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Foundation

Jurisdictional Readiness Assessment Guide for the adoption or other use of ISSB Standards



Contents	<i>from page</i>
PREFACE	3
EXECUTIVE SUMMARY	4
INTRODUCTION	6
STRUCTURE OF THE ASSESSMENTS AND THE GUIDE	8
Decision support for development of a roadmap for the adoption or other use of ISSB Standards	9
Regulatory process—How?	9
Reporting entities—Who?	9
Requirements—What?	9
Readiness—When?	10
Potential actions	10
DOMAINS OF JURISDICTIONAL READINESS	11
Ecosystem readiness	12
Assessment area A—Regulatory architecture and institutional foundations	12
Assessment area B—Reporting professionals and professional services	14
Assessment area C—Information and data infrastructure	18
Preparer readiness	23
Assessment area D—Maturity, skills and specialist capacity	23
Assessment area E—Disclosure requirements familiarity and reporting practices	27
Support system readiness	33
Assessment area F—Support system	33
POTENTIAL ASSESSMENT APPROACHES	41
Landscape mapping	41
Desktop analysis	41
Surveys	41
Stakeholder engagement	42
NEXT STEPS	43

PREFACE

We are pleased to present this publication, developed in close collaboration with implementation partners, including multilateral development banks, development agencies and professional accountancy bodies. We are also deeply grateful to the many regulators, standard-setters and other market participants who shared their experience and advice to inform this work.

We extend particular thanks to World Bank Group (World Bank and the International Finance Corporation (IFC)) and the International Federation of Accountants (IFAC) for generously contributing boxes for inclusion in this publication. These boxes include case materials and insights drawn from their respective programmes, country engagements and research and analysis. Their contributions have strengthened the practical relevance and global applicability of this document.

EXECUTIVE SUMMARY

Following the launch in June 2023 of the inaugural Standards by the International Sustainability Standards Board (ISSB), IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, the IFRS Foundation (Foundation) has signalled its commitment to support capital market regulators and other relevant authorities in adopting or otherwise using the Standards and to support reporting entities in applying the Standards.

As part of this commitment, the Foundation has introduced a suite of adoption support materials under its [Regulatory Implementation Programme](#). These include the [Inaugural Jurisdictional Guide for the adoption or other use of ISSB Standards](#) (Jurisdictional Guide), the [Jurisdictional Rationale Guide for the adoption or other use of ISSB Standards](#) (Jurisdictional Rationale Guide), the [Jurisdictional Rationale Tool for the adoption or other use of ISSB Standards](#) (Jurisdictional Rationale Tool) and the [Jurisdictional Roadmap Development Tool](#) (Roadmap Development Tool). This *Jurisdictional Readiness Assessment Guide* and the accompanying *Jurisdictional Readiness Assessment Tool* add to this body of resources. These materials are designed to complement other adoption support materials by offering a structured approach to conducting jurisdictional readiness assessments—helping jurisdictions to make informed decisions on the adoption or other use of ISSB Standards¹ and identify where targeted support might be needed to ensure delivery of high-quality sustainability-related financial disclosures. The focus of this guide is on the domains of readiness to support high-quality sustainability-related financial disclosures by Publicly Accountable Entities (PAEs).²

This *Jurisdictional Readiness Assessment Guide* introduces three mutually reinforcing domains of readiness (see Figure 1):

- **ecosystem readiness**—the readiness of the institutional and market infrastructure to support high-quality sustainability-related financial disclosure, including regulatory architecture, supervisory capacity, reporting professionals, advisory and assurance services, data availability and digital reporting;
- **preparer readiness**—the readiness of entities to apply IFRS S1 and IFRS S2, including governance, resourcing, prior use of voluntary frameworks and understanding of proportionality mechanisms; and
- **support system readiness**—the ability of development partners, accountancy bodies and others to contribute towards addressing capability gaps and supporting implementation.³

1 In the *Jurisdictional Guide*, ‘adoption or other use of ISSB Standards’ refers to the range of approaches that jurisdictions may take to ‘adopt, apply or otherwise be informed by’ ISSB Standards when introducing sustainability-related disclosure requirements in their legal and regulatory frameworks. This range includes approaches that involve the adoption or other use of IFRS S1 and IFRS S2 directly, as well as the introduction of local sustainability-related disclosure requirements (or standards) designed to deliver functionally aligned outcomes to those resulting from the application of IFRS S1 and IFRS S2.

2 In this document, ‘entities’ refers to Publicly Accountable Entities (PAEs). PAEs are defined in the *Jurisdictional Guide* as entities:

- (a) whose securities are traded in a public market or entities in the process of issuing securities for trading in a public market; and
- (b) that hold assets in a fiduciary capacity for a broad group of outsiders as one of their primary businesses and have a significant weight in the jurisdiction, regardless of their ownership structure or listed status.

While recognising that the scope of a jurisdiction’s sustainability-related financial disclosure requirements might extend beyond PAEs, the focus in this guide is the reporting ecosystem that supports high-quality sustainability-related financial disclosures by PAEs. The *Jurisdictional Guide* states that in developing jurisdictional profiles, the Foundation considers the extent to which sustainability-related financial disclosure requirements cover all or most PAEs (see Section 3.3).

3 ‘Development partners’ refers to multilateral development banks and development agencies.

Figure 1—The three domains of jurisdictional readiness assessment



The accompanying *Jurisdictional Readiness Assessment Tool* introduces the key aspects of assessment in each of these domains, supporting jurisdictional adoption decisions in accordance with the *Roadmap Development Tool*.

