UNCTAD Regional Partnership on Sustainability & SDG Reporting

21 March 2024

Elena Botvina,
Economic Affairs Officer
Division on Investment and Enterprise
UNCTAD
UNCTAD Technical Assistance & Intergovernmental Work

• In 2016 UNCTAD launched the Guidance on Core Indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals (GCI), it has been revised later and complemented by the Training Manual as well as the Online Course (this is based on work that started in 1992 on environmental accounting, corporate governance, CSR etc).

• Development Account 11th Tranche on Enabling Framework on Sustainability Reporting (Lessons learned on challenges of sustainability reporting practice at the national level in Africa and LATAM; establishment of the ARP and LRP at the regional scope).

• Development Account 13th Tranche on Mobilizing and aligning financing with the national sustainable development priorities (Lessons learned on sustainability reporting infrastructure and capacity-building required in the CIS region).

• UNCTAD performs as a co-custodian of the SDG 12.6.1 on Number of companies reporting on sustainability.

• At the ISAR 39-40 initiation & launch of the Regional Partnership for Asia and Gulf States.
Lessons Learned (1/2):
Main challenges faced by countries in preparing their national sustainability reporting infrastructure

• Absence of an entity responsible for sustainability reporting;

• Poor coordination among key institutions;

• Emergence of various national sustainability reporting regulations and policy measures in key markets;

• Insufficient human capacity among key players in the sustainability reporting value chain;

• Lack of national infrastructure to produce publicly available and reliable data on sustainability, particularly regarding climate change;
Lessons Learned (2/2):
Main challenges faced by countries in preparing their national sustainability reporting infrastructure

• Not enough balanced, reliable and comparable information on ESG issues which can affect SDG investment;

• The need to raise awareness, build capacity and promote proportional SME standards

• Launch of the international standards on sustainability reporting requires a profound expertise for their implementation at the national level (ISSB, IESBA, IPSASB, IAASB) etc.
Objectives of the Partnerships (1/2)

The Partnership acts as a bridge for sharing knowledge among the countries in the region, as well as between the region and international organizations in the field of sustainability reporting. The Partnership promotes mutual support among countries in their efforts to achieve the development of national strategies and policies to:

- Establish and/or strengthen the national infrastructure to prepare high-quality sustainability reports by companies.
- Increase the number of high-quality sustainability reports by companies.
- Measure the contribution of the private sector to the implementation of the SDGs.
- Promote sustainable enterprise development.
- Share tools and best practices, discuss the latest trends and share knowledge.
Objectives of the Partnerships (2/2)

Other Objectives

i) provide support in the implementation of international sustainability reporting standards;

ii) provide a regional voice in interaction with international standard setters;

iii) promote benchmarking activities between actors, give advice, and position itself as a force of development of national strategies for dissemination and adoption of reporting methodologies; and

iv) promote harmonization in the region by sharing case studies and peer-reviewed experiences to address national challenges, alongside tools to optimize national infrastructure and mitigate risks that could hinder the economy.
UNCTAD Regional Partnerships

Africa
- 58 members
- 5 observers
- 29 countries

Latin America
- 31 members
- 3 observers
- 15 countries

Asia
- Launched at ISAR 40

Gulf States
- Launched at ISAR 40

Eurasia
- Initiated at ISAR 40
What are the key steps to create a partnership?

UNCTAD prepared a Guidance on *Building Regional Partnerships and Maximizing the Benefits* that summarizes lessons learned during the establishment and early consolidation of the regional partnerships for the promotion of sustainability reporting.

**The key steps include:**

1. Outreach to key counterparts from the countries in the region
2. Establish leadership for coordinating the work of the Partnership
3. Establish a Partnership cooperation framework
4. Develop good practices in the Partnership meetings
5. Exchange with other regional partnerships or organize joint events etc.
Partnership Operational Mechanism

Informal arrangement among ‘friends of sustainability reporting’

Two to five national entities per country
- the regulators
- standard setters
- entity responsible for sustainability reports,
- government entity in charge of the implementation of the SDGs,
- PAO.

Application letter templates

Observer status

From three to four meetings per year

Consensus based Chair or Executive Committee

Working groups

Membership platform

Observer status
UNCTAD-ISAR support to the Regional Partnership

UNCTAD-ISAR acts as the original convener of the Partnership, providing initial support for its creation and continues cooperation by:

- Opening **opportunities in its forums** to listen to challenges and needs of the region, and to monitor achievements and progress.
- Organization of **cross regional forums** to share experience.
- Invitation to **capacity building workshops**, and making available materials, guidance, and tools.
- Identification of **technical assistance needs**.
Partnership Online Platform
Partnership Online Platform

The online platform allows to:

- **Keep track** of the Partnership’s **activities** and **meetings**
- Follow **announcements** and schedule of the **upcoming events**
- Enable **continuous communication** between members (contact database of members)
- Allow members to initiate **discussions** (Forum)
- **Share achievements** and **tools** that may be useful to other countries in the region etc.
Joining the partnership

- Entities interested in joining the Partnership are requested to communicate through the signed application letter (template can be provided by request).

- Every country can be represented by 5 national entities from the following categories:
  - Regulators responsible for financial and sustainability reporting
  - Government entities in charge of the implementation of the SDGs
  - Professional accountancy association
  - Auditing organizations
  - Stock exchanges
  - Academia etc.

- International organizations and regional leaders in sustainability reporting can join as observers.
Eurasian Regional Partnership

- **The initiative to establish the Eurasian Regional Partnership** on Sustainability & SDG Reporting was originally proposed by Kyrgyzstan at the ISAR 40th Session.

- **The proposal was supported** by several other member states.

- The decision to launch the ERP was included in the **agreed conclusions of the 40th session** (Paragraph 7) and shared with all UNCTAD member states.

- **Candidates nominated for the Executive Committee** according to the initiative expressed at the ISAR 40:
  - State Service of Financial Supervision, Kyrgyzstan, (Chair)
  - Ministry of Finance, Belarus, (Vice-Chair)
  - EICPA, Eurasia (Secretariat)
ERP Membership Applicants 2023-2024

UNCTAD received 10 applications from 6 countries represented by various types of stakeholders:

- Government
- Regulators
- Professional Accounting Organizations
- Auditing organizations
- Stock Exchange etc.

Belarus

Kazakhstan

Kyrgyzstan

Turkmenistan

Uzbekistan

Russia
Thank you!

Contact: elena.botvina@un.org