

**Feedback on Proposed 2024 Amendments to Climate and Assurance Standards  
Submission by New Zealand Local Government Funding Agency**

By email: [climate@xrb.govt.nz](mailto:climate@xrb.govt.nz).

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**Introduction**

New Zealand Local Government Funding Agency Limited (LGFA) welcomes the opportunity to submit on the External Reporting Board (XRB) consultation paper.

LGFA acknowledges the substantial work undertaken by the XRB in developing the climate-related disclosure (CRD) regime.

LGFA are strongly supportive of the CRD objectives. We believe increased transparency and accountability in disclosures of the financial impacts of climate-related risks and opportunities will promote investor confidence, as well as contribute to strengthening both the resilience and long-term stability of the financial markets.

However, we agree that there are early challenges in obtaining reliable data, as well as limited current guidance or benchmarks for many of the required disclosures. For example, our current draft methodology for calculating LGFA's scope 3 financed emissions includes assumptions in applying PCAF methodology to local government lending, as well as estimations in the absence of reliable emissions data sets.

Although the proposals will not impact our ongoing CRD development timeline, or planned disclosures, we welcome the proposed longer lead time of one year for validating our methodology in advance of required assurance.

**Responses to specific proposal questions**

**Question 1:**

*Do you agree with Proposal 1 to extend Adoption Provisions 4, 5 and 7 for scope 3 GHG emissions disclosures from one accounting period to two accounting periods?*

We agree with the proposal.

**Question 2:**

*Do you agree with Proposal 2 to add a new Adoption Provision 8 that gives relief of one accounting period before scope 3 GHG emissions assurance is mandatory?*

We agree with the proposal.

**Question 3:**

*Do you agree that a one-year delay for scope 3 GHG emissions assurance is sufficient to enable systems to mature to support the availability of sufficient reliable data and to enable increased consistency across the assurance market?*

We agree with the proposal.

**Question 4:**

*Do you agree with Proposal 3 to extend Adoption Provision 2 for anticipated financial impacts from one accounting period to two accounting periods?*

We agree with the proposal.

**Question 5:**

*Do you agree with Proposal 4 to extend Adoption Provision 3 for transition planning from one accounting period to two accounting periods?*

We agree with the proposal.