



Project:	Sustainability Reporting	Meeting:	September 2024 (M208)
Topic:	Update on international and jurisdictional perspectives	Agenda Item:	10.1
		Date:	20 August 2024
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		Decision-Making:	-
		Project Status:	-

Objective

- 1 The objective of this paper is to inform Board members of international and jurisdictional developments in sustainability reporting.
- 2 This paper is for information purposes only and does not ask the Board to make any decisions.

Structure

- 3 This paper is structured as follows:
 - (a) Background (paragraph 4)
 - (b) IFRS Foundation (paragraphs 5-13)
 - (c) Global Reporting Initiative (paragraphs 14-16)
 - (d) Taskforce on Nature-related Financial Disclosures (paragraph 17)
 - (e) Update on selected jurisdictional sustainability reporting perspectives (paragraphs 18-27)
 - (f) Question to Board members

Background

- 4 The Board is provided with an overview of international and jurisdictional developments on sustainability-related reporting at meetings. This paper provides an update on developments since the Board's meeting in June 2024.¹

IFRS Foundation

- 5 The IFRS Foundation and the International Finance Corporation (IFC), a member of the World Bank Group, have signed a Memorandum of Understanding agreeing to a strategic

¹ See June 2024 [Agenda Paper 12.1 Sustainability Reporting: Update on International Jurisdictional Perspectives](#).

partnership to strengthen sustainable capital markets by improving sustainability and climate reporting in emerging markets and developing economies (EMDEs).²

The International Sustainability Standards (ISSB)

6 The ISSB has:

- (a) concluded its Agenda Consultation and has embarked on a new two-year work plan.³
- (b) released a webcast that discussed its two-year work plan and explored recent developments in strategic relationships with other organisations and initiatives.⁴
- (c) published its second podcast in a series titled “ISSB Implementation Insights”.⁵
- (d) published a webcast that provided an overview of the ESRS–ISSB Standards Interoperability Guidance released in May 2024.⁶

June 2024 ISSB meeting⁷

7 The ISSB discussed its approach to enhancing the SASB Standards. No decision was made at this meeting.

July 2024 ISSB meeting⁸

8 The ISSB:

- (a) discussed its work plan. No decision was made on this topic;
- (b) discussed its approach to enhancing the SASB Standards and decided:
 - (i) to use a phased approach;
 - (ii) to start developing exposure drafts of enhancements to:
 - all eight SASB Standards in the Extractives & Minerals Processing sector;
 - the Electric Utilities & Power Generators SASB Standard in the Infrastructure sector;
 - three SASB Standards in the Food & Beverage sector—subject to assessing whether the ISSB and its stakeholders have the capacity to do so (the ISSB noted that it would be “highly desirable” that these three industries be included in the initial phase of work);
 - (iii) to consider making targeted amendments to other SASB Standards to ensure that measurement of common topics remains consistent among industries, where appropriate; and
 - (iv) to research:
 - priorities for the second phase of the project; and
 - how to enhance the Sustainable Industry Classification System® (SICS).

² See [IFC and IFRS Foundation announce partnership to improve sustainability reporting in emerging markets](#).

³ See [ISSB delivers further harmonisation of the sustainability disclosure landscape as it embarks on new work plan](#).

⁴ See [Webcast: Overview of the ISSB’s two-year work plan](#).

⁵ See [Q2 2024 ISSB Implementation Insights podcast now available](#).

⁶ See [Webcast: Overview of ESRS–ISSB Standards Interoperability Guidance](#).

⁷ See [ISSB Update June 2024](#).

⁸ See [ISSB Update July 2024](#).

- (c) received an update from the Transition Implementation Group on IFRS S1 and IFRS S2. No decision was made on this topic.

June 2024 Sustainability Standards Advisory Forum (SSAF) meeting⁹

- 9 The SSAF discussed:
 - (a) IFRS Sustainability Disclosure Taxonomy;
 - (b) Enhancements to the SASB Standards; and
 - (c) Engaging the SSAF in the ISSB research projects.

June 2024 Integrated Reporting and Connectivity Council (IRCC) meeting¹⁰

- 10 The IRCC received a report on the progress of the IASB and the ISSB.

May 2024 Due Process Oversight Committee (DPOC) meeting¹¹

- 11 The DPOC received a comprehensive briefing about the ISSB Consultation on Agenda Priorities. The briefing covered a summary of the Agenda Consultation process, outlining the methodology of the Request for Information, the key messages from stakeholders, the ISSB's response to the feedback and a review of the due process undertaken.

June 2024 Capital Markets Advisory Committee and Global Preparers Forum (CMAC and GPF) meeting¹²

- 12 The CMAC and GPF received an update on the ISSB's activities.

July 2024 IFRS Taxonomy Consultative Group (ITCG) meeting¹³

- 13 The ITCG received an update on the ISSB's activities. GRI staff provided a briefing on the development and public consultation on the GRI Sustainability Taxonomy, which enables companies using the GRI Standards to report in a digital format.

