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

**37th SESSION
2 – 6 November 2020**

Friday, 6 November 2020

**Agenda item 5(b). UNCTAD–ISAR Accounting Development
Tool and Guidance on Core Indicators implementation
experiences from member States**

Presented by

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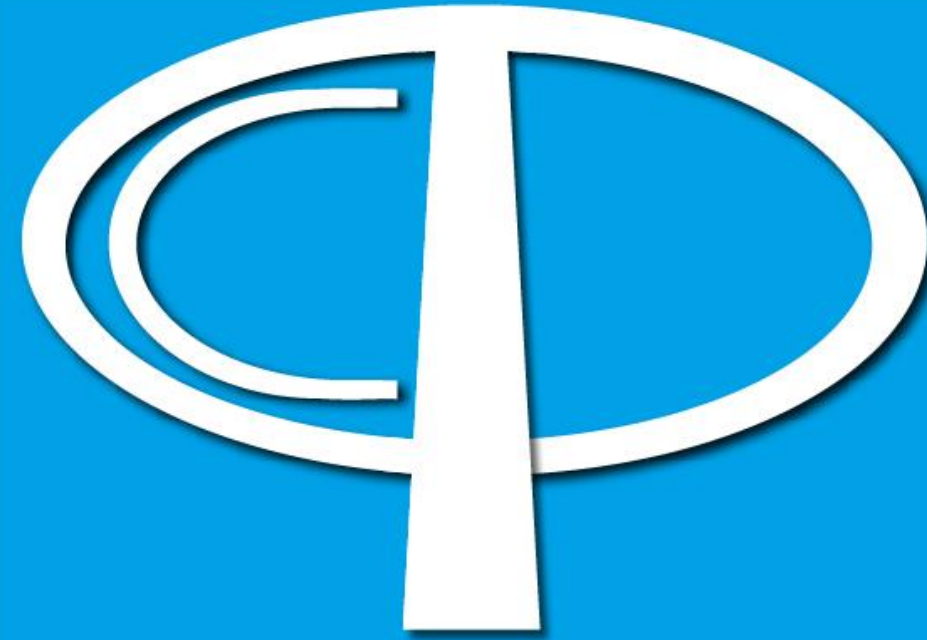Technical Council for Public Accountancy, Colombia

UNCTAD –ISAR

Enabling police frameworks for enterprise sustainability and SDG Reporting

Project DNP-UNCTAD (COLOMBIA)

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Consejo Técnico de la
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AGENDA

