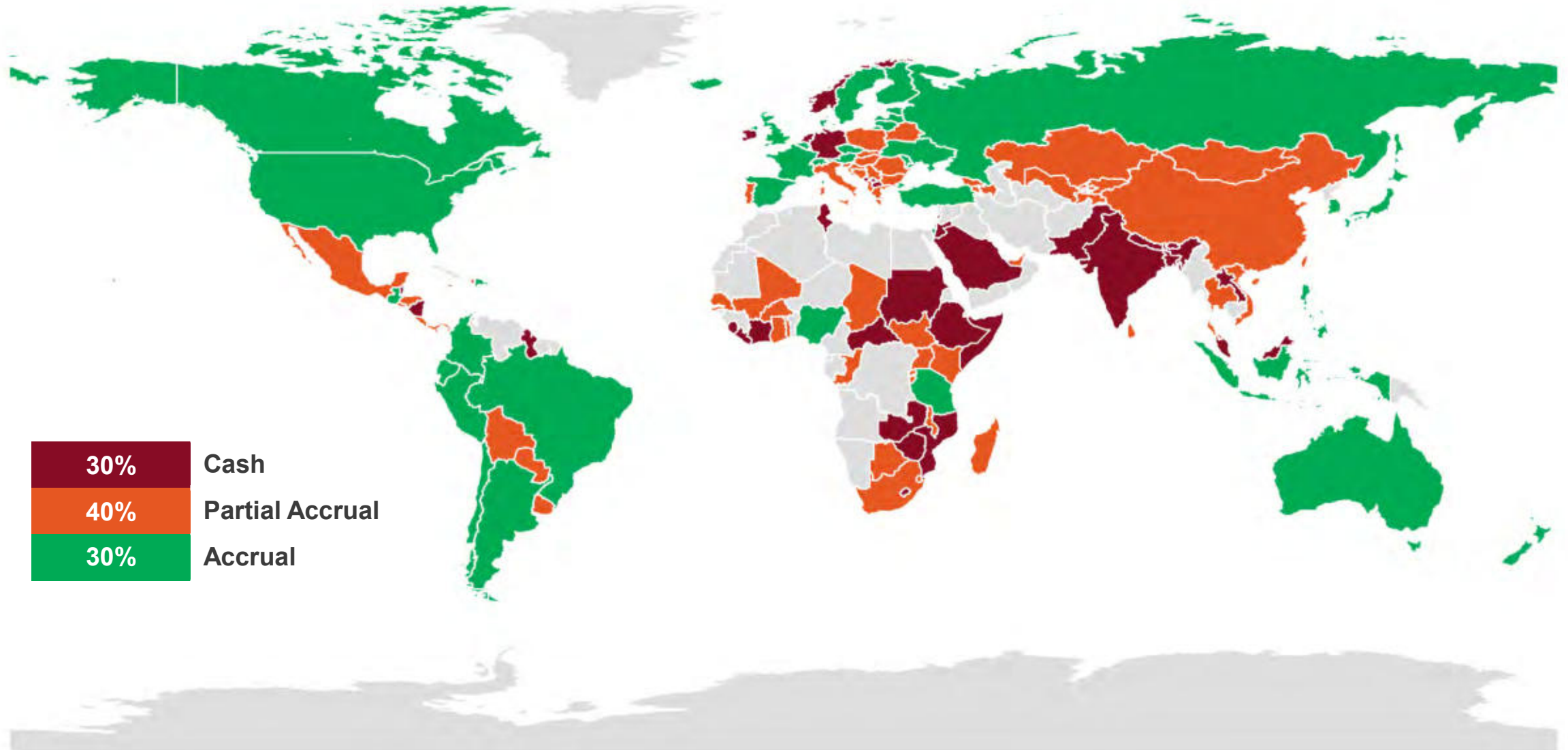
Total Shareholders Equity

International Public Sector Accountability Index

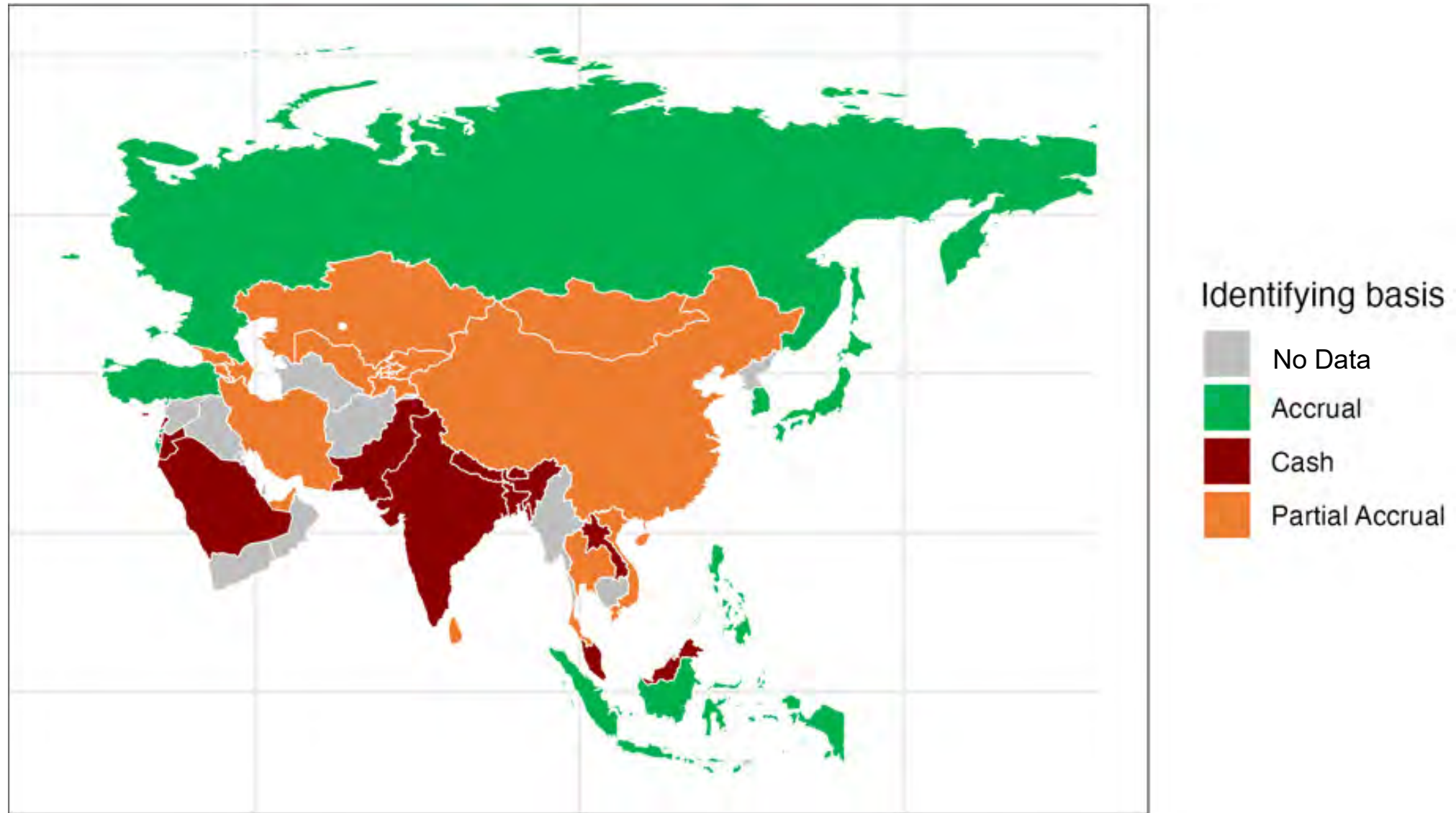


IPSAS usage and influence increasing in parallel

2020 Index: 30% Report on Accrual



2020 Index: Asia Overview



2024 Index Update – Country Data

- 2020 Index Data available on IFAC website
- Index updates occurring now in Q4 2024
- *Each Jurisdiction needs a unique code and password for the survey*
- To get your code & password – ask IPSASB staff!
- Index contact: index-survey@ifac.org

