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

40th SESSION
17 – 19 October 2023

Tuesday, 17 October 2023

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

Presented by

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Chair
Eurasian Institute of Certified Public Accountants

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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).
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.
Countries shaping sustainable development practices:
- Belarus
- Kazakhstan
- Kyrgyzstan
- Russia

Factors:
- Cooperation with UNCTAD
- 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

Countries shaping sustainable development practices:
- Russia
- Kazakhstan
- Belarus
- Kyrgyzstan
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.
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".


5. Extend the experience of Latin America and Africa on regional partnership to the countries of the Eurasian region.
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.
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.
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

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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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