

ISAR Update – July 2022¹

In this issue

News on UNCTAD-ISAR activities

- **Thirty-ninth annual session of ISAR to be held in Geneva in November**
- **Workshop on promoting sustainability and SDG reporting to be held in Geneva at the end of October**
- **ISAR provides input on the ISSB's Exposure Drafts**
- **Consultations conducted on national infrastructure for high-quality sustainability reporting**
- **UNCTAD carried out significant capacity-building activities in Africa and Latin America**

News briefs on global standards and codes

- **Financial Stability Board highlights encouraging progress in addressing climate-related financial risks**
- **IOSCO welcomes strong stakeholder engagement on proposals for a comprehensive global baseline of sustainability disclosures for capital markets**
- **The International Sustainability Standard Board holds its inaugural meeting**
- **The International Audit and Assurance Standards Board committed to issuing new sustainability assurance standards**

Thirty-ninth annual session of ISAR to be held in Geneva in November

The Thirty-ninth annual session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) will take place in Geneva from 1 to 3 November 2022. Under the first main agenda item, the Group of Experts will deliberate on good practices in and approaches to the practical implementation of sustainability reporting requirements. Under the second main agenda item, the Group of Experts will conduct a review of practical implementation of international standards of accounting and reporting in the private and public sectors. Several panels featuring prominent speakers and key experts on financial and sustainability reporting will enrich deliberations at the session.

¹ This publication has not been formally edited.

Further information and updates on the thirty-ninth annual session of ISAR, as well as a link to the registration platform can be accessed by clicking [here](#).

Workshop on promoting sustainability and SDG reporting to be held in Geneva at the end of October

In cooperation with the Regional Partnerships in Africa and Latin America, UNCTAD is organizing a workshop on 31 October 2022 to facilitate sharing of experiences on promoting sustainability and SDG reporting. As part of capacity-building projects on sustainability reporting, UNCTAD has been supporting the formation of regional partnerships in Africa and Latin America to assist member States in building and strengthening regulatory, institutional, and human capacities to support effective implementation of sustainability reporting requirements.

Registration and other information and updates on this workshop can be accessed by clicking [here](#).

ISAR provides input on the ISSB's Exposure Drafts

The UNCTAD secretariat communicated to the International Sustainability Standards Board (ISSB), the views of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) on the two Exposure Drafts the Board published in March. The UNCTAD secretariat organized consultations among ISAR members to gather views on the Exposure Drafts. The consultations were held from 1 to 2 June 2022. ISAR's input to the ISSB on the proposed standards focused on practical implementation considerations, particularly from the perspective of developing countries and small and medium-sized enterprises (SMEs).

Further information can be accessed by clicking [here](#).

Consultations conducted on national infrastructure for high-quality sustainability reporting

UNCTAD held a Consultative Group meeting on 2nd and 3rd of March 2022 where experts from Africa, Latin America and other regions shared their views and experience regarding their efforts on implementing a sustainability reporting mechanism at the national level and provided comments for the development of a policy recommendations document which will also contain lessons learned and good practices to strengthen regulation, institutions, and human capacity for high quality sustainability reporting.

Further information can be accessed by clicking [here](#).

UNCTAD carried out significant capacity-building activities in Africa and Latin America

During the last quarter, UNCTAD carried out a number of capacity-building activities in Africa and Latin America. The activities were undertaken with a view to assisting beneficiary countries in achieving high-quality financial and sustainability reporting by large and small enterprises in their respective jurisdictions.

Africa

UNCTAD and the Institute of Chartered Public Accountants of Kenya organized Sustainability and ESG Reporting Seminar in Kenya

On 31 May 2022, UNCTAD in cooperation with the Institute of Chartered Public Accountants of Kenya, organized a seminar on ESG and sustainability reporting. The event brought together key stakeholders for the implementation of the National Action Plan for the country on enabling policy framework for sustainability reporting. The seminar contributed to raising awareness and engagement among stakeholders who renewed their interest in taking part in meetings geared towards implementation of the country's Action Plan to promote high-quality financial and sustainability reporting. The UNDP Resident Representative delivered a keynote address, while UNCTAD presented the GCI framework, trends in sustainability reporting, and provided updates on implementation of the project. The Nairobi Stock Exchange informed on tools and good practices for sustainability reporting. The meeting was attended by over 45 participants including private sector, regulators and other government representatives, professional accountancy organizations (PAOs), accountancy firms, and academia.

Sustainability Steering Committee meets in Kenya to kickstart the implementation of the National Action Plan

On 2 June 2022, UNCTAD organized a meeting with the key stakeholders involved in the implementation of the National Action Plan for Kenya. The meeting brought together stakeholders who shared views and provided comments on building consensus on implementation of the action plan. During the meeting, the group set terms of cooperation and discussed the next steps. The meeting marked the launch of work of the National Sustainability Steering Committee, which will oversee the implementation of the National Action Plan over the coming 5 years. It was agreed that the group will be chaired by the National Treasury, and the vice-chairs will come from the Nairobi Securities Exchange and the Capital Markets Authority, while the Institute of Certified Public Accountants of Kenya will serve as secretariat of the Committee. The meeting was attended by 17 stakeholders including regulators, academia, professional accountancy organizations, the Nairobi Stock Exchange, and audit firms.

