

# IPSAS SRS EXPOSURE DRAFT 1: CLIMATE-RELATED DISCLOSURES



Issued 27 February 2025

CIPFA and ICAEW welcome the opportunity to comment on Sustainability Reporting Standards Exposure Draft 1: *Climate-related Disclosures* published by the International Public Sector Accounting Standards Board (IPSASB) on 31 October 2024, a copy of which is available from this [link](#).

- 1. Public Policy Programmes** – Government policies, regulation and subsidies are some of the most powerful tools available to change behaviour and bring about positive climate change. We therefore welcome the IPSASB’s inclusion of public policy programmes as an essential component in a climate standard for the public sector.
- 2. Climate Related Public Policy** – We do not agree with the proposal in this draft standard to limit reporting to climate-related public policy programmes. This is too narrow a scope that would limit reporting to a small proportion of policies and activities that affect climate, risking accusations of greenwashing since only those that have a positive impact would be reported on. We propose an alternative scope to include “all material policies” that contribute to a jurisdiction’s national determined contributions (NDCs).
- 3. Materiality** – Reporting the impact of public policy programme outcomes on businesses, society and the environment will be of significant interest to many stakeholders. In our view the standard should be clearer on whether a ‘double materiality’ applies. We think it does.
- 4. Timeliness and Data Collection** – We agree with the Exposure Draft that a lack of skills, capabilities and resources could make the adoption of this standard a significant challenge for many jurisdictions, including in data collection. It will take time for the expertise, methodologies and data to improve, and we would therefore recommend a phased approach to adopting climate-related disclosure standards. This is the approach taken in the UK for other standards, including TCFD, which seems to be working well.
- 5. Existing Frameworks** – We support IPSASB’s support for alignment with International Sustainability Standards Board (ISSB) standards, and with the Greenhouse Gas (GHG) Protocol. However, we think flexibility is needed to accommodate jurisdictional frameworks that may already be in place and so it would be helpful if there was guidance on the additional disclosures that would be required to ensure compliance with SRS1 for preparers adopting other frameworks, such as United Nations Framework Convention on Climate Change (UNFCCC). IPSASB could refer to the IFRS report comparing [IFRS S2 with TCFD](#).
- 6. Judgements and estimates** – Unlike financial reporting standards which have well established methods and benchmarks to support judgements and estimates, sustainability standards do not. To support robust climate reporting, accountability and trust, these reports should be subject to external assurance. We would like to see IPSASB and IFAC work with the auditing profession and standard setters to fill the audit gap that the reporting on public policies will create.

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## KEY POINTS

### WE CONGRATULATE IPSASB ON ISSUING THIS IMPORTANT EXPOSURE DRAFT

1. We would like to congratulate IPSASB and the staff on issuing this draft Sustainability Reporting Standard. This is an important topic that governments and public bodies are asking for guidance on to assist in their reporting.
2. We recognise the speed with which this was achieved, especially given the Exposure Draft provides entirely new guidance on public sector policy and regulatory functions. However, while we appreciate the desire to issue this standard as quickly as possible, we believe that further work is still required to achieve the desired outcomes. Quality of the standard must not be compromised by speed of delivery.

### THE CLIMATE EMERGENCY AND THE ROLE OF GOVERNMENT

3. Science undeniably points towards a warming planet due to the build-up of greenhouse gases (GHG) in the atmosphere. The impacts are already being felt in many parts of the world and are only due to get worse. For the first time global warming has exceeded 1.5°C for an entire year compared with pre-industrial levels, according to EU's climate service. A recent UN Emissions Gap report indicates that if only "current policies" are implemented the world could warm up by 3.1°C this century.
4. Government policies and regulations that aim to reduce GHG emissions will play a vital role in achieving global emissions targets. While sustainability reporting is important for accountability purposes, it is government policy that drives behaviour and ultimately better environmental outcomes.
5. We therefore believe that any public sector climate standard must take account of the policy setting function of government, to ensure that at a policy creation phase, climate is taken into account and forms part of the evaluation process.