Insights from a jurisdictional readiness assessment feed into the four key decision areas of the *Roadmap Development Tool* (regulatory process, reporting entities, requirements and readiness). These insights can also help to identify where support is needed among preparers and in the reporting ecosystem to better target and prioritise capacity-building actions.

INTRODUCTION

As [momentum continues to build](#) towards the adoption or other use of ISSB Standards, the Foundation has committed to developing comprehensive tools and resources to support the adoption or other use of ISSB Standards.

The Foundation's [Regulatory Implementation Programme Outline](#) describes four illustrative phases a jurisdiction might follow as it works towards adoption or other use of ISSB Standards:

- becoming familiar with ISSB Standards;
- assessing the case for adoption or other use of ISSB Standards and considering jurisdictional readiness;
- developing a roadmap for adoption; and
- executing the roadmap.

In the phase 'assessing the case for the adoption or other use of ISSB Standards and considering jurisdictional readiness,' a jurisdiction might benefit from a structured approach to building its understanding of the readiness of its corporate reporting ecosystem to support the provision of high-quality sustainability-related financial disclosures.⁴ This understanding includes considering the readiness of key ecosystem actors (for example, capital market regulators and other relevant authorities, reporting professionals, professional services firms and data providers) and preparers, as well as the readiness of the wider support system of development partners, accountancy bodies and others. In practice, jurisdictions and implementation partners often begin by examining the availability of ecosystem support before assessing preparer-level readiness.

Assessing jurisdictional readiness supports a jurisdiction in prioritising and planning a pathway towards the adoption or other use of ISSB Standards and helps to ensure that its approach supports high-quality implementation that meets the needs of capital markets while remaining realistic and aligned with current domestic circumstances. Specifically, readiness assessments help:

- to inform decision-making as a jurisdiction develops a roadmap (regulatory process, reporting entities, requirements and readiness) towards the adoption or other use of ISSB Standards;
- to provide structured, evidence-based insights into dependencies that might affect the pace, scope and sequencing of regulatory actions;
- to obtain information and evidence that can support cost–benefit analyses;
- to identify capacity-building priorities and technical assistance needs for upskilling market participants, regulators and the broader ecosystem; and
- to identify the most suitable pathways and pace for adoption or other use of ISSB Standards.

This guide begins by introducing the role of a jurisdictional readiness assessment and explains how it relates to other elements of the adoption toolkit, such as the *Jurisdictional Guide*, *Jurisdictional Rationale Guide* and *Roadmap Development Tool*. This guide goes on to introduce the three key domains of jurisdictional readiness assessments— ecosystem readiness, preparer readiness and support system readiness—and their associated assessment areas. Finally, it describes a set of potential approaches to assessment.

⁴ An entity 'implements' ISSB Standards as part of its sustainability-related financial disclosures, whereas a jurisdiction 'adopts' ISSB Standards into its legal or regulatory framework.

This guide is accompanied by the *Jurisdictional Readiness Assessment Tool*, which is designed to support the practical application of the concepts introduced in this guide. For each of the four assessment areas introduced in this paper, the tool sets out:

- *the focus of the assessment*—the core aspects of readiness that a jurisdiction might find helpful to examine;
- *approaches to the assessment*—pathways for gathering insights, including data sources and engagement methods;
- *matters for consideration and suggested assessment questions*—structured prompts to guide comprehensive and consistent assessment;
- *potential outcomes and actions*—examples of possible decisions and follow-up actions based on the assessment findings, aligned with the decision areas of the *Roadmap Development Tool*.

STRUCTURE OF THE ASSESSMENT AND THE GUIDE

This guide is grounded in desktop analysis of the considerations for jurisdictional readiness that form part of many jurisdictions' roadmaps for the adoption or other use of ISSB Standards. The Foundation reviewed approaches to adoption in a variety of jurisdictions to understand the diversity of reporting practices, regulatory frameworks and reporting ecosystems. The Foundation complemented this analysis by engaging with implementation partners, such as multilateral development banks, development agencies and professional accountancy bodies, and gathering inputs from jurisdictions at different stages in their adoption journeys.

For example, the Foundation has drawn insights from the World Bank Group's work with emerging market regulators as well as the Growth and Emerging Markets Committee of the International Organization of Securities Commissions (IOSCO) (see Box 11). The work has also been informed by [The State of Play](#) reports on sustainability reporting and assurance (see Box 7), which are produced annually as part of an IFAC initiative, in collaboration with the American Institute of Certified Public Accountants (AICPA) and the Chartered Institute of Management Accountants (CIMA), and the Foundation's own 2024 report, [Progress on Corporate Climate-related Disclosures](#). Insights from diverse sources have helped to ensure that the accompanying tool reflects global best practice and the practical realities faced by jurisdictions.

Drawing on this work, the view of the Foundation is that high-quality, decision-useful sustainability-related financial disclosures made in accordance with ISSB Standards require jurisdictional readiness in the three domains of ecosystem readiness, preparer readiness and support system readiness. This guide therefore introduces relevant assessment areas for each of these three domains. A jurisdiction that has assessed these domains of readiness will be well informed when developing a suitable roadmap for the adoption or other use of ISSB Standards that sets appropriate milestones to guide market participants through the process.

