



Ouagadougou, June 3, 2024

Ross Smith
Program & Technical Director
International Public Sector Accounting
Standards Board
227 Wellington Street
West Toronto, ON M5V 3H2
Canada

**Subject: ED 87 – Stripping Cost
in the Production Phase of a Surface
Mine (Amendments to IPSAS 12)**

Dear Ross:

We appreciate the opportunity to comment on **International Public Sector Accounting Standards Board (IPSASB)** Exposure Draft on Exploration and Evaluation for Mineral Resources (the “Exposure Draft”).

We have read the draft with interest and have greatly appreciated that any stakeholder is given chance to express his view.

This letter and the bellow appendix represent the views of ONECCA-BF on the subjected matter.

If you have any questions regarding its content, please do not hesitate to contact us at j.traore@oneccbf.org; y.traore@oneccabf.org our secretariat@oneccabf.org

Sincerely yours

ONECCA-BF

Appendix Responses to questions included in the Exposure Draft (ED)

Preface

ONECCA-BF (Ordre National des Experts Comptables et des Comptables Agréés du Burkina Faso) is the National Professional Accountancy organization (PAO) dedicated to serve the public interest by strengthening the profession and contributing to the development of a strong economy in Burkina Faso, the region and beyond. ONECCA-BF has 185 members broken-up as following: 129 Individuals and 56 Accounting firms, serving all industries, public or private in Burkina Faso and abroad. ONECCA-BF is a full member of ABWA, PAFA, FIDEF and FAC.

Presented below is ONECCA BF's responses to the Specific Matters for Comment raised in the Exposure Draft (ED) 87, *Stripping Cost in the Production Phase of a Surface Mine (Amendments to IPSAS 12)*, developed by the International Public Sector Accounting Standards Board (IPSASB). The responses detailed below have been prepared in consultation with our teams and constituents.

Specific Matter for Comment 1:

The IPSASB decided to propose an IFRIC 20-aligned guidance in ED 87 (see paragraphs BC9). Do you agree that amendments to IFRIC 20, for the public sector, are limited to terminology and other IPSASB-specific formatting and consistency amendments (see paragraph BC10)?

If not, please explain your reasons, stating clearly what further amendments are necessary and why.

Response

ONECCA BF agrees that the amendments to IFRIC 20, for the public sector, should be limited to terminology and IPSASB-specific formatting for the sake of consistency and clarity for the following reasons :

- No public sector specificities were found by constituents in stripping activities either the sector are operating under particular funding and/or joint arrangements (operations or

joint venture), different regulatory or environmental obligations, nor most traditional operating conditions.

- Thus ONECCA BF support the Board IPSAS – IFRS alignment policy and not encourage to depart from IFRIC 20 principles based on other considerations unless public sector specifics.

Specific Matter for Comment 2:

The IPSASB decided to propose an IFRIC 20-aligned guidance in ED 87 as an amendment to IPSAS 12, Inventories, by including the guidance as an Appendix (see paragraphs BC10). Do you agree with the IPSASB's decision?

If not, please explain your reasons, stating clearly where the guidance should be included and why.

Response

The decision to include IFRIC 20-aligned guidance as an Appendix to IPSAS 12 seems to be questionable. If ONECCA BF agrees the guidance being an appendix to an IPSAS because educational and application materials for IPSAS are very awaited in our jurisdictions where lack of referenced sources and guidelines are paramount and preparers tend to use other non - IPSASB sources, we however strongly recommend more clarification in BC11 on why the guidance should be added to IPSAS 12 instead of other IPSAS, IPSAS 31 for example.

The importance of the relationship between stripping activities and the cost of the inventory produced can be such a starting point.