2020 Accountability Index

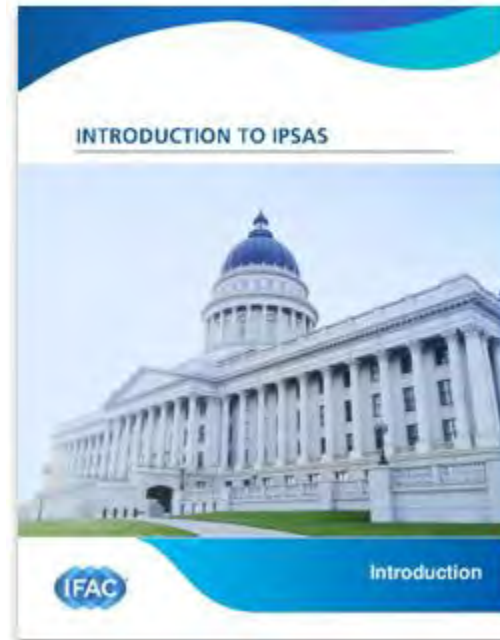


Supporting IPSAS Adoption and Implementation

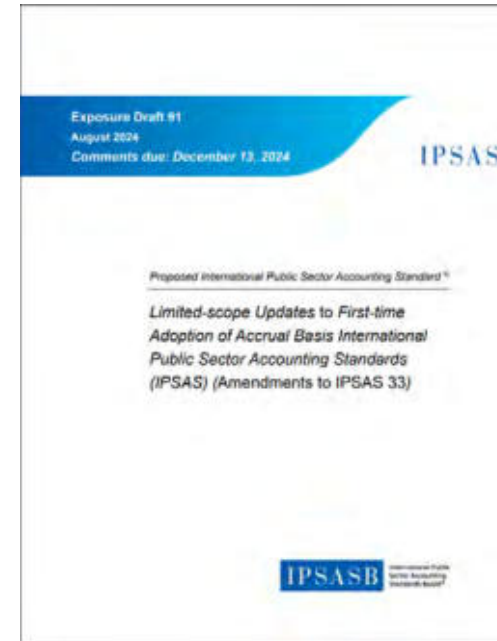
1. Pathways to Accrual (update of Study 14)



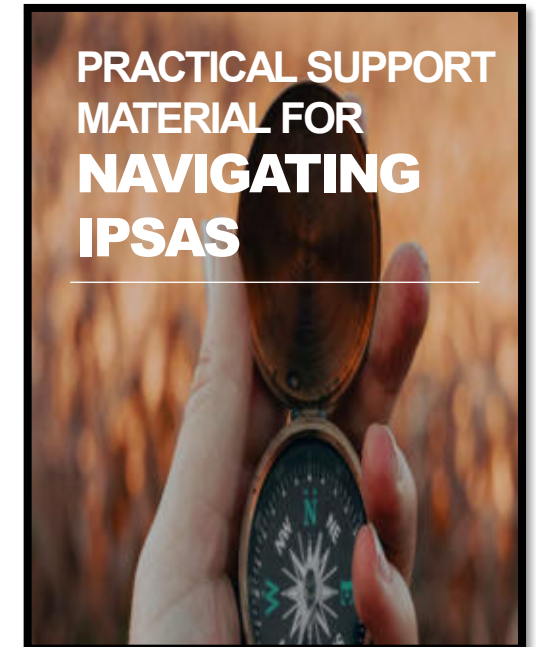
2. Implementing IPSAS: A Guide for Trainers



3. Limited-scope Update to First-time adoption of IPSAS (IPSAS 33)



4. Navigating IPSAS (coming soon)



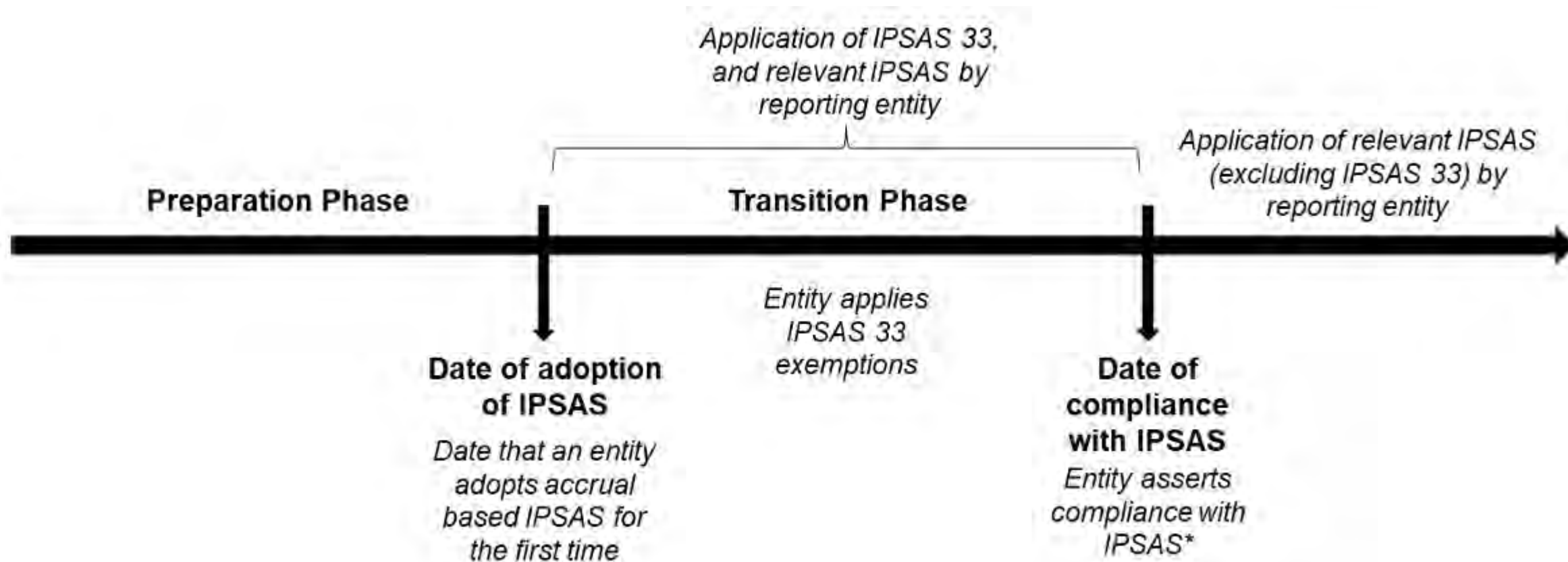
Overview of IPSAS 33

Don't start your journey with IPSAS 33

- What is the objective of IPSAS 33?
 - To provide guidance that enables a first-time adopter of accrual basis IPSAS to provide useful information to the users of its financial statements during the time it is transitioning to accrual basis IPSAS.
- How do jurisdiction benefit from its application?
 - Can apply exemptions to IPSAS requirements during the transition period (maximum of 3 years)