Global Reporting Initiative (GRI)

- 14 The GRI:
 - (a) is seeking feedback on redrafted versions of the following GRI labour-related Standards:
 - (i) GRI 402: Labor/Management Relations
 - (ii) GRI 401: Employment
 - (iii) GRI 202: Market PresenceComments are requested by 4 October 2024.¹⁴
 - (b) has updated its analysis tool on the UN Sustainable Development Goals (SDGs) and underlying targets. The tool is designed to enable entities to improve reporting on global

⁹ See [June 2024 Sustainability Standards Advisory Forum meeting agenda and papers](#).

¹⁰ See [June 2024 Integrated Reporting and Connectivity Council meeting agenda and papers](#).

¹¹ See [May 2024 Due Process Oversight Committee meeting summary](#).

¹² See [June 2024 Capital Markets Advisory Committee and Global Preparers Forum meeting summary](#).

¹³ See [July 2024 IFRS Taxonomy Consultative Group meeting summary](#).

¹⁴ See the [press release](#) on the GRI website.

goals. It includes a comprehensive inventory of potential disclosures at the target level for each SDG.¹⁵

- (c) has, together with the Taskforce on Nature-related Financial Disclosures (TNFD), published a guidance document and a mapping table that provides an overview of the alignment between the TNFD recommendations and GRI standards.¹⁶
- (d) has made available a new implementation guide and translations of GRI 14: *Mining Sector 2024*.¹⁷

Global Sustainability Standards Board (GSSB)¹⁸

15 The GSSB met in June 2024:

- (a) approved the draft summary of the GSSB meeting held on 16 May 2024;
- (b) approved GRI Topic Standard Project for Economic Impact – Proposed member substitution for Working Group;
- (c) discussed:
 - (i) reporting on conflict-affected and high-risk areas;
 - (ii) impact reporting in the Public Sector, state of play and recommendations; and
 - (iii) GRI Topic Standard Project for Pollution – Elaborated scope.

16 The GSSB virtual meeting scheduled for Thursday 18 July has been cancelled. The GSSB will reconvene on Thursday 12 September.

TNFD¹⁹

17 The TNFD has published the first set of additional sector guidance. The guidance includes recommended sector-specific metrics for disclosure in line with the TNFD recommendations published in September 2023.

Update on Selected Jurisdictional Sustainability Reporting Perspectives

European Union (EU)

- 18 The EU Commission (EC) has published frequently asked questions (FAQs) on the implementation of the Corporate Sustainability Reporting Directive (CSRD). Some FAQs also address certain provisions of the first set of European Sustainability Reporting Standards (ESRSs), for which legal interpretation from the EC was deemed necessary.²⁰
- 19 Accountancy Europe has launched a new publication series titled “ESRS perspectives”. The first paper in the series discusses the concept of materiality assessment under ESRS.²¹
- 20 The TNFD and European Financial Reporting Advisory Group (EFRAG) have jointly published a mapping of the correspondence between the ESRS and the TNFD's recommended disclosures and metrics.²²

¹⁵ See the [press release](#) on the GRI website.

¹⁶ See the [press release](#) on the GRI website.

¹⁷ See the [press release](#) on the GRI website.

¹⁸ See [2024 GSSB meetings](#) webpage.

¹⁹ See the [press release](#) on the TNFD website.

²⁰ See the [FAQ document](#) on the EC website.

²¹ See the [press release](#) on the Accountancy Europe website, which includes a link to the first publication in the series.

²² See the [press release](#) on the EFRAG website.

- 21 The EFRAG has added new non-authoritative technical explanations to its compilation of explanations intended to assist stakeholders in implementing the ESRs.²³
- 22 The European Securities and Markets Authority (ESMA) has published a “Final Report on the Guidelines on Enforcement of Sustainability Information (GLESI)” and a “Public Statement on the first application of the European Sustainability Reporting Standards (ESRS)”.²⁴

China²⁵

- 23 The Chinese Ministry of Finance (MoF) has published a consultation on “Corporate Sustainability Disclosure Standard—Basic Standard” (comment period ended 24 June 2024).

Ghana²⁶

- 24 The Institute of Chartered Accountants, Ghana (ICAG), has published a roadmap for adopting IFRS S1 and IFRS S2.

Sri Lanka²⁷

- 25 The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) has issued localised versions of IFRS S1 and IFRS S2, which will be effective from 1 January 2025.

Switzerland²⁸

- 26 The Federal Council of Switzerland has published a consultation that proposes changes to the non-financial reporting obligations for companies under the Swiss Code of Obligations (CO). The consultation period is open until 17 October 2024.

Canadian²⁹

- 27 Canadian pension funds have publicly urged the Canadian Sustainability Standards Board (CSSB) to rethink its proposals for reporting exemptions on sustainability-related disclosures, Scope 3 disclosures and scenario analysis.

Questions to Board members

Q1: Do Board members have any questions about the information provided in this paper?

²³ See the [press release](#) on the EFRAG website.

²⁴ See the [press release](#) on the ESMA website.

²⁵ See the draft standard via the [press release](#) (in Chinese) on the Chinese MoF website.

²⁶ See the [roadmap](#) on the ICAG website.

²⁷ See the [press release](#) on the CA Sri Lanka website.

²⁸ See the [press release](#) (in German, French and Italian) on the Federal Council website.

²⁹ See the full statement [here](#).