

QUESTION 1

Question	Answer
<p>Do you agree with the Strategic Objective?</p>	<p>Yes. The IPSASB has worked hard to create a suite of IPSAS that canvas many topics. Pivoting to implementation of the IPSAS is a prudent use of resources. Implementation is a vital step.</p> <p>We also agree that the time is here to focus on public sector sustainability reporting standards. With the creation of the ISSB, and the release of its first two standards, the public sector needs to have equivalent standards. We are very supportive of this work.</p>
<p>Do you agree with the IPSASB’s proposal to deliver its Strategic Objective through two main activities? (delivering global standards; inspiring implementation)</p>	<p>We agree with the two main activities. We are pleased to see that the activities call for increased international collaboration, and supporting jurisdictional, regional and international initiatives. With respect to sustainability, the world community is largely linked with interdependencies, the ability of one jurisdiction to affect another.</p> <p>With respect to the key action of “Building Alliances”, we specifically recommend that the IPSASB consult and collaborate with Indigenous Peoples. Indigenous Peoples should form a specific group inside of your “Building Alliances” key action. Since Indigenous Peoples have distinct internationally recognised rights, they should not be grouped into any type of broader category.</p> <p>Indigenous Peoples are sophisticated peoples who, around the world, have varying levels of self-governance. Indigenous Nations thus will be distinct users of public sector sustainability reporting.</p> <p>The United Nations Declaration on the Rights of Indigenous Peoples obligates states to consult with Indigenous Peoples to obtain their free, prior and informed consent before adopting or implementing legislative or administrative measures that may affect them. While the IPSASB is not bound by this clause, this type of consultation is a best practice. Moreover, as Indigenous Peoples will be a user of the standards,</p>

	<p>it is a matter of prudence to consult with Indigenous Peoples.</p> <p><u>IPSASB’s Consultative Advisory Group (CAG)</u></p> <p>We have reviewed the terms of reference for the CAG, and note that there is no diversity, equity and inclusion (DEI) policy or considerations for CAG appointments. In our view, this places the process for CAG appointments a step behind best practices for group appointments. We recommend that the IPSASB revise its terms of reference to include DEI considerations.</p> <p>We recommend that IPSASB appoint an Indigenous person to its Consultative Advisory Group, which will better ensure that “balanced geographical and functional backgrounds” are present at the CAG.</p>
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QUESTION 2

Question	Answer
Do you agree with the proposed maintenance activities, and if not, explain why including any proposed alternatives.	We agree and have no alternatives at this time.

QUESTION 3

Question	Answer
Are there major financial reporting projects that the IPSASB should consider adding to its potential future financial reporting standard setting projects list?	N/A
Are there other IPSAS that the IPSASB should consider a potential project for its maintenance program?	N/A

<p>If the IPSASB’s proposal to implement a PIR process is supported, what IPSAS are of the highest priority in your jurisdiction?</p>	<p><i>A note on language used in this response: we use the language “orders of government” to refer to Indigenous, national, provincial, territorial, municipal (including major cities to small hamlets or village) governments.</i></p> <p>Worldwide, there are many Indigenous orders of government, including:</p> <ul style="list-style-type: none"> • Sámi Parliament in Norway; • Sámi Parliament in Finland; • Sámi Parliament in Sweden; • 574 federally recognized Indian Nations in the United States; • In Canada: <ul style="list-style-type: none"> ○ Over 630 First Nations governments in Canada; ○ Five Inuit modern-treaties with various governance arrangements; ○ 25 Métis self-governing agreements; • San Francisco Cherán Indigenous government in Mexico. <p>Worldwide, negotiations and court proceedings are taking place to establish other Indigenous orders of government.</p> <p>The IPSASB standards could become standards for Indigenous governments. We have recommendations to improve current standards. These recommendations equally apply to the drafting of future standards.</p> <p>Should IPSASB implement a post-implementation review, we recommend the IPSASB look at the most commonly used standards with the following recommendations in mind. We make this general recommendation because Indigenous orders of governments will likely use the same standards as other orders of government.</p> <p>We note, as well, that orders of government in other small, rural, and remote jurisdictions may also share some of the same characteristics of Indigenous governments. Notably, this may include less capacity than larger governments, and less financial literacy in the populations who will have a right to review the disclosures.</p> <p>Here are two important issues we observe, which we think the IPSASB could play a crucial role in addressing:</p> <p><u>Narratives, Visuals, and Increased Understandability</u></p> <p>We hear that citizens of Indigenous nations find that financial statements are often difficult to understand. In some nations, it is a matter of practice to reduce the financials to basics and to convert the disclosed information to charts, infographics or similar visual aids.</p>
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IPSASB has the ability to provide guidance to auditors to make financial disclosures more understandable to citizens. For example, standards should include guidance and illustrative tools that allow preparers to create plain language and visually relevant financial statement discussions and analysis. These tools for intelligible disclosures should accompany general purpose financial statements.