Overview of IPSAS 33

Don't start your journey with IPSAS 33



IPSAS 33 Limited Scope Update - Changes

Proposed Amendments to IPSAS 33 – Main changes

- Exemptions moved to Application Guidance and requirements remain in Core Guidance
- Exemptions organized by topic AND separated between those that “Affect Fair Presentation and Compliance with Accrual Basis IPSAS” and those that “Do Not Affect...”
- Deemed cost defined as per IPSAS 46
- Exemptions: “may elect to” and “transition period of a maximum of three years”
- Removed duplicative material
- New Implementation Guidance based on practical experience using a Q&A approach
- Separate Illustrative Examples

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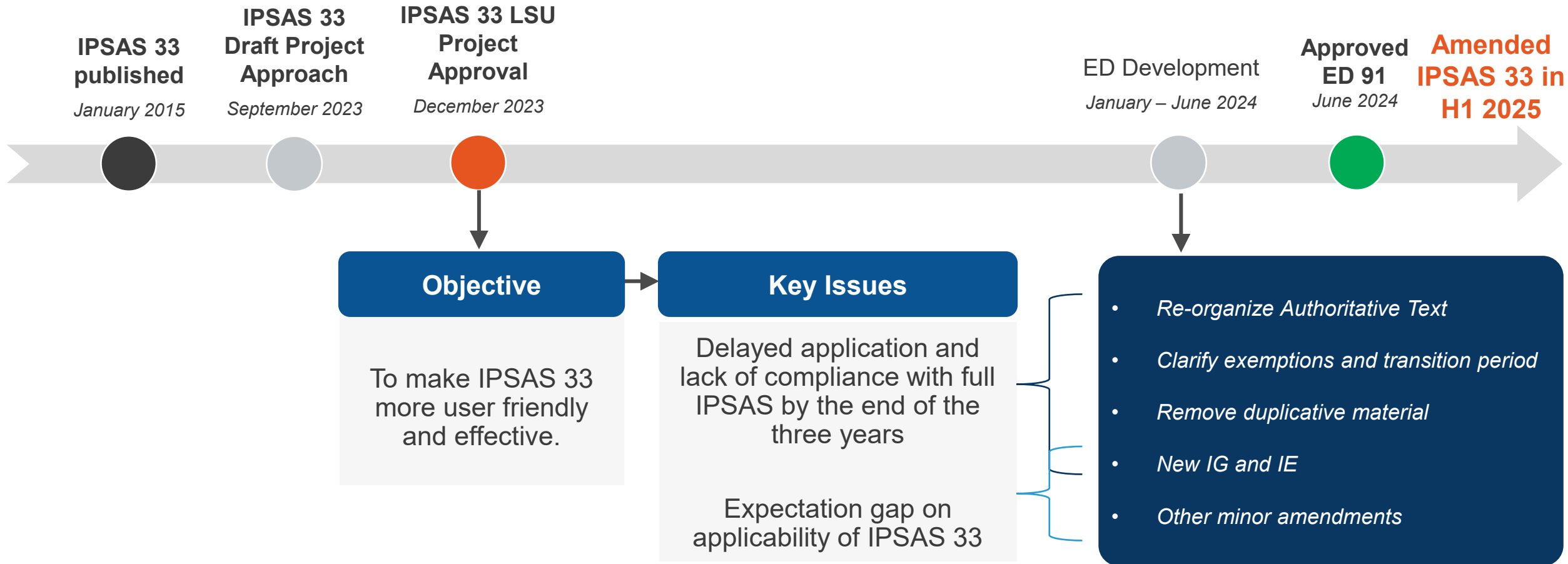
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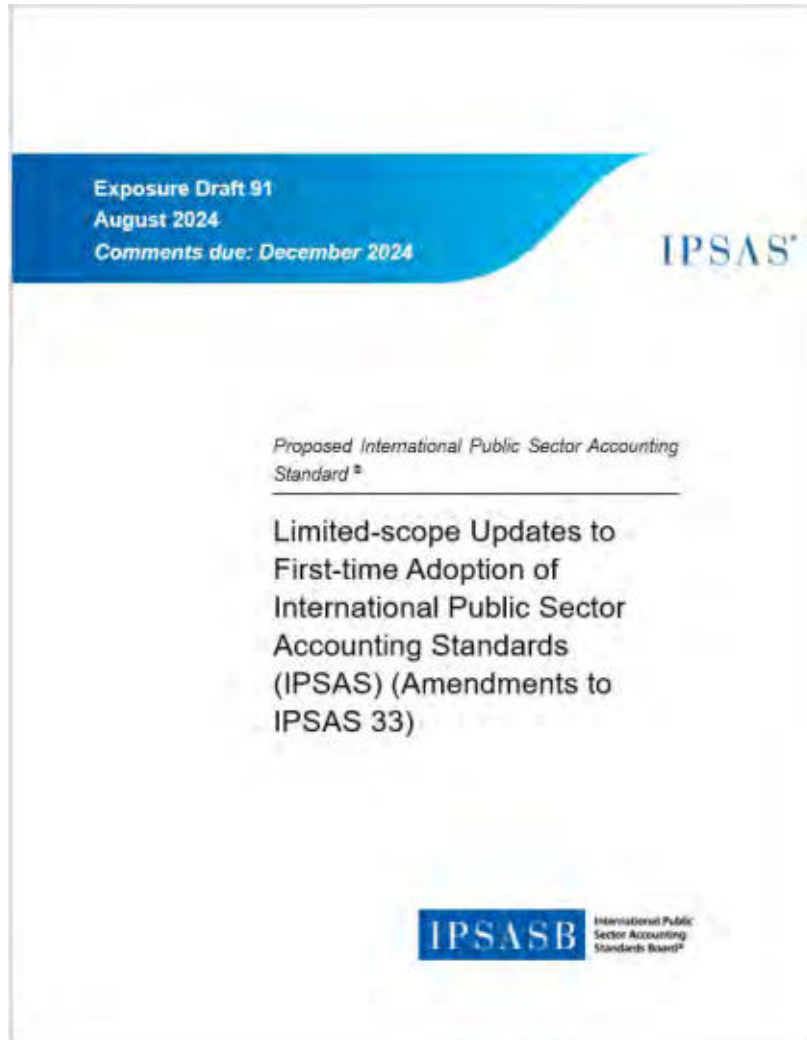
**Does your jurisdiction intend to apply IPSAS 33,
First-Time Adoption of Accrual Basis
International Public Sector Accounting
Standards (IPSASS)?**

① Start presenting to display the poll results on this slide.

