



<b>Project:</b>	<b>Sustainability Reporting</b>	<b>Meeting:</b>	AASB June 2023 (M196)
<b>Topic:</b>	<b>Update on GRI and IPSASB perspectives</b>	<b>Agenda Item:</b>	15.2
		<b>Date:</b>	06 June 2023
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		<b>Decision-Making:</b>	-
		<b>Project Status:</b>	-

## Objective

- 1 The objective of this paper is to inform Board members of developments in sustainability reporting undertaken by the Global Reporting Initiative’s (GRI) standard-setting body the Global Sustainability Standards Board (GSSB) and the International Public Sector Accounting Standards Board (IPSASB).
- 2 This paper is for information purposes only and does not ask the Board to make any decisions.

## Structure

- 3 This paper is structured as follows:
  - (a) Background (paragraph 4);
  - (b) Global Sustainability Standards Board (paragraphs 5-8); and
  - (c) International Public Sector Accounting Standards Board (paragraphs 9-16).

## Background

- 4 The Board is provided with an update on the sustainability reporting-related activities of the GSSB and the IPSASB at each meeting. The Board received the last GSSB and IPSASB update at its May 2023 meeting.<sup>1</sup>

## Global Sustainability Reporting Board

### 20 April 2023 meeting

- 5 The Standards Division provided updates on both topic standard projects and sector standard projects. Staff presented the GSSB with proposed revised wording (not provided publicly) to update GRI 1: *Foundation 2021* “Box 1– Sustainability reporting and financial and value creation

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<sup>1</sup> See May 2023 (M195) [Agenda Paper 9.2 Sustainability Reporting: Update on GRI and IPSASB perspectives.](#)

reporting” to reflect the latest developments by the ISSB and EFRAG. The GSSB agreed on the text, and the staff will discuss the revised text with the ISSB and EFRAG.

- 6 A proposed framework and scope were discussed for a Topic Standard Project for Economic Impact.<sup>2</sup> The GSSB also approved additional members for a Technical Committee for the Topic Standard Project for Climate Change.<sup>3</sup>

### **16 May 2023 Meeting**

- 7 The recording for this meeting was not available at the time of writing this Board paper, however the agenda and papers for this GSSB meeting indicated that:
- (a) The standards division would provide an update on current projects;
  - (b) The third and final group of nominated experts for the technical committee and subgroups for the GRI Topic Standard Project for Climate Change were put forward for GSSB approval;<sup>4</sup> and
  - (c) An update on the GSSB Work Program for 2023-2025 would be provided.
- 8 The next GSSB meeting will be held on 15 June 2023.

### **International Public Sector Accounting Standards Board**

#### **13-16 June 2023 meeting**

- 9 The IPSASB will receive an update from IAASB staff on the progress of their work on the assurance of sustainability reporting.
- 10 The IPSASB will be asked to decide on whether sustainability reporting pronouncements should be issued as standards and therefore be authoritative, or issued as guidance (similar to a Recommended Practice Guideline) and therefore non-authoritative. The IPSASB will be further asked, if sustainability reporting pronouncements are issued as standards, whether they should be issued as a separate suite of standards from IPSAS. The IPSASB staff recommendation is that sustainability reporting pronouncements should be issued with the status of standards as a separate suite of reporting requirements.<sup>5</sup>
- 11 The IPSASB will also discuss a draft Climate-related Disclosures project brief that staff have put forward for approval. This project brief considered feedback from a formal consultation paper, the IPSASB’s Consultative Advisory Group, five regional roundtables (492 participants representing 127 countries), attendees from the Public Sector Standard Setters Forum held in September 2022, and staff-led research.
- 12 The project objective is to develop a global baseline for consistent and comparable public sector climate-related disclosures to meet the needs of users of public sector sustainability

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2 See [Item 01 – GRI Topic Standard Project for Economic Impact - Proposed framework for discussion](#)

3 See [Item 02 – GRI Topic Standard Project for Climate Change – Proposed members for Technical Committee](#)

4 See [Item 03 – GRI Topic Standard Project for Climate Change – Proposed members for Technical Committee](#)

5 See [Agenda Item 8.2.1 – Status and Authority of Sustainability Reporting Pronouncements](#)

reports (service recipients and resource providers) and ensure better transparency, accountability and enable improved decision-making.

- 13 This draft project brief proposes the scope for the project is to develop climate-related disclosure requirements for reporting entities by leveraging international sustainability reporting guidance as it relates to:
- (a) Climate-related risks the entity is exposed to, including but not limited to, physical and transition risks;
  - (b) Climate-related opportunities available to the entity; and
  - (c) Climate-related impacts related to the economy, environment and people.

It is intended that guidance developed will leverage of [Draft] IFRS S2 *Climate-related Disclosures* and GRI Standards, while considering any issues specific to the public sector.

- 14 The proposed project timeline indicates that an exposure draft would be issued in June 2024 and the final standard issued in the second half of 2025.<sup>6, 7</sup>
- 15 The next full IPSASB meeting will be held on 12-15 September 2023.

### Questions to Board members

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**Q1:** Do Board members have any questions about the information provided in this paper?

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6 See [Agenda Item 8.2.2 Approval of Climate-related Disclosures Project Brief](#)

7 See [Agenda Item 8.3.1 – Climate-related Disclosures Project Brief and Outline](#)