



4th July, 2018

To: The International Public Sector Accounting Standard Board (IPSASB)

Sub: We need Ethical Government Accounting for Natural Resources

We are a global movement advocating the adoption and implementation of the intergenerational equity principle, which sees natural resources as a shared inheritance. We ran a petition on Avaaz.org, which was supported by 59 persons in total – ourselves, Rahul Basu and 57 others. The petition may be found at

[https://secure.avaaz.org/en/petition/International Public Sector Accounting Standards Board IPSASB We need Ethical Government Accounting for Natural Resource/](https://secure.avaaz.org/en/petition/International_Public_Sector_Accounting_Standards_Board_IPSASB_We_need_Ethical_Government_Accounting_for_Natural_Resource/). The petition

reads:

We are being fooled and cheated. Natural resources, including minerals, are a shared inheritance. We must ensure our children receive either the minerals or their value. Mining is the sale of our mineral wealth, and royalty is the financial wealth we receive in exchange.

Misleadingly, government accounts treat royalty as "revenue". Politicians love it - more mining = more revenue = lower taxes or greater patronage = good.

In reality, minerals are being sold for enormous losses. IMF estimates the best case is a 15% loss.

If minerals worth 100 are sold, at present, the government records "revenue" of 85. The true picture is a loss of 15. More mining = more losses of wealth.

As long as politicians see mineral wealth as a windfall, we will consume the planet. This must stop.

IPSASB has opened its draft Work Plan 2019-2023 for public comments. We will submit this petition on the last day for comments, June 30, 2018.

IPSASB must keep a new standard for Natural Resources at the top of its priority list. This is essential if our civilisation is to survive.

Members of The Future We Need

Rahul Basu

57 signatories