IPSAS 33 Limited Scope Update – Overview



IPSAS 33 Limited Scope Update – ED 91

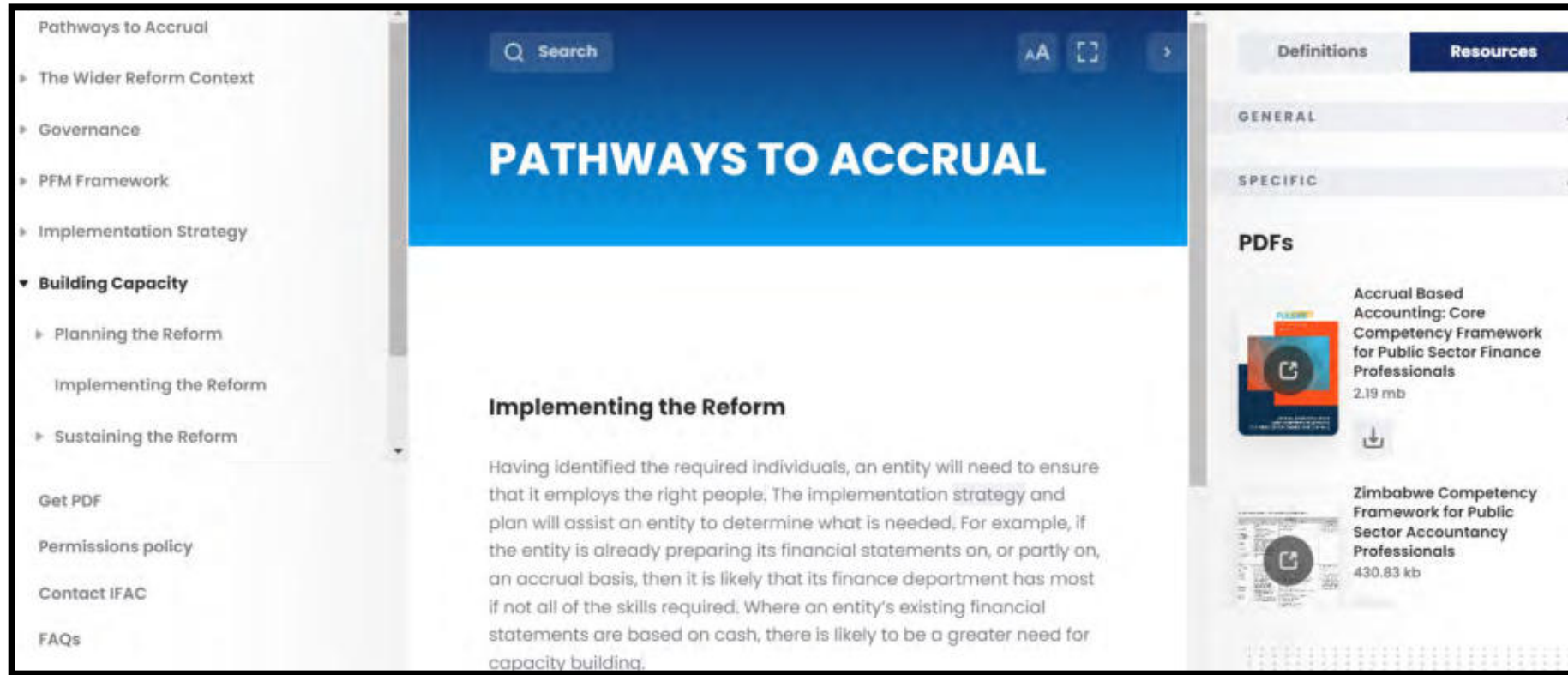


ED 91 has a 120-day comment period,
comments accepted until December 13, 2024

Please send us your comments!



Implementation Resources – Pathways to Accrual



*Scan QR
code to
access
Pathways to
Accrual*



pathways.ifac.org

Implementation Resources – A Guide for Trainers



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access
Implementing
IPSAS*



Navigating IPSAS

COMING SOON:

PRACTICAL SUPPORT MATERIAL FOR

NAVIGATING IPSAS

*Scan QR
code to
access the
Feedback
Statement*





DAY 1 SUMMARY AND CLOSING REMARKS



IPSASB[®]

ADB

2024 ADB Regional Public Sector Accounting Forum

2-3 October 2024

Fairmont Makati



Setijo Boentaran

Assistant Controller, ADB

AGENDA – Day 2

- 1 **Day 2 Introduction & Overview**
- 2 Foundations and Key Drivers of Sustainability Reporting
- 3 Evolution of Sustainability Reporting
- 4 Navigating the Path to Effective Sustainability Reporting
- 5 Sustainability Reporting and the Public Sector
- 6 Role of SAI in Sustainability Reporting
- 7 Importance of sustainability reporting in the public sector
- 8 IPSASB Climate-related Disclosures Project
- 9 Participant Survey - Summary & Closing Remarks

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COFFEE BREAK
(PLEASE BE BACK AT 11:00AM)

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NETWORKING LUNCH
(PLEASE BE BACK AT 1:00PM)

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Presentation and Panel Discussion: Sustainability Reporting and the Public Sector

Panelists:



**Dr. Jan-Hendrik
Gnändiger**
Global ESG Reporting
Advisory Lead
KPMG
(Virtual)



Ross Smith
Program and
Technical Director
IPSASB



Peter Welch
Senior Advisor
OECD



Rasmimi Ramli
Technical Advisor
IPSASB



Setijo Boentaran
Assistant Controller
ADB

Moderator:

QUESTION 1

Why is it important for public sector entities to consider providing sustainability reporting and disclosure to the public?

For example, what could be the key drivers for public sector entities to provide or enhance their sustainability reporting and disclosure?

QUESTION 2

What are the key characteristics of public sector entities for sustainability reporting – which is distinct from the private sector entities?

QUESTION 3

What role does governance plays in ensuring the credibility and effectiveness of sustainability reporting for organizations such as the public sector entities?

QUESTION 4

What are the barriers to implementing sustainability reporting initiatives within an entity?

Any suggestions to the audience to overcome these barriers?

QUESTION 5

Could you share with your insights on how public sector organizations might leverage innovation to improve their sustainability reporting practices?

QUESTION 6

Could you please provide a (one) recommendation for public sector entities on how to get ready for their sustainability reporting and disclosure practices?

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(PLEASE BE BACK AT 2:40 PM)

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ADVANCING SUSTAINABILITY REPORTING

- Presentation (20 minutes)
- Table Discussions (30 minutes)
- Report Back (5 minutes)
- Slido (5 minutes)