Paragraph 56 of the guidance on readiness in the *Roadmap Development Tool* states:

The timeframe over which a jurisdiction decides to require sustainability-related disclosures can depend on the jurisdiction's assessment of market readiness. This assessment will be influenced by the jurisdiction's maturity in sustainability reporting and entities' familiarity with voluntary sustainability-related reporting standards or frameworks. Also relevant to the assessment will be the state of development of the wider sustainability reporting ecosystem—for example, the availability of sustainability-related disclosure expertise in the jurisdiction, access to providers of data services, analytical tools, professional services and assurance providers, and the readiness of regulators to supervise and enforce sustainability-related disclosures.

By considering all three domains together, a jurisdiction can develop coherent and internally aligned adoption strategies that are grounded in actual system capacity, instead of treating readiness only as a matter of timing.

Decision support for the development of a roadmap for the adoption or other use of ISSB Standards

A regulator's assessment of jurisdictional readiness in the three domains feeds into the four key decision areas of the *Roadmap Development Tool* (regulatory process, reporting entities, requirements and readiness). While some assessment areas and decision areas might seem more aligned than others (for example, preparer capability with reporting entities, and data availability with disclosure requirements), in practice, each assessment area can generate insights that cover all four key decision areas.

Regulatory process—How?

The *Roadmap Development Tool* notes that a jurisdiction's regulatory choices—such as whether to adopt or otherwise use ISSB Standards through legislation, regulation or stock exchange listing rules—depend on its legal, regulatory and institutional framework. Readiness assessments can help to identify whether enabling regulatory infrastructure and supervisory and enforcement mechanisms are already in place. Where there are gaps (for example, limited regulatory authority or unclear mandates), the roadmap might include preparatory legal or institutional steps to ensure the regulatory process is practical and aligned with jurisdictional capacity.

Reporting entities—Who?

Readiness assessments can help entities to anticipate and prepare for differences in the readiness of market segments—for example, larger listed entities might be more prepared to make high-quality sustainability-related financial disclosures than smaller entities. In such situations, it might be appropriate to introduce application of sustainability-related disclosure requirements in stages. Roadmaps may identify market segments that are ready to apply requirements early, drawing on insights from the readiness assessments to justify timelines and proportionate application.

Requirements—What?

ISSB Standards define the content of financial disclosures. The *Jurisdictional Guide* cautions jurisdictions against modifying requirements except for extensions of transition reliefs. Modifications can reduce comparability and the usefulness of disclosures for primary users of general-purpose financial reports. Jurisdictional readiness assessments can identify specific instances in which entities might face challenges in meeting reporting requirements. Identifying such instances might result in a jurisdiction deciding initially to adopt climate requirements in ISSB Standards, adopt ISSB Standards with 'limited' or 'extended' transition reliefs, or 'partially incorporate' ISSB Standards while building readiness to meet a more ambitious target at a future date.⁵

ISSB Standards are designed for an entity to meet the information needs of investors, helping those investors make decisions about providing resources to the entity. In some cases, a jurisdiction might consider mandating additional disclosures on sustainability matters to meet jurisdictional needs. Readiness assessments can also help determine whether an entity can meet additional sustainability-related disclosure requirements without obscuring the information required by ISSB Standards to meet the needs of investors.⁶

5 Section 3.4 of the *Jurisdictional Guide* introduces the description of jurisdictional approaches and progress towards the introduction of sustainability-related disclosure requirements, including extending transition reliefs or partially incorporating ISSB Standards. These descriptions are applied in the IFRS Foundation's jurisdictional profiles, which summarise publicly available information on jurisdictions' adoption approaches and key regulatory decisions as published in jurisdictional roadmaps or other authoritative documents.

6 IFRS S1 states that an entity may disclose information required by ISSB Standards in the same location as information disclosed to meet other requirements, provided that the entity ensures that its sustainability-related financial disclosures are clearly identifiable and not obscured by that additional information.

Readiness—When?

Readiness assessments might inform decisions about the date at which sustainability-related financial disclosure requirements become effective. Jurisdictions with less maturity in sustainability-related financial reporting or those that face capacity constraints might consider it appropriate to introduce requirements at a reduced scale or at a slower pace (for example, through the use of voluntary periods of reporting, or phased rollout for different groups of entities). More experienced jurisdictions might take more immediate steps towards their adoption goals by building on existing knowledge, experience and practices. The *Roadmap Development Tool* offers guidance on how jurisdictions may consider the scale and pace of adoption and the application of transition reliefs.

Potential actions

Where a readiness assessment identifies critical gaps in the capacity of either preparers or the supporting ecosystem to deliver high-quality sustainability-related disclosures, the insights from the assessment can also be used to set jurisdictional priorities regarding potential actions to fill those gaps.

Those actions may include:

- targeted training programmes to strengthen preparers' technical knowledge of ISSB Standards;
- initiatives to raise awareness of educational materials and guidance documents issued by the Foundation to support implementation;
- efforts to expand the pool of reporting professionals and assurance expertise;
- development of digital reporting infrastructure; and
- creation of mechanisms for inter-agency coordination and supervisory capacity building.

Jurisdictions may also pursue joint work with development partners and other support system providers to access technical assistance, fund ecosystem enhancements and promote knowledge sharing.