### WE ARE CONCERNED THAT THE PROPOSED DEFINITION OF CLIMATE-RELATED POLICIES COULD LEAD TO GREEN-WASHING AND WILL NOT MEET USER NEEDS

6. Our view is that the proposed definition of climate-related public policy programmes is too narrow. By limiting disclosures to policies that have climate related outcomes as a primary objective there is a risk of greenwashing since policies could be scoped in or out by changing the primary objective. In addition, policies with significant climate impacts that are designed primarily to meet other objectives, such as promoting economic growth, would not be disclosed even when they might play a key part in either achieving net zero targets or in making achievement less likely.
7. We see three broad options regarding policy reporting at this important juncture:
  - a) pause the introduction of policy reporting as per the Alternative View;
  - b) keep with the current narrow scope of climate-related policies; or
  - c) broaden the scope to include all policies that contribute to a jurisdiction's climate targets.
8. We support option (c) above and recommend broadening the scope of policies to be reported on in this public sector specific climate standard. In our view, IPSASB should put in place a standard that, if fully implemented by an entity, would deliver decision useful information and drive accountability.
9. To pause the introduction of climate related policy reporting would send out the wrong signals and delay the reporting of policy outcomes on the economy, society and nature for many years. We therefore disagree with the Alternative View on this point.

10. To keep the current narrow scope of reporting on policies that have a primary objective of climate-related outcomes would not meet user needs and is open to greenwashing.
11. To broaden the scope of policies to include all material policies that contribute to a jurisdiction's climate target provides the necessary transparency and meet user needs by including policies with both negative and positive climate impacts and the resulting trade-offs.
12. One could argue for any of the three options above and we are conscious of the tensions between speed of delivery of the standard, ability of jurisdictions to implement the standard and quality/usefulness of disclosures. Our recommendation of broadening the scope of climate reporting should be seen in conjunction with our suggestion for a phased implementation process as described in response to SMC 9.
13. Many jurisdictions find the implementation of IPSAS accruals based financial reporting standards difficult and adoption of the climate standard will be equally challenging. We are sceptical that having a narrow scope of which policies to include will increase adoption. On balance, we recommend IPSASB raise the reporting threshold to create an aspirational global baseline for public sector entities to work towards. Please see our response to SMC 3 for further details.

## **ANSWERS TO SPECIFIC QUESTIONS**

### ***Specific Matter for Comment 1: Public sector operations and regulatory role (paragraphs 1-4)***

***This Exposure Draft requires a public sector entity to provide disclosures about:***

- (i) the climate-related risks and opportunities that are expected to affect its own operations***
- (ii) climate-related public policy programs and their outcomes when an entity has responsibility for those programs and their outcomes (see paragraphs 3 and AG2.7–AG2.8).***

***Do you agree the proposed approach meets the information needs of primary users (see paragraphs 1–4)? If not, what alternative approach would you propose and why?***

14. We generally agree with and support the proposed disclosure requirements regarding climate-related risks and opportunities that are expected to affect an entity's own operations but have some reservations about climate-related public policy programmes.
15. We do not support restricting the reporting on public policy programmes to those that are purely climate-related.
16. Firstly, we are concerned that this restriction could lead to greenwashing as only those policies that have a positive impact on reducing greenhouse gas (GHG) emissions will be included (a policy that would increase emissions would not be labelled as a climate-related policy)
17. Secondly, we do not believe that information needs would be met by only including those policies that have climate outcomes as a primary objective. Many policies with other primary objectives, such as economic growth or to meet social needs for example, may have significant climate-related impacts.
18. Thirdly, there is a risk that reporting entities could engineer policies to be out of scope of these reporting requirements by stating a different primary objective other than climate-related outcomes.

19. The Alternative View clearly presents the arguments against the proposed scope but does not offer other meaningful solutions. We support IPSASB's endeavour to include guidance on government policy as that is an important differentiator between the public and private sectors. Please see our response to SMC 3 for our thoughts on an approach that could be adopted to meet these objectives.

**Specific Matter for Comment 2: Own Operations (Appendix A1: Application Guidance – Own Operations)**

***The Exposure Draft primarily aligns disclosure requirements about an entity's own operations with private sector guidance (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures), with public sector guidance, including a rebuttable presumption that entities use the GHG Protocol: A Corporate Accounting and Reporting Standard (2004), unless another established method of measuring its greenhouse gas emissions is more appropriate or required by a jurisdictional authority (see paragraph AG1.72).***

