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

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Tuesday, 17 October 2023

Agenda item 3. Review of practical implementation and recent developments in sustainability reporting requirements

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Strengthening national capacities on sustainability reporting in the Eurasian region: practices and challenges

Vladimir Zharinov

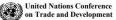
Chair of The Eurasian Institutes of Certified Public Accountants Association - Eurasian regional accounting grouping (EICPA).

Strengthening national capacities on sustainability reporting in the Eurasian region: practices





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> Review of practical implementation of and recent developments in sustainability reporting requirements

Note by the UNCTAD secretariat

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Abu Dhabi 17-19 October 2023

In the last few years, as et of key international developments has led to a strong goals from voltantary to mandative statisticality reporting. Goe of the main developments has been the establishment of the international Statisticalities; Standards Board (ESSR), which is to been the establishment of the international Statisticalities; Standards Board (ESSR), which is to compare, a know that the few of the first control of Operations of Statistical Statistics and the standards to be used for cross-border purposes. As a result, countries need to strengthen copporate reporting ecocystems to deploy or adoptive statistic properties of the standards to be used for cross-border purposes. As a result, countries need to greatly the standards to be used for cross-border purposes. As a result, countries need to greatly the standards of the standards to be used for consequent to deploy of the requirements and premote assistantially reported to the standards of the standard

To address this situation, UNCTAD, at the request of the Intergovernmental Working Group of Experts on Instruminational Standards of Accounting and Reporting, has been supporting countries in reinforcing statishability reporting infrastructures, including though the regional partnerships for the promotion of statishability reporting in Arice and Latin America, the development of a set of sustainability reporting in Arice and Carlos and the delivery of resolved statisticance artificipation.

The latest developments in the sustainability reporting landscape are reviewed in this note and key challenges faced in countries when strengthening sustainability reporting infrastructures are identified, featuring examples from different countries and regions. Issues for further discussion are proposed.

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Largely corresponds to the practice of the countries of the Eurasian region and well reveals the problems of implementation and strengthening of national capacities in the field of sustainable development reporting





Strengthening national capacities on sustainability reporting in the Eurasian region: practices



Countries shaping sustainable development practices:



Belarus



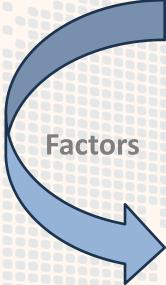
Kazakhstan



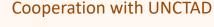
Kyrgyzstan



Russia









Existence of the EAEU structure



Existence of active and developed stock exchanges



Existence of employers' associations



Presence of large businesses, in particular industrial businesses



Existence of stakeholder associations on sustainability issues



Strengthening national capacities on sustainability reporting in the Eurasian region: challenges



- 1. Lack of awareness of sustainability.
- 2. Misconceptions among accountants and auditors about sustainability.
- 3. Insufficient level of human resource capacity building.
- 4. Insufficiently developed accounting and reporting system in individual countries or on individual issues.
- 5. A country adopting the goals of the 2030 Agenda for Sustainable Development without building the necessary infrastructure to realise these goals.
- 6. Insufficient development of the legislative framework on sustainability issues.
- 7. Insufficient development of cooperation on sustainability of government bodies and agencies in the country.
- 8. The resistance of a certain mass of accountants to do the work of sustainability accounting and reporting due to a lack of understanding of the accountant's role in these matters.
- 9. A wide variety of information on sustainability from different sources and entities.
- 10. Greater speed of change in sustainability information and stakeholders lagging behind the relevance of sustainability information.
- 11. Insufficient infrastructure to keep sustainability information up-to-date.
- 12. Insufficient financial resources to implement sustainability accounting and reporting.
- 13. SMEs' fear of sustainability accounting and reporting against the backdrop of sustainability reports of large companies.