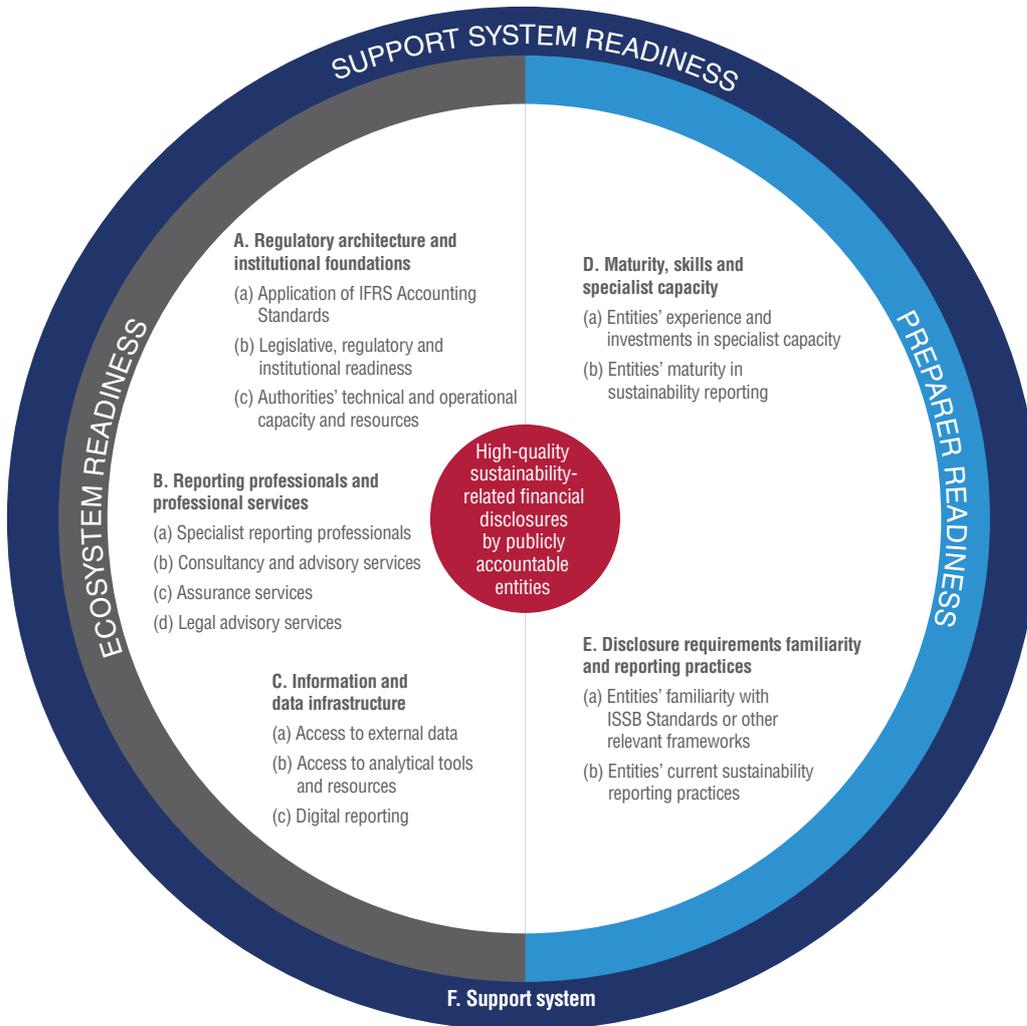
Once a jurisdiction has made decisions informed by a readiness assessment, the jurisdiction can publicly communicate those decisions as part of the regulatory roadmap or related policy announcements. Transparent communication of these decisions supports market understanding, stakeholder engagement and peer learning. Publication also helps provide a broader understanding of the global context for regulatory counterparts and market participants that operate across borders. As part of its work to support transparency, the Foundation publishes jurisdictional profiles.⁷ These documents summarise publicly available information on jurisdictions' adoption approaches and key regulatory decisions in a structured and accessible format, enabling jurisdictions and other stakeholders to understand and learn from other jurisdictions' approaches. The first profiles were published in June 2025, along with a set of snapshots about jurisdictions still deliberating their approaches. The profiles and snapshots are available [here](#).

⁷ In developing jurisdictional profiles, the IFRS Foundation considers the extent to which sustainability-related disclosure requirements cover all or most PAEs (see section 3.3 of the *Jurisdictional Guide*).

DOMAINS OF JURISDICTIONAL READINESS

The Foundation has identified further specific assessment areas for each of the three domains and associated key matters for consideration (see Figure 2). These areas are introduced in more detail in this section and elaborated upon in the *Jurisdictional Readiness Assessment Tool*.

Figure 2—Domains, assessment areas and matters for consideration



The three domains of jurisdictional readiness—ecosystem readiness, preparer readiness and support-system readiness—are interrelated and mutually reinforcing. These domains are introduced in this guide in a sequence that reflects how regulators or implementation partners often approach readiness assessments in practice.

Ecosystem readiness

The ecosystem readiness domain focuses on the readiness of the reporting ecosystem of regulators, reporting professionals, professional services, data and information services to enable entities to make high-quality sustainability-related financial disclosures in accordance with ISSB Standards. This encompasses three assessment areas, which complement one another:

- **Assessment area A—Regulatory architecture and institutional foundations;**
- **Assessment area B—Reporting professionals and professional services; and**
- **Assessment area C—Information and data infrastructure.**

These assessment areas are discussed in the next sections, which introduce the key matters for consideration.

The Foundation recognises that entities' sustainability-related financial disclosures rely on information from or about other entities across their value chains, including suppliers and other business partners where such information supports decision-useful, investor-focused disclosures. In this context, investments in the reporting ecosystem—such as improvements in data availability, professional services and assurance capacity, digital reporting infrastructure and guidance—can support entities' use of estimation techniques and proxies, as well as improve access to primary data. Those improvements might also generate positive spillover effects for entities that do not publish financial reports, including small and medium-sized entities (SMEs). These spillovers can support broader market capabilities over time.