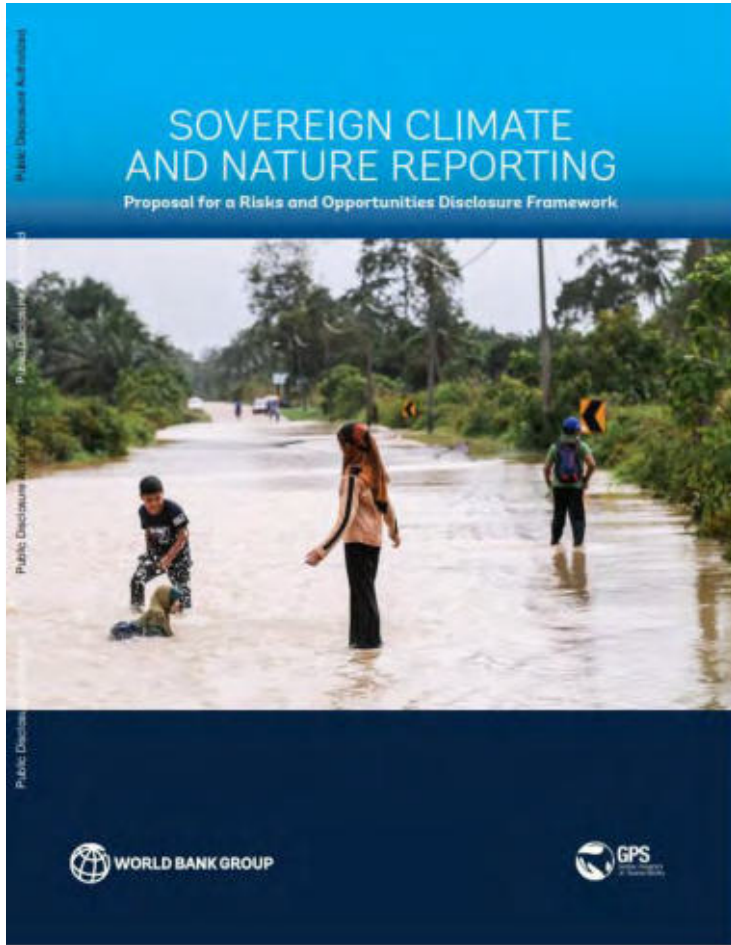
Advancing Sustainability Reporting

Project Objective



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



Advancing Sustainability Reporting

Project Objective

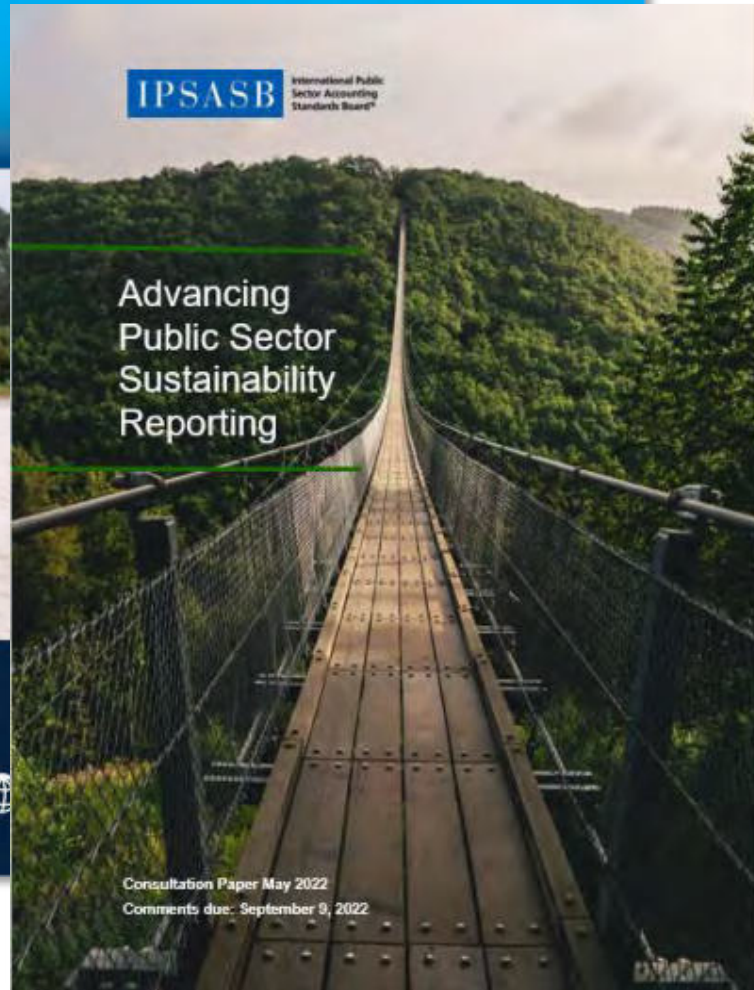


Public Sector Needs Sustainability Reporting

- Progress has been made on **corporate** climate reporting, but a significant gap remains for **sovereign entities**
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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)



Addressing Stakeholder Priorities



3 priority projects

1

- ✓ Alignment with **ISSB IFRS S1** General disclosure for sustainability-related financial information

2

- ✓ Alignment with **ISSB IFRS S2** Climate-related disclosures

3

- ✓ **Natural resources** and biodiversity

Climate #1 Priority

- ✓ Launched in June 2023
- ✓ IFRS S1 key concepts
- ✓ Dual role of governments
- ✓ Timeline
 - ED - September 2024
 - Final standard - 2025
- ✓ New IPSAS Sustainability Reporting Standards

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**Do you agree there's a need for
public sector specific
sustainability reporting
standards?**

① Start presenting to display the poll results on this slide.

Need for public sector adaptation



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**Do you agree with the approach
to align disclosures with IFRS
S2 private sector guidance?**

① Start presenting to display the poll results on this slide.