Main objetive of the project

Main goals of the project

Authorities and entities in the project

Completed stages of the project

Main areas of the action plan

Strategic objectives of the action plan

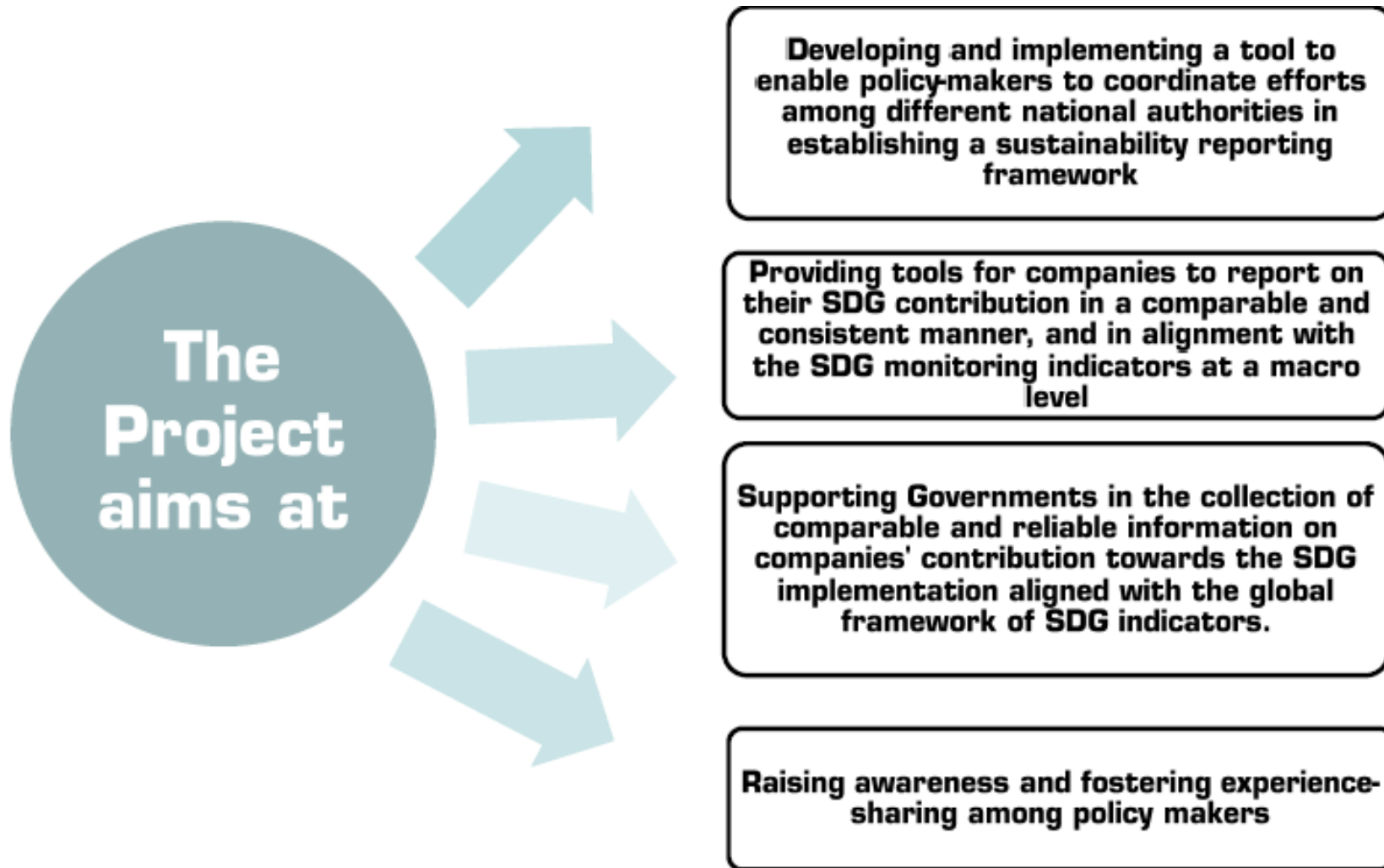Next steps

MAIN OBJETIVE OF THE PROJECT

Strengthening the capacities of Governments to measure and monitor the private sector contribution to the 2030 Agenda for Sustainable Development, in particular on target 12.6 *Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.*

SDG indicator

12.6.1 Number of companies publishing sustainability reports.

MAIN GOALS OF THE PROJECT

The Project aims at

- Developing and implementing a tool to enable policy-makers to coordinate efforts among different national authorities in establishing a sustainability reporting framework

- Providing tools for companies to report on their SDG contribution in a comparable and consistent manner, and in alignment with the SDG monitoring indicators at a macro level

- Supporting Governments in the collection of comparable and reliable information on companies' contribution towards the SDG implementation aligned with the global framework of SDG indicators.

- Raising awareness and fostering experience-sharing among policy makers

AUTHORITIES AND ENTITIES IN THE PROJECT

Government authorities with functions related to the issuance of securities, 3

Government authorities issuing education, financial reporting and insurance standards, and the disciplinary function, 6