Assessment area A—Regulatory architecture and institutional foundations

The legitimacy of, and confidence in, a jurisdiction's adoption or other use of ISSB Standards rests on the strength and coherence of its legal, regulatory and institutional foundations. It is therefore important to assess the readiness of the regulatory architecture and institutional foundations to introduce enforceable disclosure requirements, oversee high-quality sustainability-related financial reporting and instil confidence among capital market participants.

This assessment might involve considering whether relevant regulatory authorities have—or are well placed to obtain—the mandate, resources and technical and operational capacity to introduce, supervise and enforce sustainability-related financial disclosure requirements. If these elements are not in place, there is a greater risk of diversity in entities' implementation of the requirements, inconsistent or incomplete supervision and enforcement of sustainability-related financial disclosures, high compliance costs for preparers and low investor confidence in the information disclosed.

To assess the extent to which the necessary regulatory architecture and institutional foundations are in place, a jurisdiction might find it helpful to consider:

- **the jurisdiction’s application of IFRS Accounting Standards.** Assessment can start with the extent to which the institutional frameworks for financial reporting can be leveraged to support the adoption or other use of ISSB Standards.⁸ If IFRS Accounting Standards are already required or permitted in the jurisdiction—or if local GAAP is substantively converged with IFRS Accounting Standards—preparers and regulators will benefit from familiarity with shared concepts, such as material information, faithful representation, and presentation and disclosure principles. Preparers and regulators in this position will also understand Foundation governance and standard-setting processes. In this case, it is also likely that institutional arrangements are in place for financial reporting, which can also support sustainability-related financial disclosures. A shared conceptual foundation enables more coherent financial and sustainability-related financial reporting and supports efficiencies in preparers’ internal governance and control systems (see assessment area E), reducing up-front costs for preparers and regulators and ongoing costs of compliance.
- **legislative, regulatory and institutional readiness to accommodate sustainability-related financial disclosure requirements.** An important factor for effective sustainability-related financial reporting requirements is that the relevant authority has (or authorities have) a mandate to introduce such requirements and has processes in place to keep pace with updates or amendments to ISSB Standards. A coherent, unified jurisdictional adoption approach includes provision for coordinating regulators’ responsibilities and avoiding overlaps or gaps. Strong legislative, regulatory and institutional readiness enables consistent application, updates and enforcement, while gaps might require changes to legislative instruments to avoid delayed adoption. This aspect of readiness is closely linked to the regulatory process decision area of the *Roadmap Development Tool*.
- **authorities’ technical and operational capacity to introduce, supervise and enforce sustainability-related financial disclosures in accordance with ISSB Standards.** As a starting point, a jurisdiction might determine whether the relevant authority is (or authorities are) familiar with the structure, concepts and disclosure provisions in ISSB Standards. Such familiarity could include experience with the frameworks that have informed the content of ISSB Standards (see assessment area E). The assessment might also consider existing supervisory procedures, enforcement mechanisms and resourcing—including staffing, expertise and infrastructure such as digital filing and analytics systems—that support supervision and enforcement of sustainability-related financial disclosures in accordance with ISSB Standards. In some jurisdictions, relevant technical and operational capabilities might have been developed through existing prudential supervisory activities for regulated banks and insurance companies, including in areas such as climate-related risk management practices, scenario analysis or stress-testing. Although these activities do not relate to general-purpose financial reporting and thus are not directly designed to support supervision and enforcement of sustainability-related disclosures, these activities might strengthen relevant underlying technical capabilities—for example, in relation to governance, risk management and data oversight.

⁸ ISSB Standards are designed to support the disclosure of information that connects with the information in an entity’s financial statements, regardless of which GAAP the entity uses in preparing those financial statements. Consideration of a jurisdiction’s use of IFRS Accounting Standards should be regarded as informative in assessing existing familiarity with relevant concepts and potential opportunities to leverage existing institutional arrangements. It does not imply that use of IFRS Accounting Standards is a prerequisite to effective application of ISSB Standards.

The outcome of this assessment informs decisions on whether and how to strengthen the statutory basis for sustainability-related financial reporting, how to allocate the responsibilities of relevant authorities (such as securities regulators, central banks and exchanges) and how to embed transparent regulatory procedures. These decisions might include public consultation, impact assessments and structured engagement with preparers and market participants. Such processes help to shape the most suitable adoption mechanism, the scope and phasing of entities to be covered and the timing of adoption.

Assessment area B—Reporting professionals and professional services

High-quality sustainability-related financial disclosures depend on the availability of, and access to, specialist reporting professionals, skilled consultants, experienced assurance providers and informed legal advisors.

These specialists serve as enablers. They translate regulatory obligations into practice, provide strategic and technical guidance, build internal capabilities and safeguard the integrity and credibility of the disclosures through external assurance and legal oversight. Any readiness assessment must therefore take into account the extent to which the jurisdiction's professional pathways and professional services ecosystem are equipped to meet the demand arising from the adoption or other use of ISSB Standards.

Professional services provide important support during adoption and strengthen the confidence of investors and capital market participants in sustainability-related financial disclosures. The availability, quality and accessibility of professional services are important qualities for a jurisdiction to consider. Where these qualities are present, a jurisdiction might be able to introduce sustainability-related financial disclosure requirements more quickly. Conversely, their absence could lead a jurisdiction to set a longer timeline before the initial application of disclosure requirements.