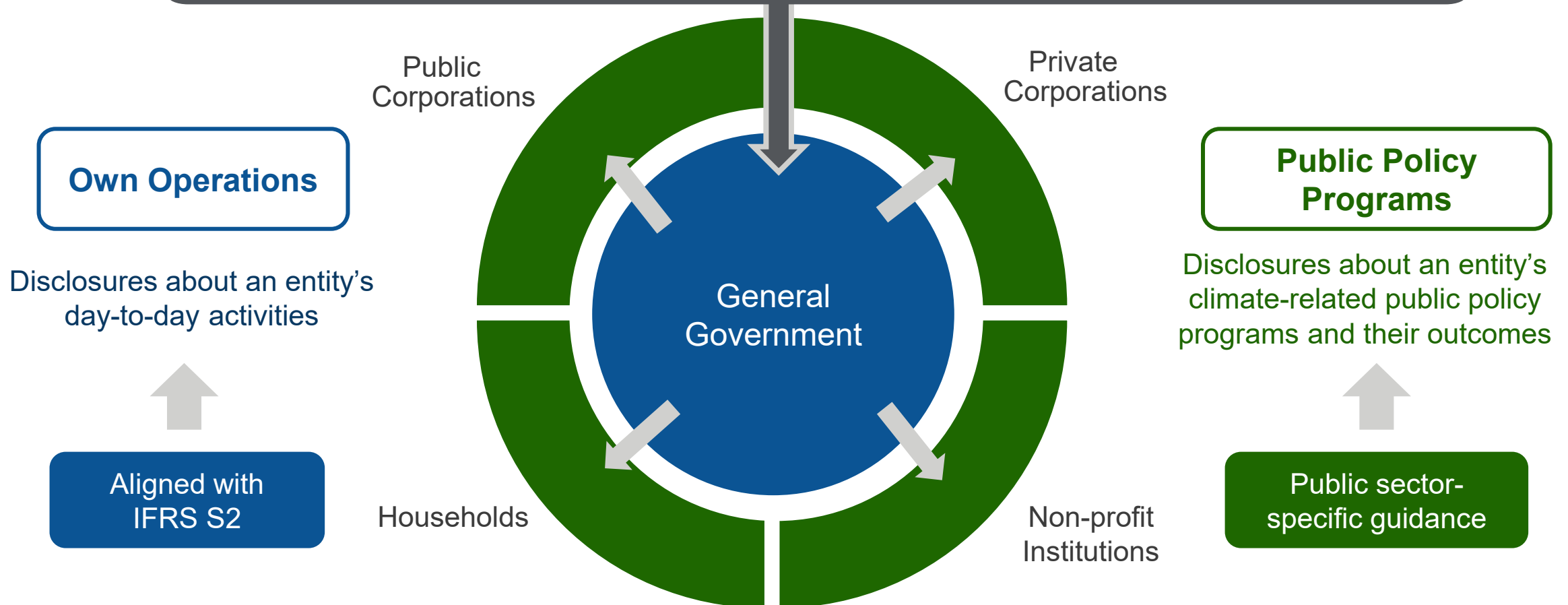
Role of Public Sector in Climate



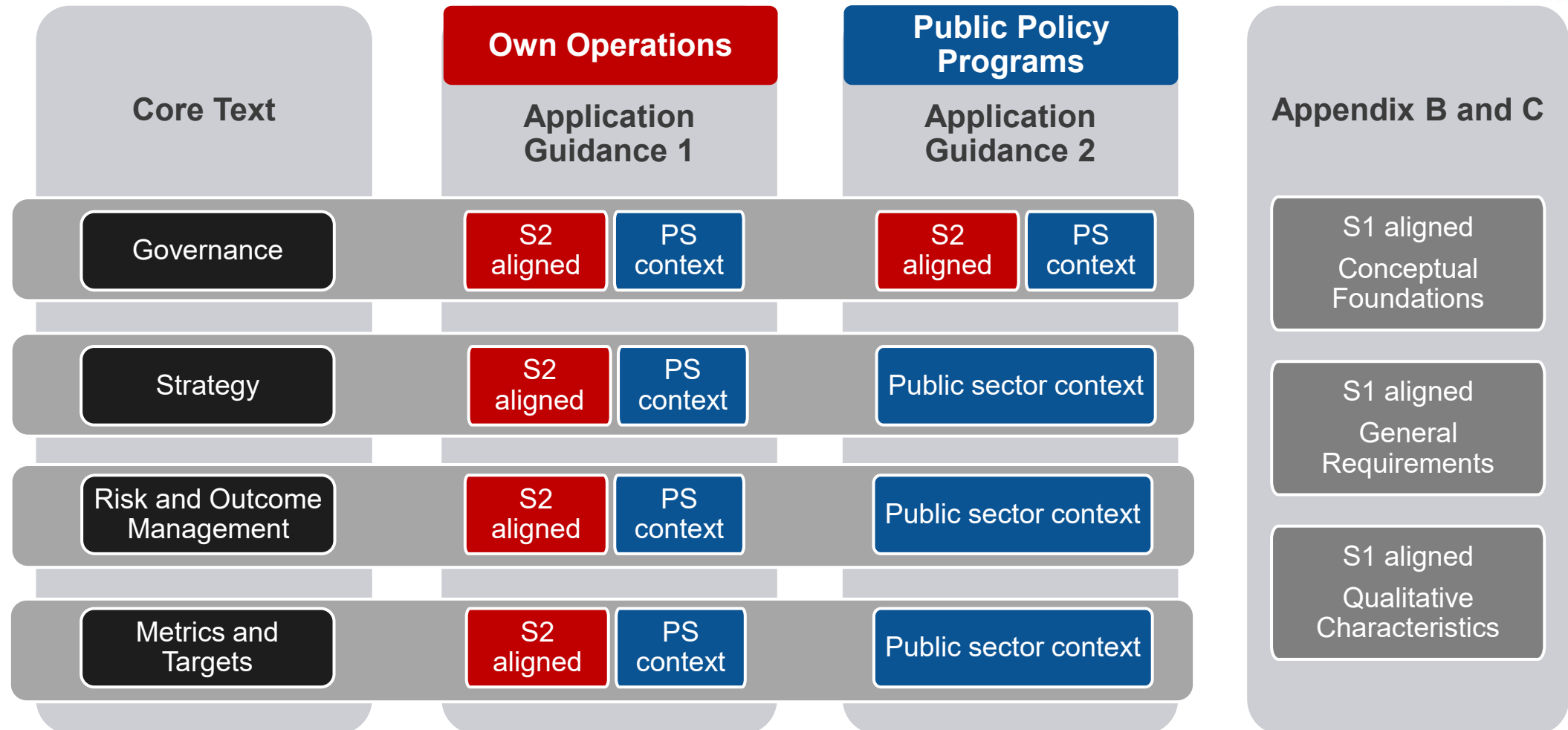
The latest international agreements on climate change

UN SDGs

Paris Agreement



Climate-related Disclosures ED Structure



Overview of Proposed Disclosures & Next Steps



Own Operations



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

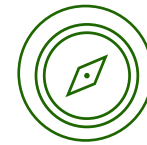


Includes all public sector activities such as policy design, implementation, and service delivery



Aligned with disclosure requirements of the **IFRS S2**

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 entities **responsible** for the outcomes of a climate-related public policy program

Example



Own operations



**Ministry of
Transport**



Converts its fleet of
buses to electric vehicles



Provides disclosures as a
part of its **own operations**

Climate-related Public Policy Programs



**Ministry of
Environment**



Designs a broad climate-
related public policy program



Provides disclosures about
its **own operations**

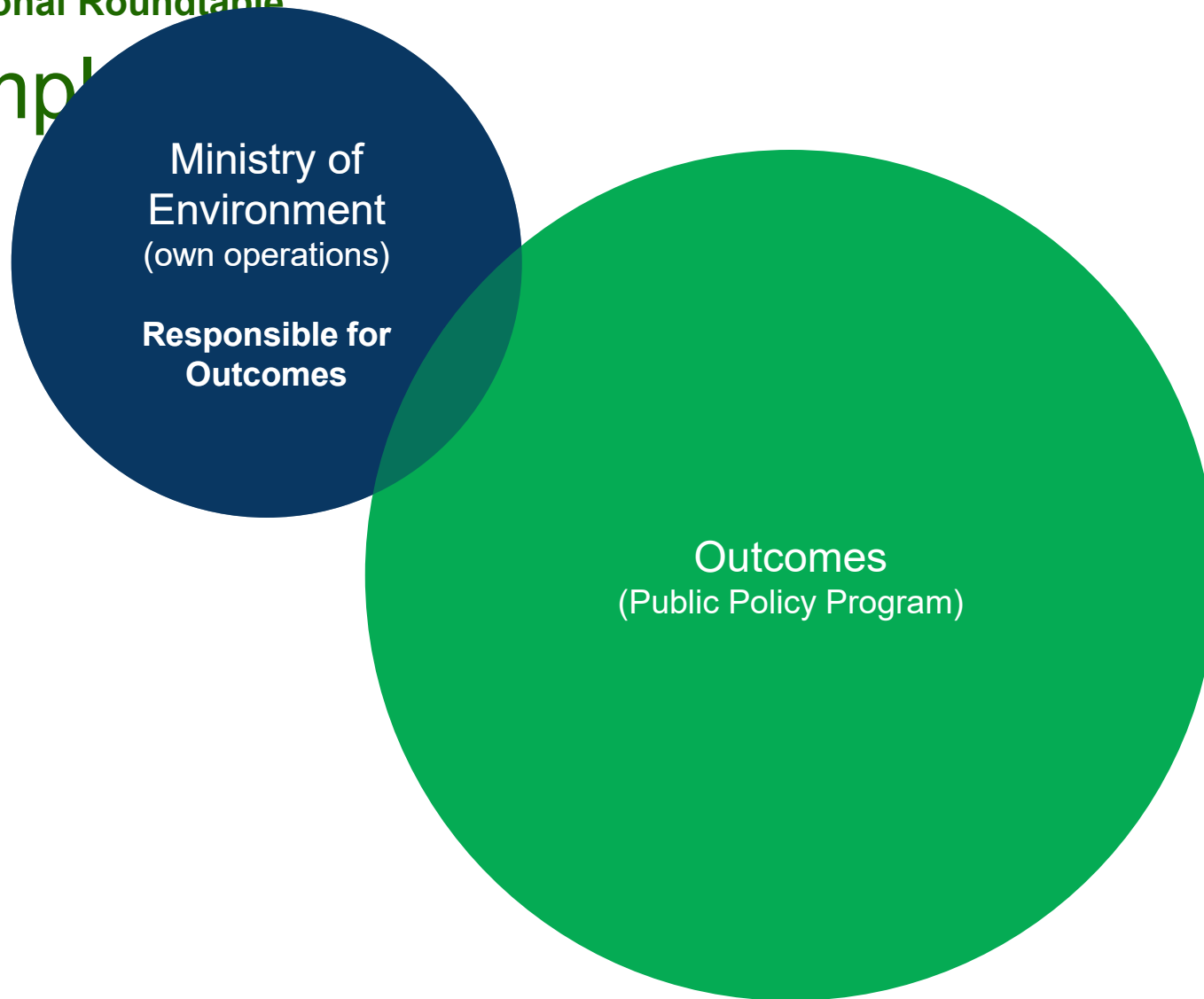
Provides disclosures on the
climate-related public policy
program and outcomes

