



Media release

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FMB welcomes recommendations for future of financial standards setting

Independent committee calls for Indigenous Council on Financial Reporting and Standards Setting

OTTAWA – The First Nations Financial Management Board (FMB) welcomes the Independent Review Committee on Standard Setting in Canada’s (IRCSS) final report issued today. The IRCSS recommends including Indigenous peoples in the governance and development of audit, accounting, and sustainability standards. The committee also recommends the creation of an Indigenous expert body for engagement on collaborative development of these and other financial standards.

An Indigenous Council on Financial Reporting and Standards Setting (ICFRRS) “would act nationally as an Indigenous representative intermediary and facilitate effective representation and input to standard-setting and other regulatory and policy-making bodies,” the report states. The IRCSS and the FMB co-developed this proposed solution to the lack of Indigenous representation in current standards setting.

“Ensuring Indigenous inclusion as new financial regulation and reporting standards are developed is extremely important,” says Geordie Hungerford, CEO of the FMB. “This council would consult with Indigenous rightsholders on matters including accounting, auditing, and sustainability standard setting.”

The ICFRRS would facilitate consultation between Indigenous governing bodies and financial regulators and standards setters such as the Office of the Superintendent of Financial Institutions (OSFI), Bank of Canada, Canadian Securities Administrators (CSA), and provincial financial services authorities.

The committee also calls for each body in the Canadian standard-setting system to “be required to explore processes and mechanisms to effectively consider Indigenous perspectives and, where matters affect Indigenous Peoples, to create effective processes for Indigenous Peoples to participate as partners.”

The report recommends that these bodies strive for Indigenous representation. “To the extent this objective is not fully achievable in the short term, it should be introduced on a ‘comply or explain’ basis,” the authors state.



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The Accounting Standards Oversight Council (AcSOC) and Auditing and Assurance Standards Oversight Council (AASOC), with support from Chartered Professional Accountants of Canada (CPA Canada), initiated a review of Canadian standard setting in 2021. This led to the formation of the committee, which reviewed the governance and structure for establishing Canadian standards and worked to identify what might be needed for the future.

About the FMB

The FMB is a First Nations-led Institution that supports First Nations in developing sound finance and administrative governance practices. The FMB was created under the *First Nations Fiscal Management Act* in 2006. Services are optional and offered at no cost to First Nations. More than 340 First Nations across Canada have signed letters of cooperation with the FMB. For more information on all products and services, visit www.fnfmb.com.

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