To assess the extent to which preparers have access to the skills and advice they need, a jurisdiction might find it helpful to consider entities' access to:

- **specialist reporting professionals.** To start, a jurisdiction might determine whether a well-qualified, well-distributed, accessible pool of specialist reporting professionals is available to support entities to understand and apply sustainability-related financial disclosure requirements in accordance with ISSB Standards. These could include financial reporting professionals with relevant skills that can transfer to financially-material sustainability reporting, and sustainability professionals with expertise on sustainability topics and relevant data. A jurisdiction might consider the extent to which principles, concepts and requirements relevant to ISSB Standards (for example, material information, industry-specific information, value chain considerations) are familiar to practising reporting professionals and present in corporate reporting training programmes or professional development frameworks. The jurisdiction might also consider whether sustainability-related financial reporting is represented in professional certifications or might consider the uptake of sustainability-related financial reporting training offered by organisations such as the Foundation. Also important is the role of local professional associations—such as IFAC member bodies—in promoting awareness of ISSB Standards and supporting upskilling. A strong, well-trained reporting profession forms the foundation for consistent, scalable and high-quality sustainability-related financial reporting.

- **consultancy and advisory services.** International, regional and domestic advisory firms play a critical role in translating disclosure standards into practical implementation plans, which include data, systems, review processes and controls, and governance arrangements (see assessment area D). Access to relevant advisory services is an important consideration for preparers of all sizes across sectors, including smaller entities. The presence of trained advisory professionals is an important factor for operational readiness for both initial and ongoing reporting.
- **assurance services.** In its 2023 [Report on International Work to Develop a Global Assurance Framework for Sustainability-related Corporate Reporting](#), IOSCO noted that it ‘considers the development of a robust, global assurance framework as an important part of the ecosystem towards reliable corporate reporting practices.’⁹ For sustainability-related financial disclosures, high-quality independent assurance is essential to maintain investor trust and is a core part of the assessment of ecosystem readiness. Jurisdictions might therefore set milestones towards the adoption of global assurance standards—for example, the International Standard on Sustainability Assurance (ISSA) 5000, issued by the International Audit and Assurance Standards Board (IAASB), and the International Ethics Standards for Sustainability Assurance (IESSA), issued by the International Ethics Standards Board for Accountants (IESBA). Jurisdictions might also need to evaluate the current capacity of the ecosystem to deliver assurance services that build investor confidence in sustainability-related financial disclosures. This assessment entails evaluation of the jurisdiction’s assurance market and preparers’ access to local providers with enough expertise in sustainability-related financial requirements and familiarity with assurance standards that are applicable to sustainability-related financial disclosures. As a starting point for the assessment, jurisdictions could draw on the findings of the *State of Play* reports to assess current practice in sustainability assurance, building on these insights with additional analysis (see Box 1). Understanding the readiness of the assurance ecosystem will be important in determining the pathway to potential future introduction of mandatory assurance requirements and identifying support and capacity-building needs.
- **legal advisory services.** Legal advisors help preparers to understand regulatory and disclosure obligations, manage legal risks and interpret the intersection between sustainability-related financial disclosures and corporate, securities or civil liability law. A jurisdiction’s assessment might therefore involve considering whether there is legal capacity to support preparers, whether lawyers are engaged in the development of guidance or regulatory interpretation and whether lawyers have the knowledge and experience required to advise on the implementation of sustainability-related financial disclosures. Legal preparedness is essential for supporting preparers and regulators alike in ensuring credible, high-quality and compliant disclosures.

Box 1—Assurance services: The *State of Play* reports developed by IFAC, in collaboration with AICPA and CIMA



The *State of Play* reports

This five-year research initiative benchmarks and analyses current market practice and trends in sustainability-related disclosure and assurance. Policymakers, regulators and reporting entities can use the data to assess—at a jurisdiction-specific level—the readiness of the reporting ecosystem and preparers for the introduction of regulatory requirements that result in high-quality, decision-useful sustainability-related information for capital markets.

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⁹ International Organization of Securities Commissions, [Report on International Work to Develop a Global Assurance Framework for Sustainability-related Corporate Reporting](#), 2023, page 9.