Professional Accountancy Organizations and academia in Kenya organized a meeting to coordinate the working group on implementation of the National Action Plan

On 3 June 2022, the main representatives from the Professional Accountancy Organization (PAO) and academia in Kenya met to define the role of the PAO-Academia working group as well as validate the composition of the working group, confirm the structure of the Executive Committee, develop a meeting calendar, and validate activities that need to be prioritized. The meeting marked the launch of activities for the operational group dedicated to the strategic objective of the National Action Plan related to building capacity and raising awareness through academic and professional training programs. One of the key deliverables of the meeting was election of the Executive Committee of the Group represented by Strathmore University, St Paul University and ICPAK. The meeting was attended by 14 stakeholders including, the National Treasury, academia, PAOs, and accounting firms.

National Action Plan Steering Committee Meets in South Africa

On June 8, UNCTAD, together with the Department of Trade, Industry and Competition (DTIC) of South Africa, organized a meeting of the Steering Committee for the implementation of the National Action Plan. The objective of the meeting was to define the role and composition of the Committee, approve its structure, develop a meeting calendar, and validate activities to be prioritized for implementation of the action plan. The DTIC and Department of Planning, Monitoring and Evaluation (DPME) proposed to co-chair the committee, leading reporting on sustainability in the country at the government level, while the Johannesburg Stock Exchange (JSE) will represent the voice of the private sector. The Southern African Institute for Business Accountants (SAIBA) agreed to perform as the secretariat. The meeting was attended by 13 representatives from 9 institutions representing PAOs and universities.

PAOs and academia in South Africa organized a meeting to coordinate the working group for the implementation of the National Action Plan

On 10 June, UNCTAD organized a meeting with the main representatives of PAOs and academia in South Africa. The objective of the meeting was to define the role of the working group, validate its composition, confirm the structure, develop a meeting calendar, and validate activities to be prioritized. The meeting marked the launch of the working group dedicated to the strategic objective of the National Action Plan focused on building capacity and raising awareness through academic and professional training programs. The South African Institute of Chartered Accountants (SAICA) —the PAO with the largest member base— was elected to chair the group with the support of the South African Institute of Professional Accountants (SAIPA), while the University of Pretoria would also represent the academic institutions. The meeting was attended by 9 stakeholders including, the National Treasury, academia, PAOs, and accounting firms.

The third meeting of the African Regional Partnership for Sustainability and SDG Reporting

The third meeting of the African Regional Partnership for Sustainability and SDG Reporting (ARP), co-organized with the Pan African Federation of Accountants (PAFA) and the African Integrated

Reporting Committee (AIRC) took place on 23 June 2022. After the first meeting, which was planned to ensure the exchange of experience among the members, the second meeting was intended to allow the members to cooperate with the other professional organizations (PAFA and AIRC) in order to learn about implementation of Integrated Reporting practice in the region. The ARP is rapidly growing and welcomed on this occasion its 50th member representing Tanzania. The meeting was attended by 40 members of the Partnership and moderated by the Ministry of Foreign Affairs of Cameroon. Professor Mervyn King from the International Integrated Reporting Council delivered a keynote address. Other panelists representing the leading practices in the region shared their experience on integrating IR in the enterprise reporting cycle.

Results of the ADT assessment discussed in Cameroon

In April 2022, UNCTAD and the Ministry of Finance of Cameroon organized a kickoff meeting on the implementation of capacity-building project to support high-quality sustainability reporting in the country. This was followed by a workshop which was held on 24 June 2022 to present to major stakeholders the results of the assessment of the national reporting infrastructure utilizing the Accounting Development Tool of UNCTAD-ISAR. The workshop facilitated engagement of all counterparts and secured government support for further implementation of the project. The meeting was attended by 30 stakeholders who were engaged in the ADT assessment.

National consultative workshop held in Kampala

On Friday 27 May 2022, UNCTAD organized a workshop to present the outcomes of the Accounting Development Tool (ADT) assessment of the reporting infrastructure for SMEs in Uganda. The assessment facilitated identification of key challenges and barriers for accounting and reporting and sharing draft recommendations focusing on strengthening accounting and reporting regulation and capacity-building for small informal enterprises. The meeting was attended by close to 30 participants representing key national stakeholders involved in supporting high-quality financial and sustainability reporting in the country.