***Do you agree with the proposed approach and guidance? If not, what alternative approach would you propose and why?***

20. We agree with the proposed approach to align disclosure requirements about an entity's own operations with private sector guidance – IFRS S1 and S2. However, whilst we agree with most of the proposed guidance for an entity's own operations, we have a number of recommendations that IPSASB may wish to consider.
21. Unlike the TCFD framework which contains disclosure requirements which are not subject to materiality, IFRS S1 and S2 are subject to materiality. We therefore recommend that paragraph AG1.1 inserts 'material' before disclosures.
22. We also recommend better signposting in the relevant appendices that all disclosures are subject to materiality considerations; this can get overlooked when skipping straight to a particular section of the draft standard.
23. Paragraph AG1.25 (a) (iv) requires information about a climate-related transition plan. There may not be a plan in place and so we recommend including a requirement for entities without a transition plan to explain the reasons why no such plan exists and when one might be adopted. We also recommend including further guidance on the transition plan with reference to the [Transition Plan Taskforce Disclosure Framework](#).
24. Some disclosure requirements could be seen as political in nature which may make it challenging to adhere to these requirements and thus may require more guidance. For example:
- AG1.25 (b) asks how the entity is resourcing and plans to resource climate related activities. This requirement will need speculation about future government policy (and budget allocations) which may be problematic.
  - AG1.32 (c) requires disclosures around investment and disposal plans and planned sources of funding. In addition, AG1.39 (a) (iii) requires an entity to disclose its capacity to adjust or adapt its strategy and operational model including current and planned investments. These disclosures may be difficult in practice to make as these will depend on government priorities. The US is a good example where a change in government has changed the environmental investment landscape significantly.
25. Regarding the requirements in AG1.25 (c) which ask for quantitative and qualitative information about the progress of plans disclosed in previous years, we suggest instead to ask for a 'base case' as well as an explanation of where entities are on their transition plan journey. Progress against plans could be impacted by changing government policy and

explaining this could become politically sensitive as well as confusing if the entity has made changes to the transition plan from one period to the next.

26. AG1.31 and AG1.32 require entities to disclose effects of climate-related risks on their financial position, performance and cash flows. The requirement to identify and then isolate the effects of climate-related risks from other business risk is a fundamental problem. These risks are not siloed. We have a concern that in practice, entities will not be able to disclose any meaningful financial information under this requirement.
27. Linked to the above comment, paragraph AG1.36 states that no quantitative information needs to be provided if effects are not separately identifiable. Furthermore, AG1.37 says that entities need not provide the information about anticipated financial effects of climate risk if it does not have the skills, capabilities or resources to provide that quantitative information. Whilst we agree with these opt out clauses, we recommend that IPSASB monitor to what extent the standard can be applied by jurisdictions.
28. The shortage of skills and capabilities is also likely to impact the auditing of climate-related disclosures. We recommend that both the extent to which the climate standard is being adopted as well as audited (and to what level of assurance) be monitored closely to ensure quality improves over time.
29. We assume that the requirement in paragraph AG1.38 (c), which is to provide quantitative information on the combined effects of risks and opportunities, would also be subject to the restrictions outlined in AG1.37. This should be clarified as the requirements will not be easy for some entities to comply with.
30. AG1.38 (c) is confusing as it asks for information about the combined financial effects of 'that' climate-related risk with other climate-related risks. What does 'that' refer to and would it not make more sense to combine climate-related risks with other non-climate related risks?

***Specific Matter for Comment 3: Scope of Public Policy Programs (paragraph 3 and AG2.4–AG2.6)***

***This Exposure Draft requires disclosures about public policy programs with a primary objective to achieve climate-related outcomes. Do you agree with this approach and the scope of public policy programs included in required disclosures? If not, what alternative approach would you propose and why?***

***The Exposure Draft includes an Alternative View on the approach to climate-related public policy programs.***

31. We recognise many of the arguments presented in the Alternative View but do not agree with removing the reporting of public policy programme outcomes from the scope of this draft standard as suggested in AV4.
32. There is a climate emergency that we all need to confront and removing the reporting on government climate policies that can have a significant impact on our planet is not in the public interest. We think that at this stage it is more important public sector sustainability reporting to be more ambitious than just replicating ISSB standards. Government policies, regulation and subsidies are the most powerful tools available to change behaviour and bring about positive climate change. We therefore see the reporting on government policies and regulation as essential.
33. We accept that sustainability reporting will be challenging for many public sector entities and that it will take some time before the expertise, experience, and data is available to enable adoption of IPSASB's climate standard in full. On balance we have a preference for a standard that is ambitious, one that delivers the information required to fully assess how an



entity is managing climate risks and opportunities but also how it is contributing to a jurisdiction's climate targets. This is preferable to a standard that is more easily adoptable but one that then lacks the necessary disclosures to meet user needs.

