



# United Nations Conference on Trade and Development

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**Trade and Development Board**  
**Investment, Enterprise and Development Commission**  
**Intergovernmental Working Group of Experts on**  
**International Standards of Accounting and Reporting**  
Twenty-eighth session  
Geneva, 12–14 October 2011

## Agreed conclusions

### A. Capacity-building framework for high-quality corporate reporting

(Agenda item 3)

1. The twenty-eighth session of UNCTAD's Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) underscored the importance of a comprehensive and integrated approach to capacity-building for high-quality corporate reporting. The session noted with concern the continuing challenges to corporate reporting that had been arising in the course of the global financial crisis. The Group of Experts reiterated the importance of consistent implementation and enforcement of global standards and codes of corporate reporting as a precondition for a full realization of the benefits of such standards to the global economy. It also discussed the importance of assessing and measuring the progress in building capacity in this area, in order to facilitate further improvements of quality as well as harmonization of corporate reporting, based on international benchmarks and good practices.

2. In the course of their deliberations on the agenda item, delegates exchanged views on the draft measurement methodology, contained in document TD/B/C.II/ISAR/59, in general terms, and with regard to its individual pillars i.e. the legal and regulatory framework, the institutional framework, human capacity, and the capacity-building process. The Group of Experts agreed that the methodology provided useful guidance to policymakers and other stakeholders in self-assessing and benchmarking progress in building capacity for corporate reporting, identifying gaps and priorities in this area. It also agreed that, where relevant, the methodology could also help to identify country needs for technical assistance and to measure the impact of such assistance over time. The Group of Experts commended the UNCTAD secretariat and the Consultative Group on Capacity-Building for High-Quality Corporate Reporting for the high quality and comprehensive nature of the assessment Questionnaire. It also expressed appreciation to the countries and institutions that had hosted and participated in the series of roundtables that UNCTAD had carried out during the intersessional period, which had greatly contributed to raising awareness of major challenges in building and assessing corporate reporting capacity, to facilitating national stakeholders' dialogue, and to further refining the draft assessment Questionnaire.

3. The Group of Experts requested the UNCTAD secretariat, in cooperation with the Consultative Group, to incorporate into the draft Questionnaire comments received at the twenty-eighth session of ISAR and additional input that member States may provide within the intersessional period. It agreed that public sector reporting should be an important part of the Capacity-Building Framework (CBF) and the Questionnaire, but added that further work and discussions would be needed in order to include it into the document at a later stage. It was recommended that inclusion of the SME sector in the assessment tool could be decided on at the national level, taking into consideration country-specific needs in this area. The session noted that the CBF and Questionnaire were of a living nature and would be subject to continuing revisions and updates over the coming years. The Group of Experts further requested the UNCTAD secretariat to conduct pilot tests of the capacity-building measurement methodology during the intersessional period and to report on its findings at the next session. In this context, the session welcomed the initiatives taken by those member States that had expressed their willingness to participate in the pilot tests. Furthermore, the Group of Experts invited other member States willing to participate in the pilot test of the measurement tool to advise the UNCTAD secretariat accordingly. It also invited development partners and interested member States and institutions to support the pilot-testing exercise by contributing extrabudgetary resources to the UNCTAD-ISAR Trust Fund.

## **B. Other business**

(Agenda item 4)

### **1. Integrated reporting and climate change–related disclosure**

4. In accordance with paragraph 156 of the Accra Accord and as requested by the twenty-seventh session of ISAR, the Group of Experts reviewed issues in environmental reporting. The Group recognized that climate change–related reporting was an important element of environmental reporting. The delegates noted that diverse national initiatives to address climate change–related reporting could benefit from greater international efforts to promote a more consistent, harmonized approach to the use of environmental reporting. ISAR requested UNCTAD to continue to contribute to the field of environmental reporting frameworks, particularly those related to climate change issues, with a view to promoting a harmonized approach among member States. Delegates agreed on the need for further analysis and deliberations on how to promote a consistent approach to climate change–related reporting. In this context, ISAR requested the UNCTAD secretariat to organize in the coming months a special meeting dedicated to addressing these matters.

5. The Group of Experts also recognized the need for more work on the subject of integrated reporting and commended the work of the International Integrated Reporting Committee (IIRC). ISAR requested UNCTAD to continue its support for the IIRC and to provide regular updates on the progress of the Committee.

### **2. Corporate governance disclosure**

6. ISAR reiterated the importance of corporate governance disclosure for promoting sustainable economic development. The Group of Experts recognized that high-quality reports in this area added value for policymakers, shareholders and other stakeholders, and promoted more stable economic development.

7. In accordance with the agreed conclusions of its twenty-seventh session, ISAR at its twenty-eighth session considered the results of two country case studies of corporate

governance disclosure: the Russian Federation, and Trinidad and Tobago. ISAR commended the studies for their quality and noted that they helped to build on ISAR's earlier work in this area, by providing important data and analysis to allow for international benchmarking, capacity-building, and the sharing of country experiences. The Group of Experts requested UNCTAD to continue to provide technical guidance to local institutions wishing to produce similarly standardized country case studies using the ISAR benchmark on good practices in corporate governance disclosure.

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