Agenda item 5. Other business
Institutional challenges in accounting and experiences of Accounting Development Tool implementation

Presented by

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Institutional challenges in accounting and experiences of ADT implementation

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1. Accounting institutional framework
2. Accounting challenges and SDGs
3. Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latina America
1. Accounting institutional framework
Accounting framework in Colombia

Accounting and reporting standards

Developed by the government according to the legislation

Private sector financial information framework

Public sector financial information framework

Group 1 → Businesses of public interest companies

Group 2 → Small and Medium Enterprises

Group 3 → Micro-enterprises

Group 1 → Government institutions

Group 2 → Government companies not listed on the stock market and do not manage public savings

Group 3 → Government companies listed on the stock market and do manage public savings
2. Accounting challenges and SDGs
Why is this important?

135
National government

110
Joint responsibility with territorial governments

34
International cooperation

88
Private sector commitment

169
SDG targets
Regulatory and legal framework

Regulatory weaknesses

- Lack of institutional commitment regarding the financial reports.
- Lack of understanding about the functionality, usability and convenience of reporting.
- Overdependence of the willingness of entities to report.
- Impossibility of reporting SDG contributions.
Institutional framework

- Monitoring mechanism
- Institutional capacity

Coordination problems
Technical capacities

- Skills gaps regarding the international standards.
- Lack of information within companies.
- Lack of innovative initiatives regarding accounting and financial reporting.
- Institutional unawareness about reporting advantages.
3. Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latina America
Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latina America

- **January 2019**
  - Start of the project

- **April – June 2019**
  - National analysis for sustainability reports

- **June -**
  - Workplans development

- **April 2019**
  - Kick off meeting

- **June 2019**
  - National workshop

- **To be defined**
  - Regional workshop
Preliminary recommendation

Enabling policy frameworks for enterprise sustainability and SDG reporting in Africa and Latina America

- Accounting Development Tool
  - Customization to Colombian companies context

- Institutional articulation
  - Accounting infraestructura and corporate reporting
  - Accounting profesional association

- Corporate Social Responsability
  - Strategies to address regulatory weaknesses
  - Reporting systems

- Technical capacities
  - Institutional strengthening of the accounting profession
El futuro es de todos

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