34. We therefore do not agree with the current scope of public policy programme reporting in the draft ED. We disagree with limiting the policies to those that have a primary objective of achieving climate-related outcomes
35. Limiting the disclosures to climate-related public policy programmes that will only cover a small sub-section of policies that impact climate is open to greenwashing. It is too easy for policies to be in or out of scope by changing the primary objective of the policy. For example, a policy to retrofit social housing could have a climate-related primary purpose but it could also have a health-related primary purpose.
36. Furthermore, climate-related public policies relating to emissions mitigation, by their very design, are likely to have a positive impact on reducing climate change. However, many other policies will not and there is a trade-off which needs to be transparent.
37. We would like to suggest an alternative approach for reporting on policies that affect the climate. The scope should include all material policies that contribute to a jurisdiction's climate-related target, whether positively or negatively. Entities should assess all their policies and report on those with the biggest impact on either jurisdictional commitments or international agreements on climate change.
38. This proposal is in line with paragraph 27 of the SRS ED and focuses more on climate-related impacts, rather than the objective of a policy. In our opinion this would meet user needs more than the current narrow proposal of focusing on whether the primary objective is climate-related or not.
39. Furthermore, should no such national target exist then it would be difficult to imagine having effective climate-related public policy programmes as they would operate in a vacuum without any success factors attached to them. It would also allow stakeholders to apply pressure on their government to implement a climate target.
40. To implement this variation in scope, the application of materiality is important to ensure that climate reporting takes into consideration the challenges of data collection, capacity and complexity. Applying materiality to an entire suite of policies may be easier to implement than trying to identify a sub-set of policies, especially since pure climate-related policies may have little expenditure.
41. In our view the draft standard should contain more guidance on how to apply materiality to policies as this will be critical to ensure the reporting burden remains proportional whilst still providing decision useful information.
42. For example, if a transport department had one specific climate-related policy out of a hundred different policies overall and that one policy had a spend of £15m compared with £300m for each of its largest thirty policies; it will be challenging for an entity to decide which factors to consider when determining if the one climate-related policy is material. Assessing policies on their overall contribution to climate targets is more intuitive and easier to apply.

#### ***Specific Matter for Comment 4: Public Sector-Specific Definitions (paragraph 7)***

***This Exposure Draft provides public sector-specific definitions and related guidance for:***

- (a) Public policy programs;***
- (b) Public policy program outcomes; and***
- (c) Climate-related public policy programs.***

***Do you agree with the proposed public sector-specific definitions and guidance? If not, what alternative definitions would you propose and why?***

43. We broadly agree with the definitions of the terms listed above but they seem to omit a crucial element, namely what exactly are climate-related public policy outcomes
44. Public policy program outcomes are defined as impacts on the economy, environment and/or people, which occur as a result of, or are reasonably attributable to, the public policy program. AG2.4 lists a number of public policy programmes, but we recommend reviewing this list to clearly demonstrate which policy programmes could be climate-related and how.
45. AG2.5 states three climate-related public policy outcomes:
  - A reduction in greenhouse gases
  - A percentage increase in energy efficiency
  - Reduced exposure to climate-related physical risks
46. Based on the current definitions, we understand the reporting on outcomes to be a broad-ranging concept, namely reporting on material climate-related policies that impact the economy, the environment and/or people. Most effective policies will impact one or more of these core pillars, but more work needs to be done to clearly define what climate-related policies are (or climate-related policy outcomes).
47. It is difficult to see how reporting on outcomes, given its definition, is a narrower concept than impacts. This differentiation is explained in BC41 and BC42, but we found it confusing and unnecessary. We therefore recommend that IPSASB review these paragraphs.

***Specific Matter for Comment 5: Strategy for Climate-related Public Policy Programs (paragraphs 12 and AG2.24–AG2.31)***

***This Exposure Draft proposes disclosure requirements about an entity’s strategy for climate-related public policy programs which include information that enables primary users to understand the entity’s strategy and decision-making, anticipated challenges to achieving intended outcomes and financial implications of the climate-related public policy program.***

***Do you agree that the disclosure requirements on strategy for climate-related public policy programs meet the information needs of primary users? If not, what alternative approach would you propose and why?***

48. If the scope of the standard remains narrowly focused on policies that have a primary objective of achieving climate-related outcomes, then the disclosures under the strategy pillar may be quite limited if the entity does not consider climate as a primary objective. These disclosures may then not meet user needs.
49. The Strategy pillar should enable primary users of general-purpose financial reports to understand an entity’s strategy for managing climate-related risks and opportunities as well as climate-related public policy programmes and their outcomes.
50. Primary users want to know how the entity is contributing to overall emissions and what policies it has now or in the future that will reduce emissions by businesses and individuals. The strategic element would come via the relevant levers it decides to press, be it taxation, regulation, subsidies or via nature.
51. If our recommendation of including all material policies that contribute to a jurisdiction’s carbon target were adopted, then many of the recommended disclosure requirements would become more meaningful. For example:



- AG2.24 (c) – a description of intended outcomes would be more balanced between competing incentives such as economic growth and reducing CO2.
  - AG2.24 (d) – currently the guidance asks for trade-off decisions between climate-related policy programmes but of much more interest would be wider trade off decisions between climate and non-climate related policies.
52. Trade-off decisions are likely be of high interest to many stakeholders as it could encourage discussions of what policies could look like if resources were not constrained against the decisions an entity has made given externally imposed restrictions on spending. Choices always have to be made and having more transparency around those choices would meet user needs.
53. If an entity has a sufficient number of material climate-related policies, then the recommended disclosures would meet user needs. However, as with the guidance for own operations, some disclosure requirements are challenging, and some could be seen as politically difficult to adhere to.
54. For example, AG2.24 (e) ii. asks for anticipated challenges to the achievement of intended outcomes. This could be difficult to report on as there are likely to be many variables, not least other government policies that could undermine climate policies. Governments are likely to have conflicting policies as different departments pursue different objectives, and this could become politically quite sensitive. More guidance on how this is to be implemented is required.
55. In relation to AG2.29 to AG2.31 *Financial implications of climate-related public policy programs*, we note with interest IPSASB’s decision, on practical grounds, not to ask for external financial implications i.e. those of businesses and individuals (BC81).
56. In our view, when creating a public policy, all impacts should undergo rigorous analysis including under different scenarios. That would include financial impacts on businesses and individuals who might be affected by the policy. Given the interest in this information, IPSASB may wish to consider mandating this disclosure whilst providing similar opt out mechanisms as per AG1.35 to AG1.37. In this instance the measurement uncertainty may prohibit disclosure. It may also be seen as being politically difficult to disclose financial impacts of policies on businesses and individuals, but it would be in the public interest.

***Specific Matter for Comment 6: Metrics and Targets for Climate-related Public Policy Programs (paragraphs 26–27 and AG2.34–AG2.44)***

- This Exposure Draft proposes to require disclosures about metrics and targets, including***
- (a) the change in greenhouse gas emissions reasonably attributed to climate-related public policy programs and***
  - (b) other metrics to measure and monitor performance in relation to climate-related public policy programs.***

***Do you agree these disclosures meet the information needs of primary users of the report (see paragraph 26)? If not, what alternative approach would you propose and why?***

57. We support the proposed disclosures and believe that they would meet the information needs of primary users.
58. As also recognised in the draft ED, creating, designing and being responsible for a policy is not always the same entity as the one administering or implementing the policy. We expect there to be data challenges for public sector climate policy reporting but expect these to improve over time as climate reporting becomes more embedded and widespread.

59. We also hope that when designing policies that some of the KPIs, such as expected changes in GHG emissions, are factored in from the beginning. Having policies in scope based on whether they materially contribute to a jurisdiction’s climate target would make many of the recommended disclosures more meaningful.

**Specific Matter for Comment 7: Conceptual foundations (paragraphs B2–B15)**

***This Exposure Draft includes conceptual foundations aligned with the IPSASB Conceptual Framework including the definition of materiality (see paragraphs B8–B10) and primary users of public sector general purpose financial reports (see paragraphs B.AG28–B.AG33).***

***Do you agree that the proposed definition of materiality based on the IPSASB Conceptual Framework meets the information needs of primary users for climate-related disclosures? If not, what alternative approach would you propose and why?***

