

Swiss Comment to

ED 83 Reporting Sustainability Program Information – RPGs 1 and 3

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1. Introduction

The Swiss Public Sector Financial Reporting Advisory Committee (SRS-CSPCP) was established in 2008 by the Swiss Federal Ministry of Finance together with the cantonal Ministers of Finance. One of its aims is to provide the IPSAS Board with a consolidated statement for all three Swiss levels of government (municipalities, cantons and Confederation). The SRS-CSPCP has discussed the ED 83 Reporting Sustainability Program Information – RPGs 1 and 3.

2. General Remarks

In its comments on the *CP Sustainability Reporting* the SRS-CSPCP has already indicated that it would like RPGs 1 and 3 to be revised in that respect. Therefore, the Committee is in agreement with the proposal of the IPSAS Board to supplement both guidelines.

The SRS-CSPCP welcomes the fact that the proposed amendments clarify that RPG 1 can be applied not only for demographic aspects, but also in respect of other challenges, for example climate change.

3. Specific Matter for Comment 1

Do you agree with the proposed additional implementation guidance for RPG 1? If not, what changes would you make?

As already mentioned in the General Remarks, the SRS-CSPCP supports the supplementation of RPG 1.

In IG3 the necessity of a sensitivity analysis is mentioned; but there are no examples of this. The SRS-CSPCP is of the opinion that the long-term perspectives, i.e. also RPG 1, should point towards sensitivity analyses, for the sheer reason that they require projections of a distant future. It also recommends the IPSAS Board provides an example of a sensitivity analysis.

In addition, the SRS-CSPCP has noted that in IG 1 the focus is on cash-flow, i.e. reporting on the financial consequences of certain developments. In that respect, the Committee is of the opinion that the coming changes in rules already decided, e.g. development of the climate policy, should also flow into the long-term reporting, because they are expected to impact climate change. Therefore, the SRS-CSPCP wishes that, in RPG 1, it will be added that substantial changes, e.g. in climate policy, must also be reported.

4. Specific Matter for Comment 2

Do you agree with the proposed additional implementation guidance and illustrative examples for RPG 3? If not, what changes would you make?

As already mentioned in the General Remarks, the SRS-CSPCP also supports the supplementation of RPG 3.

The SRS-CSPCP welcomes the fact that examples are given. However the 3rd example, as it is, appears to be unclear. A depiction of what a *rain garden* is should be provided.

Nevertheless, the Committee would like a more illustrative example than this one.

The SRS-CSPCP wishes to remind that, in many cases, the causal link which leads from the input over the output to the outcome is unclearly, not yet well established and evidenced.

Thus, in such circumstances it is absolutely essential not to present the figures as certain, as can be seen in the ED 83. It is equally essential to set out clearly the assumptions used for the estimate and the effects alternative assumptions could have on the result (sensitivity analysis).