Example



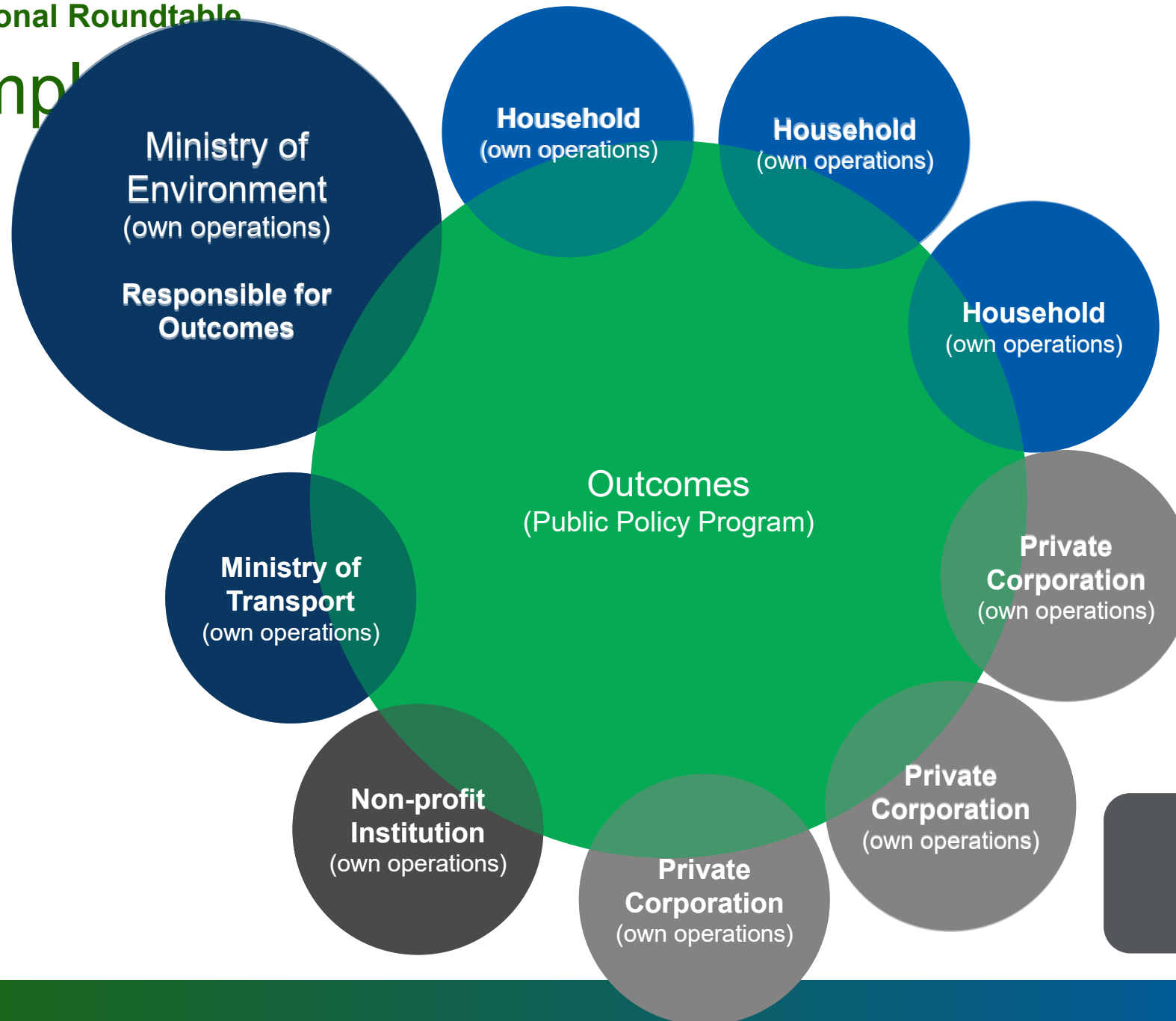
All entities have
Inputs → outputs →
outcomes

Example



All entities have
Inputs → outputs →
outcomes

Example



**All entities have
Inputs → outputs →
outcomes**



Materiality - Background



IPSASB's Deliberations



Explored different approaches to materiality



Considered single or double materiality



Materiality is driven by the needs of primary users



The broader definition of users and objectives includes information that influence primary users



The definition of materiality based on user needs should equally apply to all types of information

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."