60. We believe that materiality, as defined in IPSASB’s Conceptual Framework, should allow preparers to determine the information to include in their general-purpose financial reports.
61. The key consideration is whether the materiality definition is applicable to climate-related public policy programme outcomes. Until the publication of this draft non-financial reporting standard, materiality has only been applied as a financial materiality concept in IPSASB’s standards, which focuses on impacts affecting an entity’s financial performance, financial position and cash flows. The application of the materiality concept for climate policies needs to help preparers decide if the impact of those policies on the economy, society or environment could influence the discharge of accountability or the decisions of the primary users.
62. In our view there are two important elements to IPSASB’s materiality definition that means it doesn’t limit itself to financial materiality. One is the focus on accountability and the other is the wide definition of primary users.
63. Accountability in the public sector is generally based on a value for money concept by providing goods and services for as best cost as possible. Since these are often provided at zero or below market consideration, unlike the private sector, profit is not a key performance indicator. This wider accountability remit then makes non-financial information more important since performance is measured by the impact the goods and services are having rather than the revenue they may generate.
64. IPSASB’s Conceptual Framework defines primary users as being service recipients and their representatives and resource providers and their representatives. This is very broad and includes everyone, from taxpayers and eligible residents to bilateral donor agencies and corporations.
65. Unlike IFRS where the primary users are investors, having a broader user base will naturally lead to a wider range of information being material. Omitting, misstating or obscuring information that could influence the decisions that primary users make based on an entity’s annual report is the definition of materiality. There will be many user groups that will be interested in, and will base decisions on, the impacts that climate-related public policies have on businesses, society and the environment.
66. Given the definition of climate related public policy outcomes, which are impacts on the economy, individuals and the environment, to decide which policies could be material to the various primary users will inevitably involve reviewing and assessing the external impacts these policies have. This looks and feels very much like double or impact materiality and the draft standard should make this clear rather than trying to convince the reader that outcomes are not as broad as impacts.

**Specific Matter for Comment 8: General requirements (paragraphs B16–B46)**

***This Exposure Draft includes general requirements aligned with private sector guidance (IFRS S1) including the requirements for (a) an entity to include its climate-related disclosures in its general purpose financial reports (see paragraphs B22–B25) and (b) an entity to report its climate-related disclosures at the same time as its related financial statements (see paragraphs B26–B31).***

***Do you agree that the disclosure requirements proposed in the general requirements are appropriate for public sector entities? If not, what alternative approach would you propose and why?***

67. We agree with the disclosure requirements from B16 to B46.

**Specific Matter for Comment 9: Transition (paragraphs 30–33)**

***This Exposure Draft proposes to provide transitional relief only in the first year of adoption (see paragraphs 30–33) for disclosures relating to an entity’s own operations and where applicable, relating to climate-related public policy programs and their outcomes.***

***Do you agree that the proposed transition provisions approach should be applicable to both own operations and climate-related public policy programs? If not, what alternative approach would you propose and why?***

68. While in principle we agree with a transition approach aligned to the private sector, most private sector climate reporting requirements have been aimed at larger, listed companies to satisfy the needs of the investor community.

69. We share IPSASB’s concern, as set out in BC90, that there will be challenges to a public sector entity’s ability to adopt these standards. The European sustainability standard setter consulted on a simplified version of their sustainability reporting standard (CSRD) for listed SMEs, small banks and captive insurers as well as creating a voluntary standard for SMEs. These simplified versions are not available at the time of writing this response but we urge IPSASB to monitor these developments closely to see if these could inform the development of this standard.

70. We recommend that IPSASB create a jurisdictional implementation support guide (similar to [ISSB’s guide](#)) to create a strategy to implement the climate standard. Perhaps the Sustainability Implementation Forum could inform this work.

71. For example, the UK’s adoption of the TCFD framework for central government was carried out with a phased approach and limited to those entities with income/funding of more than £500m or 500 employees (with some exceptions).

72. Based on the successful phased approach adopted in the UK, we suggest that an implementation support guide propose the following:

Phase I: Governance and Risk for own operations and public policy

Phase II: Strategy and Metrics and Targets for own operations only

Phase III: Strategy and Metrics and Targets for public policy

73. Our main concern is around proportionality if IPSASB’s climate standard is to apply to all public sector bodies. We therefore also recommend that the implementation support guide should explore how larger public sector entities could adopt the climate-related disclosures standard first. This would allow knowledge to be shared and cascaded downwards as

expertise, techniques and quality of data improves over time. This would be a more cost-effective approach as alternatives may require significant expense.

***Specific Matter for Comment 10: Other Comments***

***Do you have any other comments on the proposed Exposure Draft?***

74. We fully support IPSASB's work in creating a public sector specific climate standard to act as a global baseline. Including public policy programmes within scope is important as it is a key lever with which to reduce GHG emissions.
75. We strongly recommend that IPSASB include this standard as part of their Post Implementation Review pipeline to evaluate to what extent this standard is being adopted and how well it is being implemented.
76. Not only are we concerned about the ability of smaller entities to comply with the requirements, but we are also concerned about the verifiability of the information being provided.
77. To drive rigour and ensure trust in the reporting process, the information must be capable of being assured. The amount of information that is subjective and subject to a high degree of uncertainty is significant, which will make the audit and assurance process challenging.