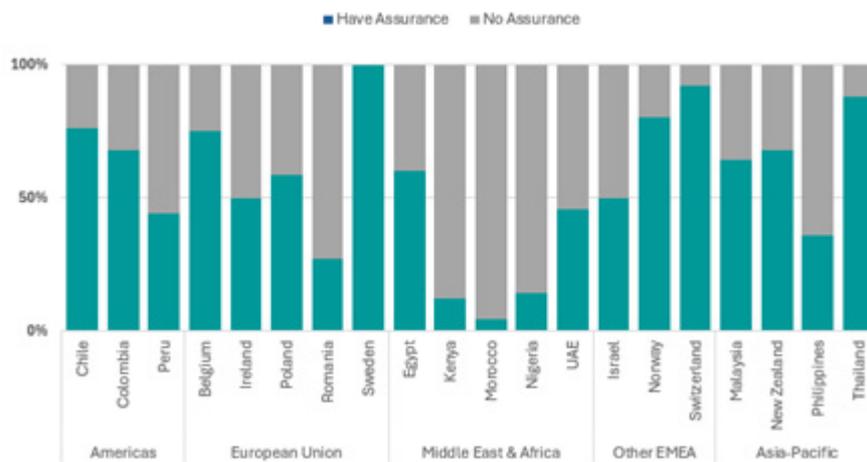
Metrics and results

Data from fiscal year 2023 demonstrates that the ecosystem for sustainability information is maturing, with a significant increase in the rate of assurance obtained by reporting entities. Among G20 jurisdictions, the rate of assurance over at least some of the sustainability-related information that entities reported increased from 51% in 2019 to 73% in 2023. Lower assurance levels are observed in twenty smaller or emerging market and developing economies (EMDEs) (37% in 2019 compared to 56% in 2023). Other assurance-related metrics include the level of assurance obtained (for example, reasonable or limited), the assurance standards used by providers of assurance and the types of organisations that offer sustainability assurance services in various jurisdictions.

Methodology

The *State of Play* reports rely on detailed desktop analysis of listed entities' websites for 1,400 of the largest market capitalisation companies in the G20 jurisdictions, Singapore and Hong Kong SAR. IFAC supplements this information with data on 500 of the largest entities in twenty non-G20 jurisdictions (smaller jurisdictions and EMDEs) (see Figure 3).

Figure 3—Rate of assurance in non-G20 jurisdictions



(The Foundation thanks IFAC for contributing this box.)

In jurisdictions with good access to specialist reporting professionals, and where professional and advisory services are well developed, sustainability-related financial disclosure requirements could be applied to a wider group of entities. It might also be possible to introduce assurance at an earlier stage to enhance confidence in disclosures. If an assessment identifies capacity constraints, a phased or sequenced approach might be more appropriate, prioritising those entities with the best access to support for the earliest effective dates, while extending timelines for other entities and/or extending transition reliefs for more challenging disclosure requirements.

Box 2—Assurance services readiness: Singapore

Singapore has adopted a proactive and structured approach to building assurance readiness as part of its national roadmap for climate reporting and assurance. This approach is jointly led by the Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange Regulation (SGX RegCo), as first outlined in their February 2024 *Turning Climate Ambition into Action in Singapore—Response to the Public Consultation on Sustainability Reporting Advisory Committee’s Recommendations*. The roadmap provides regulatory clarity on reporting scope, reporting standards, external assurance requirements, reporting and filing obligations, and other legal requirements. Recognising the need to support entities in developing climate reporting capabilities, in August 2025, ACRA and SGX RegCo extended timelines for most climate reporting (including external assurance) requirements, providing organisations with additional time for effective implementation.

Regulatory clarity and assurance expectations

External limited assurance is required on Scope 1 and Scope 2 greenhouse gas (GHG) emissions, with a phased implementation approach:

- from financial years (FY) commencing on or after 1 January 2029 for all listed companies
- from FY2032 for large non-listed companies with at least S\$1 billion in annual revenue and at least S\$500 million in total assets

Assurance engagements must be conducted using either a Singapore standard equivalent to ISSA 5000 or Singapore Standard (SS) ISO 14064-3. This approach widens the pool of climate assurance providers.

External assurance must be provided by a registered climate assurance provider, which can be either an ACRA-registered audit firm or a Singapore Accreditation Council-accredited Testing, Inspection, Certification firm.

Competency requirements for assurance professionals

To register as a qualified signing individual, practitioners must demonstrate practical experience and meet qualification requirements. The roadmap includes one-off transition provisions for professionals with applicable competencies.

Capacity building and ecosystem support

Singapore complements regulatory requirements with targeted implementation support:

- The Green Skills Committee, formed by the Ministry of Trade and Industry in partnership with SkillsFuture Singapore, includes a sub-workgroup on Sustainability Reporting and Assurance co-chaired by ACRA. This sub-workgroup comprises preparers, assurance providers, institutes of higher learning and professional bodies to develop skills plans for sustainability reporting and assurance.

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- ACRA has developed a Sustainability Reporting Body of Knowledge (SR BOK) to guide training providers in developing quality programmes for sustainability reporting professionals. The SR BOK covers essential topics aligned with ISSB Standards and GHG Protocol, ensuring consistency across training programmes and equipping professionals with technical skills to meet growing market demands.

Together, these initiatives form a coherent strategy that combines regulatory clarity, professional capability-building and ecosystem support.

Assessment area C—Information and data infrastructure

To identify, assess and disclose information about sustainability-related risks and opportunities in accordance with ISSB Standards, preparers need access to relevant data and analytical tools. Preparers will benefit from the support of an information infrastructure that includes datasets, sector benchmarks, emission factors, scenarios and other features to support the collection and analysis of information.¹⁰ A mature information infrastructure enhances the value of sustainability-related financial disclosures for investors, reduces costs and supports effective assurance. Gaps in infrastructure can reduce reporting quality, potentially extending the timeframe over which reporting requirements are introduced.

Depending on the maturity of its information infrastructure, a jurisdiction might need to build or update systems to better support the preparation, use and oversight of sustainability-related financial disclosures. Through discussions with stakeholders and other research, the Foundation has identified important considerations related to information infrastructure that can inform roadmap planning.

Machine-readable and digitally structured reporting—built on digital taxonomy literacy and filing portals enabled by the relevant authorities—improves information accessibility and can support supervision and enforcement. Paragraph 89 of the *Roadmap Development Tool* states that:

[by] enabling the digital collection, aggregation, comparison and analysis of sustainability-related financial information, digital reporting is expected to benefit a range of stakeholders, including those operating in developing and emerging economies by making it easier to gather and assess data from these markets.

