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

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High-level panel
Recent developments in financial and sustainability reporting requirements and related standard-setting developments and their implications for practical implementation

Presented by

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Vania Borgerth
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WHY DO WE NEED HIGH-QUALITY REPORTING?

Stakeholders’ Right
- Reduces information asymmetry
- Foundation for good decision making

Company’s Responsibility
- Better controls and management
- Reporting requirements lead to responsible decisions
- Tool to build a relationship based on trust
- Long term value creation
GOOD CORPORATE REPORTING IS NO LONGER EQUAL TO FINANCIAL REPORTING

- No greenwashing
- High quality and comparability
- Integrated Thinking
- Not only frameworks, but also standards
- Assurance
- Trust
Why ISSB makes sense

- More transparency – greater market stability
- Short way of getting reasonable assurance—greater confidence in information
- Lower risk of inconsistencies – greater use in the decision-making process
- Comparability
- Acceleration of the regulatory process
Elements of Corporate Reporting

- Relevant Information
- Ethics
- Auditing and Assurance
- Global Standards
- Education
- Public Interest
- Technology
Integrated Reporting in Brazil

- Link between IIRC and Brazilian market
- Engagement of market institutions
- IR Framework

2012
- Strong influence
- Quarterly meetings
- More than 700 participants
- Report or Explain Stock and Exchange Index (2014) and State Owned Corporate Governance Act (2016)

2015
- National Oversight Court (TCU) made Integrated Reporting mandatory for the Federal level SOEs (DN 170/18; 178/19)
- Permanent requirements since 2020 (IN 84)

2018
- Conclusion of 2 WGs established by Brazilian Federation of Accountants
- Resolution 14 of Brazilian Securities and Exchange Commission

2020
- Close to 200 companies reporting based on <IR> Framework
- CBARI revising its structure to better serve ISSB’s mission

2022
Flow of enforcement of IFRS’s Standards in Brazil
A business plan is a written document that describes in detail similar structures and processes. CBPS is governance-ready for ISSB with similar structures and processes including:

- Participate in IFRS' public consultation
- Translate and harmonize to Brazilian market
- Exposure Draft
- Final Standard

Global Comparison

Endorsement by Regulators
Ethics Considerations in Sustainability Reporting

Including Guidance to Address Concerns About Greenwashing

The IESBA is committed to seeing part of the rapidly changing developments regarding sustainability reporting and assurance and providing timely responses to ethics and independence risks. This publication is intended to highlight the education and applicability of the International Ethics Standards Board for Accountants’ (IESBA) “Integrity and Independence Standards (IAASB) for Auditors” (“Code”), “Code of Ethics for Professional Accountants” and “International Standards on Assurance Engagements” that address the professional and ethical considerations for sustainability reporting and assurance, especially where these relate to misleading or false sustainability information (i.e. “greenwashing”).

https://www.ethicsboard.org/publications/ethics-considerations-sustainability-reporting
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