Primary users are service recipients and resource providers

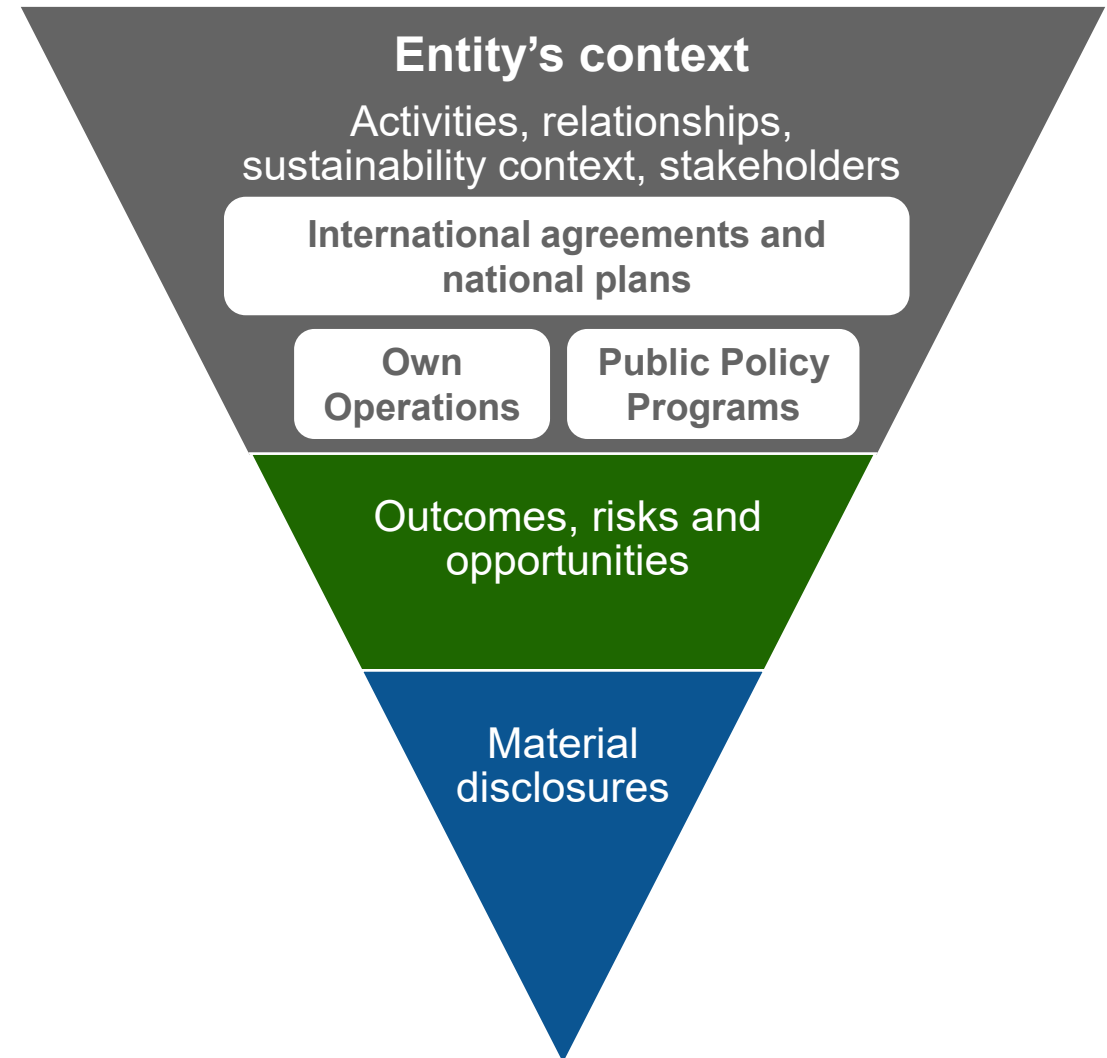
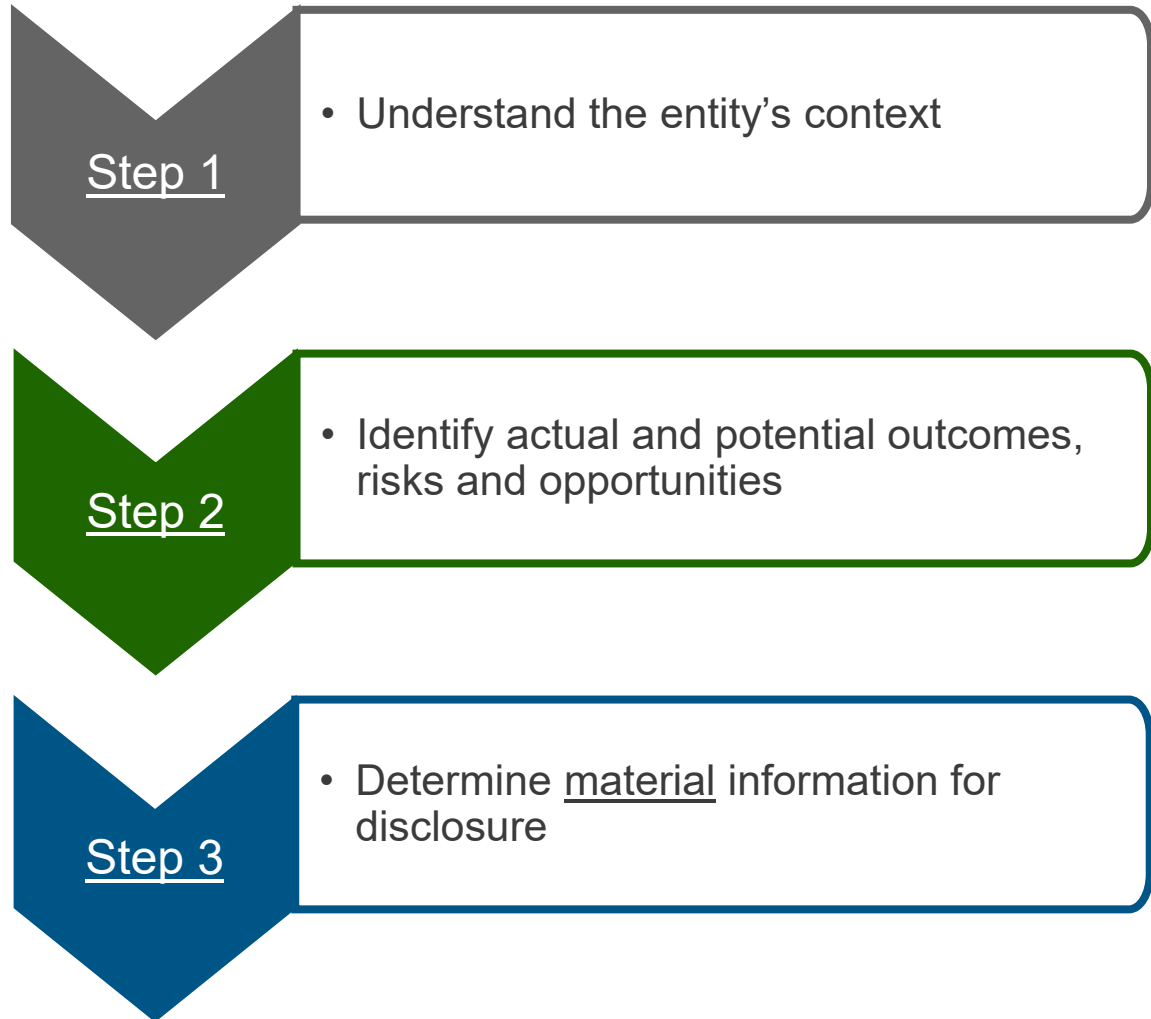


Objectives are for decision making and accountability



Support **connectivity** between financial and climate-related reporting



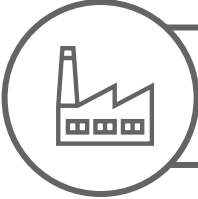

IPSASB – Determining material information



Transitional Provisions



In the first annual reporting period:

-  Not required to disclose comparative information *Aligned with the private sector*
-  Report climate-related disclosures after financial statements *Aligned with the private sector*
-  Not required to disclose Scope 3 greenhouse gas emissions *Aligned with the private sector*
-  Not required to disclose change in greenhouse gas emissions from existing climate-related public policy programs

IPSASB's Development of a Public Sector Climate-related Disclosures Standard



IPSASB publishes
Consultation Paper

May 2022



IPSASB launches
climate-related
disclosures project

Jun 2023

Comment period
for Exposure Draft

Oct 2024 –
Feb 2025

Jan 2022

World Bank report
on sovereign
climate reporting



Dec 2022

Research and
scoping of
priority projects

Sep 2024

Planned IPSASB
approval of
Exposure Draft



H2 2025

Approval of Final
Pronouncement

Advancing Sustainability Reporting

TABLE DISCUSSION

30 minutes

Questions for table discussion

Do you agree with the approach to align disclosures about an entity's own operations with IFRS S2 private sector guidance?

Do you agree that disclosures about public policy programs is needed given the nature of the public sector's policy role?

Do you agree with the approach to materiality for climate-related disclosures?

Do you agree with the proposed transitional relief? Yes/No? Do you think other relief would be useful (comment box)

Do you think a public sector climate-related disclosures standard will be useful in your jurisdiction? What do you think the implementation challenges are?

Strategy and Work Program 2024-2028 – Europe Roundtable

Advancing Sustainability Reporting

**REPORT
BACK**

10 minutes

Advancing Sustainability Reporting

SLIDO

#IPSASB2024ROUNDTABLE_ASIA



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Do you agree with the approach to align disclosures about an entity's own operations with IFRS S2 private sector guidance?

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**Do you agree that disclosures about public
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**Do you agree with the
approach to materiality for
climate-related disclosures?**

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**Do you agree with the
proposed transitional relief?**

① Start presenting to display the poll results on this slide.

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Do you think other relief would be useful? If so, please share what type of relief will that be.

① Start presenting to display the poll results on this slide.

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Do you think a public sector climate-related disclosures standard will be useful in your jurisdiction? What do you think the implementation challenges are?

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