IPSASB should consult and engage with Indigenous governments to understand the cause of disconnect between disclosures and citizen understanding. Following this, IPSASB is well-situated to improve upon existing standards to close this gap in the utility of the standards. We note that disconnect between disclosures and citizen understanding is not limited to Indigenous governments, making this exercise useful, generally.

Standard setters and auditors need more awareness and education of the realities faced by Indigenous governments

Indigenous nations (and other similarly situated orders of government) often have less capacity than other larger orders of government. This may result, for example, in a nation’s financial materials and records not being well maintained.

Against this backdrop, there is not always an auditor who is able to come and complete the necessary work. The IPSASB should include more directions to auditors to increase their understanding and awareness of the realities facing these nations, and to understand the important public good that they do in completing these engagements despite the challenges.

In Canada, we recommend all business professions increase their awareness and understanding of the history and cultural competence of Indigenous Peoples. We suggest that IPSASB make similar recommendations for all jurisdictions where Indigenous nations may use the IPSASB standards. This includes encouraging the auditor to work internally with Indigenous leadership to clearly communicate why certain disclosures (e.g. performance of a nation’s business enterprises) are necessary.

QUESTION 4

Question	Answer
<p>Upon completion of the three pre-committed sustainability reporting standard</p>	<p>We propose that the IPSASB prioritize researching and preparing a set of Indigenous-specific reporting standards in the Work Program. Around the world, 148 countries support the United Nations Declaration on the Rights of Indigenous Peoples. Indigenous rights are also, of course, human rights. For example in the ISSB’s Agenda Consultation, it wrote that human rights “risks</p>

<p>projects, what are the key public sector sustainability reporting issues that the IPSASB should consider adding to its Work Program?</p>	<p>can also be prompted by indigenous peoples' right and community rights – such as access to water, or land rights” (pg. 25). Indigenous factors will be vital during the transition to net zero.</p> <p><u>Example of Reporting</u></p> <p>For Indigenous-specific reporting, public sector reporting requires more disclosure of risks and opportunities, including those that are non-financial. Among other things, we would recommend that reporting should disclose information that:</p> <ul style="list-style-type: none"> • explains how the state is respecting Indigenous rights. The information disclosed here may include descriptions of relevant legislative frameworks that protect Indigenous rights; a description of how work to protect, respect and fulfill Indigenous rights is funded; and descriptions of how the state is meeting court-mandated requirements. • describes commitments the state has made regarding Indigenous Peoples, including cross-references to publicly available agreements; • explains how the state is ensuring Indigenous Peoples' free, prior and informed consent is respected by companies it provides licenses to; • describes contingent liabilities related to land claims arising from historical colonisation of Indigenous lands, especially when no treaties were signed.
<p>When answering, please provide your rationale as to why the IPSASB should undertake such a project(s).</p>	<p>The IPSASB is well-situated as an expert and experienced public standards setter to prepare a standard on this important area. There are at least two major themes that underpin the need for these standards:</p> <p><u>Indigenous rights and human rights are becoming of increasing importance to citizens</u></p> <p>In Canada, Indigenous reconciliation is a major government priority, and remains an important priority for citizens. In the United States, Indigenous groups have increasing sway, which can be seen in the success of the Gwich'in Steering Committee's lobbying for a prohibition against the financing of oil and gas development in the Arctic. Every major bank in the U.S. has now made clear it will not finance any oil and gas exploration in the Arctic. In New Zealand, the rights of Indigenous Peoples are a government priority.</p> <p>On the other hand, there are countries where Indigenous rights are not being respected. The world community needs to know clearly where these contraventions are occurring in order to decide how to interact with these states.</p>



The road to net zero runs along Indigenous lands and territories

Governments around the world face an unprecedented challenge with the net zero transition that must happen. It is well understood that critical minerals are an essential element to the transition. [Somewhere between 50 and 80% of transition materials are located on or near Indigenous Peoples' lands and territories.](#) Citizens, both domestic and worldwide citizens, will take a vested interest in the progress of the transition which will impact day-to-day life sooner than we realize. To that end, citizens have a right to know how governments are working with the Indigenous Peoples in this regard.