Public accounting firms,6

Organizations of the accounting profession, 4
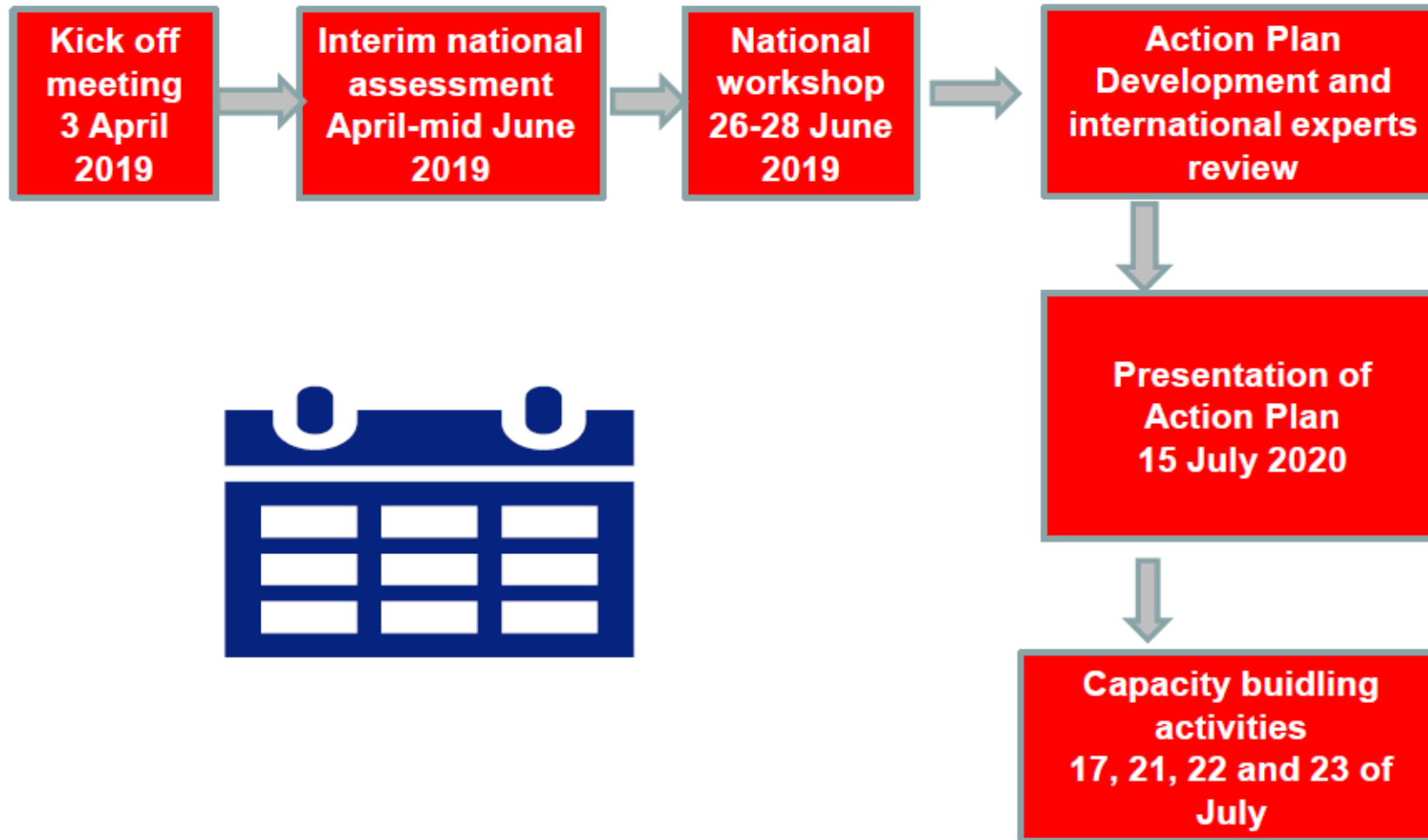
Educational Institutions , 5

Public sector accounting and auditing authorities, 3

Supervisory authorities and those in charge of functions related to the objectives of Sustainable Development, 10

Total entities: 37

COMPLETED STAGES OF THE PROJECT

MAIN AREAS OF THE ACTION PLAN

The main gaps in the reporting infrastructure were grouped into three areas:

1. Limitations on human capacity for corporate reporting	2. Institutional weaknesses for corporate reporting	3. Limitations in the accounting infrastructure for the elaboration of sustainability reports

