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

42nd SESSION
12 – 14 November 2025

Thursday, 13 November 2025

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

Presented by

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هيئة تنظيم
مركز قطر للمال
QATAR FINANCIAL CENTRE
REGULATORY AUTHORITY

Qatar's National Approach to Corporate Sustainability Reporting & QFCRA's Proposals

Workstream on Corporate Sustainability Reporting

- Qatar Financial Centre Regulatory Authority (QFCRA), Qatar Central Bank (QCB), and Qatar Financial Markets Authority (QFMA) are members
- Adoption of the national road map
- Each regulator develops its own Rules and Guidance
- Joint capacity building

QFCRA consulted until 25 March 2025

ATTACHMENT 1

PROPOSED RULES PUBLISHED FOR COMMENT UNDER
ARTICLE 15 (4) OF THE FINANCIAL SERVICES REGULATIONS

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General (Corporate Sustainability Reporting) Amendments Rules 2025

QFCRA Rules 2025-

The Board of the Qatar Financial Centre Regulatory Authority makes the following rules, and gives the following guidance, under the *Financial Services Regulations*.

Dated [ ] 2025.

Chairman

Vconsultation

ATTACHMENT 2

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QFCRA GUIDANCE ON CORPORATE SUSTAINABILITY REPORTING

How to start the journey in applying the ISSB Standards?

In-scope Firms

1. **The draft CSR Rules proposed a differentiated approach to determine in-scope firms:**

   a) All Category A firms (i.e. Banks and Insurers established in the QFC); and

   b) Any firm designated by the Regulatory Authority for the purposes of corporate sustainability reporting (for example, the designation may be based on factors such as the amount of assets under management for an asset management firm)

2. **In addition, it should be noted that listed QFC firms will also be subject to the QFMA requirements for Corporate Sustainability Reporting. Currently, there is currently only one listed QFC firm.**

Branches or subsidiaries

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The QFCRA is proposing to follow the ISSB recognition framework to reduce complexity and duplication of reporting for QFC branches and subsidiaries that are part of a wider corporate group by allowing those firms to leverage reporting made at the group level. On that basis, the QFC firm may be treated as meeting the CSR sustainability report requirement if the firm prepares and submits a report that:

a) is either a sustainability group report prepared in accordance with ISSB; or a report that the Regulatory Authority considers to be substantially similar (i.e. recognised as highly aligned by the ISSB); and

b) adequately identifies the relevant sustainability-related risks and opportunities particular to the firm's operations in and from the QFC.

IFRS S1 Transition Reliefs

Transition reliefs included in the Standards and commencing from the first annual reporting period		Proposed duration of reliefs
Application of IFRS S1 and S2	IFRS S1 E5: For the first annual reporting period a firm applies IFRS S1 and IFRS S2, firms may consider applying IFRS S2 in accordance with IFRS S1 only insofar as IFRS S1 relates to climate-related financial information. For the following annual reporting period, the firm would apply IFRS S1 as it relates to the firm's full range of sustainability-related risks and opportunities.	1 year
Reporting timeframe	IFRS S1 E4: For the first annual reporting period a firm applies IFRS S1 and IFRS S2, firms are permitted to report its sustainability-related financial disclosures after it publishes its related financial statement at the same time as its next second-quarter or half-year interim general purpose financial report.	1 year
Comparative information about estimated metrics	IFRS S1 E3: Firms may consider to not disclose comparative information in the first annual reporting period in which it applies IFRS S1 and IFRS S2.	1 year

IFRS S2 Transition Reliefs

Transition reliefs included in the Standards and commencing from the first annual reporting period		Proposed duration of reliefs
Measurement approach for GHG emissions	IFRS S2. C4 (a): In the first annual reporting period, if the firm used a method other than the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) in the prior reporting period, the firm is permitted to continue using that other method.	2 years
Scope 3 GHG emissions	IFRS S2.C4 (b): In the first annual reporting period, firms may consider to not disclose its Scope 3 GHG emissions.	2 years

Implementation and transition periods

1 January 2026

Implementation phase

Rules commence from June 2025 – reporting period begins from January 2026 for authorised firms to meet new requirements

2027

Transitional period

Publication of first report based on information gathered in 2026 - except for IFRS S1 and S2 transition reliefs

2028

Transitional period

Publication of second report based on information gathered in 2027 – except for IFRS S2 transition reliefs

2029

Full implementation

External Assurance

In coordination with the QCB and the QFMA, the QFCRA is implementing an assurance framework for sustainability reporting based on newly developed international assurance standards:

- The International Auditing and Assurance Standards Board - International Standard on Sustainability Assurance 5000 standard (ISSA 5000); and
- The International Ethics Standards Board for Accountants ("IESBA") ethics standards for sustainability reporting and assurance.

A phased approach is proposed:

- 2027: Limited assurance focusing on PPSC
- 2028: Reasonable assurance on IFRS S2 (excluding scope 3); limited assurance on IFRS S1
- 2029: Reasonable assurance on IFRS S1 & 2 (excluding scope 3); limited assurance on scope 3
- 2030: Reasonable assurance on IFRS S1 & 2
- Future ISSB standards will be factored into the roll-out based on auditability of disclosures

Capacity building

Joint capacity building events with peer financial regulators at national level

Co-organised by QFCRA, QCB, and QFMA (with Qatar Stock Exchange)

Audience: all listed firms and QFCRA category A firms + designated firms

21 April: 2025: description of the national framework and how to start the journey in applying the ISSB standards

18 June 2025: deep dive into IFRS S1 and S2

29 October 2025: focus on materiality assessment under IFRS S1 and physical climate risks in the State of Qatar

IOSCO Capacity Building Program on Sustainable Finance: Sustainability Disclosure Requirements for Corporate Issuers at regional level

Co-organised with by IOSCO, the IFRS Foundation and QFCRA

Audience: capital markets authorities in the MENA region

24-25 February 2025 in Doha : deep dive into IFRS S1 and S2

All supervisors from QFCRA and QFMA attended

Thank you

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