Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

36th SESSION

30 October – 1 November 2019 Room XIX, Palais des Nations, Geneva

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Agenda Item 3.

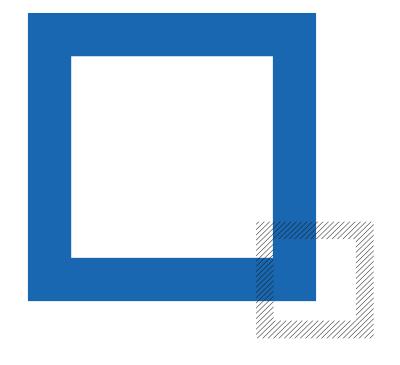
Practical implementation, including measurement, of core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals:

Review of case studies

Presented by

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SUSTAINABLE DEVELOPMENT GOALS

→ PERSPECTIVE FROM THE REGULATOR

UNCTAD – ISAR 36th session 30 October 2019, Geneva



Julie Ansidei - Head of Strategy and Sustainable Finance

Historical background



Key French initiatives on CSR

Law on New Economic Regulation

 Law on National Commitment for the Environment (« Grenelle II Law »)

 The Energy Transition for Green Growth Law (« TECV' Law »)
 The Food Waste Law

 The Corporate Duty of Vigilance Law
 Anti-corruption Law

2018

• Entry into force in France of the EU Directive on the disclosure of non-financial information

Evolution of reporting for French issuers



A new materiality-based approach

Before 2018

From a completeness-based approach

Reporting based on a list of 42 items

Comply or explain on the absence of reporting on one of the items

Audit required by an independant third-party

Listed and non-listed companies (under specific criteria)

Since 2018

....to a materiality-based approach

Selectivity and relevancy

Comply or explain on the absence of policy for a material risk

Listed as well as non-listed companies

(under specific criteria)

Sustainable finance and the role of the regulator



Strong expectations towards the regulator and a growing involvement

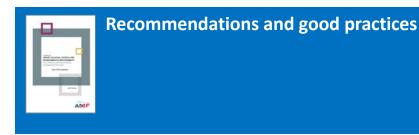


AMF's work in the area of non financial information



Individual reviews of the information provided by French listed issuers

NB: Common enforcement priorities set by ESMA include review of the information on non-financial matters provided to investors



Three main areas of attention:

- □ the link between CSR and the strategy of the firm;
- □ an information that is complete, comprehensible and consistent;
- □ a balanced presentation of the subjects.

New AMF CSR report to be published in November 2019 >> The analysis shows that an increasing number of firms are now also publishing information on their contribution to the SDGs

SDGs: opportunities and challenges



SDGs have clear advantages for issuers...

- ☐ They allow a presentation of, not only risks, but also opportunities
- ☐ They offer a forward-looking approach to non-financial reporting

...but come with many challenges:

- ☐ How can issuers explain their effective contribution to the SDGs? Is there enough standardization in reporting? What should be the impact indicators used?
- ☐ How to coordinate expectations and evolution of practices regarding SDGs reporting between issuers, investors and extra-financial rating agencies?

And raises new questions for regulators