STRATEGIC OBJECTIVES OF THE ACTION PLAN

Three strategic objectives were established:

1. Improvements in human capacity for corporate reporting

2. Eliminate institutional and structural restrictions for corporate reporting.

3. Improvements in the accounting infrastructure for the implementation of sustainability reports

STRATEGIC OBJECTIVES OF THE ACTION PLAN

1. Improve human capacity for corporate reporting

1. Strengthen regulations in education standards in the field of accounting and reporting

- **1.1. Introduce education based on skills acquisition**
- ✓ **1.2. Create a campaign to promote unified adoption of the IES**
- ✓ **1.3 Promote the adoption of courses on sustainability / SDG reporting in undergraduate programs at universities.**

2. Strengthen regulations in accreditation of accounting of accountancy professionals & regulators

- **2.1. Make licensing procedure fulfill the obligation of Professional Accountants established by IFAC**
- **2.2. Train institutions in charge of regulating the corporate reporting information chain**
- **2.3. Implement new funding mechanism for PAO**
- **2.4. Make accountants' membership in PAO mandatory**

3. Establish requirements for continuing development education and habilitation for accountancy professionals

- ✓ **3.1. Require renewal of license and continuing professional development according to IFAC requirements**
- **3.2. Build capacity in the PAO and Universities to provide a wide range of required trainings**
- ✓ **3.3. Increase availability of training for professional accountants on sustainability / SDG reporting**

STRATEGIC OBJECTIVES OF THE ACTION PLAN

2. Remove institutional and structural constraints for corporate reporting

1. Remove institutional weaknesses

1.1. Introduce regulation for public or private institutions to be accredited as an accountant certification issuer

1.2. Determine one body in charge of sustainability reporting.

1.3 Sustainability/SDG reporting Framework developed

2. Strengthen coordination between institutions

2.1. Institution in charge of sustainability reporting (according to 1.2.) could be responsable for interinstitutional coordination

2.2. Introduce formal mechanism at the national level to ensure coordination between accounting standards and other regulations such as on sustainability reporting

2.3. Determine one body in charge of sustainability reporting

3. Strengthen monitoring

3.1. Make accountants' membership in PAO mandatory

3.2. Introduce mechanism to strengthen independence requirements

3.3. Implement new funding mechanisms for the Central Board of Accountants

3.4. Determine a hierarchical superior to the Central Board of Accountants, qualified to execute second instance duties (appeals)

El progreso es de todos Mincomercio

PAÍS MIEMBRO
GLENIF
GLASS

STRATEGIC OBJECTIVES OF THE ACTION PLAN

3. Improve the accounting infrastructure for the implementation of sustainability reporting

1. Strengthen accounting infrastructure going beyond financial information preparedness

1.1. Introduce a framework to facilitate harmonization of SDG / sustainability reporting through regulation and/or guidelines with clear scope and disclosures. ✓

1.2. Determine body in charge of sustainability / SDG reporting ✓

1.3. Develop an extension to the sustainability reporting framework to include assurance

2. Strengthen preparedness of companies

2.1. Create a campaign to promote adoption of the sustainability/SDG reporting Framework

2.2. Introduce market demands that encourage consciousness over the importance of sustainability reporting

2.3 Strengthen SMEs knowledge to generate sustainability reports ✓

2.4 Strengthen technical skills in companies to prepare sustainability/SDG reports ✓

2.5 Establish a mechanism for collection of sustainability/SDG information data for reporting ✓

2.6. Facilitate integration of financial and sustainability information

2. Strengthen preparedness of companies

2.7. Align quality of financial and sustainability information

2.8. Improve quality of sustainability reports by linking the information to SDG targets, measuring company performance and assessing progress

2.9. Institution in charge of sustainability reporting (according to 1.2) will develop a platform with information on frameworks, guidance, etc to be used according to the national framework (1.1) and its extension on assurance (1.3)

NEXT STEPS

Prioritizate activities

To conform a committee for the implementation of the plan

To establish working groups

¡Gracias!

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