

An aerial photograph of a large-scale agricultural field, specifically a lettuce plantation. The rows of green lettuce plants are neatly spaced in a grid pattern across a brown, tilled soil. In the center of the image, a person wearing a light blue shirt is visible from above, holding a tablet computer. A large, semi-transparent white rectangular box is superimposed over the center of the image, containing the title and subtitle text.

# Preparing for Sustainability Reporting and Assurance

An introduction for the public sector globally



# What is sustainable development?

- Sustainable development has been defined as **development that meets the needs of the present without compromising the ability of future generations to meet their own needs.**
- Sustainable development calls for concerted efforts towards building an **inclusive, sustainable** and **resilient** future for people and planet.
- For sustainable development to be achieved, it is crucial to harmonize three core elements: **economic growth, social inclusion** and **environmental protection**. These elements are interconnected and all are crucial for the well-being of individuals and societies.



# Principles for sustainability **reporting** in the public sector

- Focus on the areas of greatest impact
- Align reporting with overarching strategies
- Lead by example
- Select an appropriate framework





# Our approach

- Roundtables in August and September 2023



# Why should the public sector undertake sustainability reporting?

- Advancing sustainable development
- Supporting an economy-wide perspective
- Providing information to capital markets and development partners
- Transparency and accountability
- Supporting internal decision-making
- Promoting public trust

# The role of **supreme audit institutions**

- SAls provide those responsible for governance with independent, objective and reliable information, conclusions or opinions
- Uniquely well placed to undertake assurance work for sustainability reporting, given experience of financial, compliance and performance audits
- Auditing sustainability information would build on the experience many SAls have developed more broadly in auditing progress towards sustainable development.







## Principles for sustainability **assurance** in the public sector

- Identifying the right audit approach
- Providing the appropriate level of confidence or assurance
- Supporting the development of frameworks for the public sector



# Finance and audit professionals adding value through sustainability reporting

- Demonstrating leadership and driving agenda forward
- Engagement with consultations
- Support and resources from ACCA, IDI and IFAC





# What's next?

- **IPSASB has just approved an Exposure Draft on Climate Related Disclosures**
- **Expected to be published by the end of October for a global consultation, closing in February 2023**
- **Final approval expected in second half of 2025**
- **Proposed disclosures for 'own operations' and 'public policy programs'**



# Own operations

- Organisations will be required to disclose climate-related risks and opportunities for their own operations
- Aligned with IFRS S2



# Public Policy Programs

- For climate-related public policy programs, organisations will be required to disclose their objectives and outcomes





# Professionalisation of the public sector

- Lack of sustainability-related skills in the public sector
- Increase the number and capability of skilled finance staff:
  - with recognised **qualifications**
  - regulated by an **accountancy body**
  - acting in the **public interest**
  - abiding by internationally recognised **professional** and **ethical standards**.

# Supporting skills development in public sector

- Build internal capacity within the public sector through exchange programmes and secondments
- Establish clear career paths
- Involve education providers in skills development
- Receive the right external support







# Certificate in Sustainability for Finance

- Will allow finance teams to gain skills needed to lead the sustainability agenda inside their organizations.
- CertSF comprises of 5 courses with the following learning outcomes:
  - Evaluate business value chains, business models and business practices for sustainability
  - Define climate change risks and the associated financial implications
  - Understand the reporting frameworks for climate risk disclosures
  - Explain the UN SDGs, why ESG issues and sustainability analytics are important to an organization
- A fully online course lasting approximately 20 hours
- Learning outcomes are assessed by 25 multiple choice questions

# Diploma in Sustainability

- Designed for professional accountants and auditors who seek a comprehensive sustainability skills
- Comprises of 4 certificates with the following learning outcomes:
  - Explain the concept of sustainability, need to align sustainability strategy and evaluate sustainability opportunities and risks
  - Analyze business decisions, key risks, and performance from a sustainability perspective
  - Assess the role of information systems in the provision of sustainability data
  - Prepare and analyze sustainability reports and explain frameworks, current issues, and developments
- The Diploma can be completed fully online in 52 hours with end of course assessments







**Thank you**