



भारतीय सनदी लेखाकार संस्थान
(संसदीय अधिनियम द्वारा स्थापित)
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

18th March 2025

Mr. Ian Carruthers
Chairman,
International Public Sector Accounting Standards Board,
The International Federation of Accountants,
277 Wellington Street West,
Toronto, Ontario M5V 3H2 CANADA

Dear Ian Carruthers,

Sub: Comment on Exposure Draft 1, *Proposed International Public Sector Accounting Standards Board Sustainability Reporting Standard, Climate-related Disclosures*

We are pleased to provide Comment on Exposure Draft 1, *Proposed International Public Sector Accounting Standards Board Sustainability Reporting Standard, 'Climate-related Disclosures'* issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC). Our comments on the SRS Exposure Draft 1 are enclosed with this letter.

Please feel free to contact us, in case any further clarification in this regard is required.

Thanking you,

Yours sincerely,

CA. Mangesh Pandurang Kinare
Chairman
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SRS Exposure Draft 1, *Proposed International Public Sector Accounting Standards Board Sustainability Reporting Standard, Climate-related Disclosures*

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, and (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?

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

ICAI's views:

We agree with the proposed approach. By requiring disclosures on climate-related risks, opportunities, and public policy outcomes, it ensures transparency and provides relevant, decision-useful information for stakeholders to assess the impact of climate-related factors on public sector operations and policies.

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?

ICAI's views:



We agree that aligning the disclosure requirements with private sector guidance, such as IFRS S1 and IFRS S2, while incorporating public sector considerations, provides a balanced approach. The rebuttable presumption to use the GHG Protocol is a practical framework, though it may be beneficial to include flexibility for entities operating under specific jurisdictional requirements or local standards. We recommend ensuring that the entities should have clear guidance on how to apply alternative methods if needed, to maintain consistency and comparability in emissions reporting.

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.

ICAI's views:

We agree with this approach and the scope of public policy programs included in the required disclosures. Requiring disclosures about public policy programs with climate-related outcomes ensures transparency and accountability, enabling stakeholders to assess the effectiveness of these programs in addressing climate change. This approach is crucial for aligning public sector efforts with broader climate goals and enhancing decision-making.

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?

ICAI's views:

We agree with the proposed public sector-specific definitions and guidance. These definitions provide clarity and context, ensuring that public sector entities can



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consistently apply the framework to their climate-related activities. This tailored approach helps to align the public sector's unique responsibilities with the broader sustainability and climate reporting requirements.

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?

ICAI's views:

We agree that the disclosure requirements on strategy for climate-related public policy programs meet the information needs of primary users. By providing insights into the entity's strategy, decision-making processes, anticipated challenges, and financial implications, these disclosures enable primary users to assess the program's effectiveness and the entity's approach to addressing climate-related issues.

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?

ICAI's views:

We agree that these disclosures about metrics and targets in relation to climate related public policy programs meet the information needs of primary users. By providing metrics on the change in greenhouse gas emissions attributed to climate-related public policy programs, as well as additional performance measures, the disclosures offer valuable insights into the effectiveness of these programs, enabling informed decision-making and accountability.



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?

ICAI's views:

We agree that the proposed definition of materiality based on the IPSASB Conceptual Framework meets the information needs of primary users for climate-related disclosures. It ensures that only relevant and significant climate-related information is disclosed, enhancing the usefulness and clarity of the reports for decision-making by stakeholders in the public sector.

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?

ICAI's views:

We agree that the disclosure requirements proposed in the general requirements are appropriate for public sector entities. Aligning climate-related disclosures with general purpose financial reports and requiring them to be reported alongside financial statements ensures consistency and transparency, allowing stakeholders to assess both financial and climate-related performance simultaneously.

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



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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?

ICAI’s views:

Given the volume and complexity of the proposed requirements, entities, especially in developing countries, may face challenges in terms of time and resources to fully comply. The information needs of primary users may come at a high cost for preparers in these economies, where addressing climate-related risks may require different approaches and longer timeframes compared to advanced economies.

Specific Matter for Comment 10: Other Comments

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

ICAI’s views:

No Comments