Strengthening national capacities on sustainability reporting in the Eurasian region: recommendations





- 1. Develop a training course for the public sector in developing countries to accelerate the implementation of sustainability reporting in the public sector.
- 2. Conduct a case study in the public sector on sustainability reporting.
- 3. Continue in the Eurasian region case studies on adapting GCI for SMEs, TOT "Accounting for MSMEs".
- 4. Continue ADT in the Eurasian region.
- 5. Extend the experience of Latin America and Africa on regional partnership to the countries of the Eurasian region.



Strengthening national capacities on sustainability reporting in the Eurasian region: practices by EICPA Association

- 1. Adaptation of the Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals (2020-2021).
- 2. Case study of SMEs in the Eurasian region: Russia, Belarus, Kazakhstan, Kyrgyzstan (2021-2022).
- 3. GCI training in the Eurasian region (2020-2022).
- 4. Research work on the SDGs in the Eurasian region (2020-2022).
- 5. Participation in comments on the International Sustainability Standards Board (ISSB) Exposure Drafts S1 General Requirements for Disclosure of Sustainability-related Financial Information and S2 Climate-related Disclosures.
- 6. Working with persons with disabilities through cooperation with the Abilympics Championship (2016-2023).
- 7. ISAR Honours initiative 2021-2023.
- 8. EUARICA Eurasian Regional Initiative on Corporate Accountability aimed at improving transparency and accountability in the participating countries based on international standards, requirements and best practices in the area of accounting, reporting and auditing.
- 9. Eurasian Regional Initiative for the Development of Educational and Certification Programmes in Sustainability Accounting and Reporting (ERIEC) CertCSA
- 10. And others.







Eurasian Regional Initiative for the Development of Educational and Certification Programmes in Sustainability Accounting and Reporting (ERIEC) - CertCSA

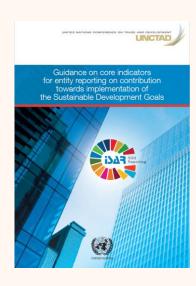


Programme Objective

Training and certification of specialists in qualification "Sustainability Reporting - 1" through developing their **practical knowledge and skills** required to perform professional duties in the area of enterprise accounting and sustainability reporting. The CertCSA exam is one of the mandatory certification discipline of the new international EICPA Syllabus for professional accountants.

Programme

The programme is based on the sustainability reporting standards of the IFRS Foundation: IFRS S-1 and IFRS S-2, as well as its Conceptual framework for financial reporting; pronouncements of the European Union: CSRD and ESRSs; in conjunction with other dominant international standards such as those of the Global Reporting Initiative, the Sustainability Accounting Standards Board, as well as well as internationally recognised authoritative sources on sustainability-related reporting of other key players in the area such as the Intergovernmental Working Group on International Standards of Accounting and Reporting (ISAR) of UNCTAD, including its guiding documents on social indicators, eco-efficiency indicators, environmental costs and liabilities, corporate governance disclosure and core SDG indicators; recommendations and guiding documents of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), Carbon Disclosure Project (CDP) and others.





Eurasian Regional Initiative for the Development of Educational and Certification Programmes in Sustainability Accounting and Reporting (ERIEC) - CertCSA



Level 1 Professional Qualification in Sustainability Reporting

Module 1	Introduction to sustainability reporting
Module 2	Accounting and reporting on environmental sustainability
Module 3	Accounting and reporting on social sustainability
Module 4	Disclosure on corporate governance
Module 5	Risk disclosure in sustainability reporting
Module 6	Disclosure of opportunities in sustainability reporting
Module 7	Analysis of sustainability reporting
Examination	

Already accredited training centres in 4 countries:

Belarus, Kazakhstan, Russia, Turkmenistan

Launch of Training for Trainers (ToT)

2023 - 2024



KEY PLANS



- 1. Expansion of regional co-operation on implementation of certification in the Eurasian region.
- 2. Organise educational events, roundtables and forums on sustainability.
- 3. Development of the second advanced level of the training and certification programme for professional accountants.
- 4. Strengthening and developing the practice of **Eurasian regional partnership**.



Thank you!





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