



CIGFARO WELCOMES GLOBAL CHANGES ANNOUNCED AT COP26

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GAUTENG, South Africa: The Chartered Institute of Government Finance, Audit and Risk Officers (CIGFARO) President, Ms Cheryl Reddy, welcomed the global changes to corporate reporting announced at COP26 on 3 November 2021. The IFRS Foundation announced:

1. The formation of the International Sustainability Standards Board (ISSB).
2. The consolidation and pooling of technical resources of The Value Reporting Foundation (VRF), the Climate Disclosure Standards Board (CDSB) and the IFRS Foundation in the newly formed ISSB by June 2022.
3. A release of a **prototype climate disclosure paper** and a **general disclosure requirements paper** by the Technical Readiness Working Group (TRWG), a multi-body group (VRF, CDSB, IASB, TCFD and WEF) that was tasked by the IFRS Foundation to develop a unified set of recommendations for consideration by the new ISSB.

The ISSB will develop a comprehensive global baseline of sustainability disclosure standards to meet investors' information needs. The plan is to ensure these IFRS Sustainability Disclosure Standards developed will facilitate compatibility with requirements that are country specific or aimed at a wider group of stakeholders. Each country will be required to mandate use of these standards.

Ms Reddy commented: "CIGFARO looks forward to these enhancements to the integrated reporting already undertaken in the South African Public Sector. CIGFARO fully supports the statement made by Professor Mervyn King, Chair of the IRC and Chair Emeritus of the VRF, that the fundamental concepts and guiding principles of integrated reporting will be used to establish the connectivity between the work of the International Accounting Standards Board (IASB) and the ISSB.

CIGFARO calls on Professor Suresh Kana, Deputy Chair of the IRC and a Trustee of the IFRS Foundation, as well as Professor Mervyn King to allow public finance officials in South Africa to assist with the development of clear and easily measurable indicators, which align with the future Sustainability Disclosure Standards. CIGFARO will gladly facilitate a process to ensure the South African Public Sector has adequate integrated reporting requirements and indicators that will provide meaningful information to the communities served.

Ms Reddy, who is also a CFO in a district municipality in Kwa-Zulu Natal, stated her hope that these initiatives will bring about true integrated reporting that has longer term consequences. "Ideally, as stewards of public funds, we, as Public Finance officials would want to show the long-term constructive impact of the use of public resources on sustainability. We want our children and our children's children to read these reports in the future and understand that decisions on the spending of public funds were not taken lightly and the longer-term positive impact on the economy, climate and environment were considered."

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For more information visit the website at: www.cigfaro.co.za - Media Room

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