Latin America

The Regional Partnership for the promotion of sustainability and SDG reporting in Latin America meets to jointly prepare feedback on the ISSBs Exposure Drafts

The Regional Partnership for the Promotion of Sustainability and SDG reporting in Latin America held meetings from 24 to 25 February and also from 26 to 27 May to address key issues on sustainability reporting in Latin-America and related global developments on the topic. The Regional Partnership is a space for countries in the region to share best practices and serves as a channel for dialogue on the topic of sustainability reporting. Mexico is the first member to chair the Partnership.

During the session in February, stakeholders addressed the general foundations needed for the establishment and strengthening of the national infrastructure for corporate sustainability reporting. The session in May, actively engaged participants in polling aimed at drafting a joint response to the Exposure Drafts on sustainability reporting standards released by the ISSB in March 2022. The meeting also addressed the three foundational components that are needed for a solid national infrastructure for sustainability reporting – regulatory, institutional, and human capacity.

Further information can be accessed by clicking [here](#).

Roundtable on strengthening the sustainability reporting infrastructure in Colombia

UNCTAD and the Department of National Planning of Colombia organized a roundtable on strengthening the sustainability reporting infrastructure in the country. The event took place on 8 June 2022. The meeting featured presentations of a proposal on a sustainability reporting framework for companies in Colombia and a document that included mapping of regulators of corporate reporting and policy recommendations for consideration by the body in charge of sustainability-SDG reporting in the country. After the presentations, interactive discussions were held to obtain feedback and build consensus. A second roundtable that discussed a proposal to strengthen data collection mechanism for sustainability/SDG reporting information took place on 15 June 2022.

Further information can be accessed by clicking [here](#).

Roundtable discussion to reinforce Guatemala's Sustainability Reporting Ecosystem

UNCTAD, the Guatemalan Ministry of Economy (MINECO) and the Center for the Action of Corporate Social Responsibility in Guatemala (CentraRSE) organized a meeting to present and discuss proposals for a guidance for sustainability reporting for companies in Guatemala and a guidance for the preparation of a corporate governance code. The roundtable took place on 17 June 2022. In addition, at the end of June another roundtable was organized to discuss recommendations to improve the process to collect data to measure the contribution of the private sector to the SDGs with a view to including it in the Voluntary National Review of Guatemala.

Further information can be accessed by clicking [here](#).

UNCTAD delivered a capacity-building workshop for Colombia and Guatemala on international developments in sustainability reporting and the core SDG indicators for company reporting

The Workshop organized by UNCTAD took place from 22 to 24 June, 2022. The three-day program covered main international developments in the area of sustainability reporting, an overview of the requirements of ISSB's Exposure Drafts on General requirements for the disclosure of sustainability related financial information and Climate related disclosures, and the 33 core SDG indicators, covering the economic, environmental, social, and institutional areas.

It was attended by 378 participants from 200 public and private entities from Colombia and Guatemala which are involved in the corporate reporting area including regulators, supervisory authorities, standard setters, professional accounting organizations, government entities in charge of implementing the SDGs, companies, accounting firms, universities, and professional accountants.

News briefs on global standards and codes

Financial Stability Board highlights encouraging progress in addressing climate-related financial risks

In a press release published on 14 July, the Financial Stability Board (FSB) highlighted encouraging progress made in addressing climate-related financial disclosures. One of the areas where such progress has been made is in terms of firm-level disclosures. The FSB indicated that “a milestone has been the publication by the newly established International Sustainability Standards Board (ISSB) of two Exposure Drafts, on climate and general sustainability-related disclosure standards”. The full text of the press release can be accessed by clicking [here](#).

IOSCO welcomes strong stakeholder engagement on proposals for a comprehensive global baseline of sustainability disclosures for capital markets

On 27 July 2022, IOSCO announced that its Board welcomed the strong engagement from industry, policymakers, civil society, and other stakeholders on proposed standards for corporate reporting on sustainability issued by the International Sustainability Standards Board (ISSB). The Board discussed the ISSB’s proposals and agreed on the criteria it will use to decide whether to endorse the standards when they are finalized. Further details on this news item can be accessed by clicking [here](#).

The International Sustainability Standard Board holds its inaugural meeting

The International Sustainability Standards Board (ISSB) held its inaugural meeting during 20-21 July 2022 in Frankfurt. The first part of the ISSB’s meeting focused on development of the Board’s work plan for the next two years. The ISSB will conduct consultations with stakeholders by publishing request for information on future agenda items. The Board also reviewed preliminary feedback on the two Exposure Drafts it published at the end of March 2022. The Board did not take any decisions. Further information can be accessed by clicking [here](#).

The International Audit and Assurance Standards Board committed to issuing new sustainability assurance standards

In an article published in early June 2022, the Chair of the International Audit and Assurance Standards Board (IAASB) announced that the Board is committed to issuing new sustainability assurance standards. Proposals for the new standards are expected to be available for public comment by the second half of 2023. Further information on this news item can be accessed by clicking [here](#).