¹⁰ 'Emission factors' are standardised coefficients that measure greenhouse gas (GHG) emissions produced per unit of activity, fuel consumed or material processed. Paragraph B29 of IFRS S2 *Climate-related Disclosures* requires an entity to use emission factors that best represent the entity's activity as its basis for measuring its GHG emissions.

To assess preparers' access to the data, analytical tools and digital reporting platforms, a jurisdiction might find it helpful to consider:

- **access to external data.** A jurisdiction might consider entities' current and anticipated access to data to support high-quality sustainability-related financial reporting. This element complements assessment area C, which includes the extent to which entities have formal processes in place to collect and analyse both internal and external data. The assessment could include matters such as the availability of relevant datasets, including sector benchmarks, emission factors and other data necessary to support the disclosure of financially-material information about sustainability-related risks and opportunities throughout the value chain.¹¹ The assessment might also consider the quality of data available to entities, including whether the data is timely, high quality and provides good coverage.
- **access to analytical tools and resources.** While many large entities have in-house modelling capacity, other entities depend on access to analytical tools and service providers. Jurisdictions might therefore consider the availability of analytical tools and resources in the reporting ecosystem. This element complements the assessment of entities' skills and capacity to analyse sustainability-related data (see assessment area D) and the capacity of professional services firms to provide analytical support (see assessment area B). The assessment could include the availability of analytical tools and resources in areas such as emissions accounting, climate risk analytics, and the identification and assessment of sustainability-related risks and opportunities. Another important factor for a jurisdiction to evaluate is access to support in utilising these analytical tools effectively and embedding them in business processes—for example, by engaging specialist sustainability-related financial reporting consultancies, data analytics firms and fintech platforms that offer modelling services. Finally, jurisdictions can assess whether they have enough resources to enhance entities' analytical capabilities, leveraging the support system of development partners, accountancy bodies and others (see assessment area F). Jurisdictions with access to well-developed analytical services might be able to achieve high-quality sustainability-related financial reporting more quickly, enhancing comparability and improving the quality of disclosures.
- **digital reporting.** Digital reporting, including the IFRS Sustainability Disclosure Taxonomy (ISSB Taxonomy), is an important aspect of the adoption or other use of ISSB Standards because these considerations determine how sustainability-related financial information is made accessible, comparable and enforceable. Disclosures can inform investor decisions much more effectively if they are delivered in a machine-readable and structured format. A jurisdiction should therefore examine whether its ecosystem has the capacity and familiarity to implement a digital reporting system for sustainability-related financial disclosures. In some cases, the jurisdiction might have the potential to build on experience with the IFRS Accounting Taxonomy. An entity might assess, for example, familiarity with digital tagging and filing among preparers and regulators, the extent to which digital reporting platforms such as XBRL are available and regularly updated, and the readiness of these platforms to integrate the ISSB Taxonomy to facilitate digital filing of sustainability-related financial disclosures. The assessment might include whether support is available to smaller entities to support effective implementation of digital reporting. Digital reporting is not a stand-alone technical feature to be assessed but is closely related to other parts of the ecosystem assessment. Jurisdictions with advanced digital reporting infrastructure are likely to be better positioned to derive additional benefits from the adoption or other use of ISSB Standards.

¹¹ 'Sector benchmark' refers to industry-specific performance standards or reference points used to evaluate and compare the sustainability performance of entities within a sector. Paragraph 36(d) of IFRS S2 requires an entity to disclose whether a climate-related target was derived using a sectoral decarbonisation approach. A sectoral decarbonisation approach to setting GHG emissions targets takes a sector-by-sector approach to convert GHG emissions targets made at the international level into sector-based benchmarks against which the performance of individual entities can be compared.

Insights from the information-systems assessment could be particularly helpful in supporting decisions on matters such as the scope and phasing-in of requirements, the timing of mandatory disclosure requirements and the extension of transition reliefs.

Both IFRS S1 and IFRS S2 include proportionality mechanisms that can help to support implementation by preparers in jurisdictions where comprehensive data availability might initially be constrained. Consequently, even if a jurisdiction's readiness assessment suggests it needs to enhance its information and data infrastructure, it might nevertheless be possible for entities in that jurisdiction to begin disclosing sustainability-related financial information using 'all reasonable and supportable information that is available at the reporting date without undue cost or effort' (see paragraph 37 of IFRS S1). The [webcast](#) on proportionality mechanisms provides more information about those provisions in ISSB Standards and the circumstances in which they can be applied.

Box 3—Assessment of access to data: Hong Kong SAR

To inform the development of Hong Kong SAR's roadmap, the Green and Sustainable Finance Cross-Agency Steering Group (CASG) asked the Hong Kong Institute of Certified Public Accountants (HKICPA) to undertake a Technical Feasibility Study (TFS) to obtain substantive evidence on the challenges entities in Hong Kong SAR expect to encounter when applying ISSB Standards.¹²

Assessment approach

As part of the TFS, between March and June 2024 the HKICPA, together with the Hong Kong Monetary Authority, Hong Kong Exchanges and Clearing Limited, the Insurance Authority, the Mandatory Provident Fund Schemes Authority and the Securities and Futures Commission engaged with over 80 listed entities with high exposure to climate risks, and financial institutions, investors and industry associations. The HKICPA limited the average number of participants per meeting to encourage open sharing and sent questionnaires to participants in advance to allow them enough time to reflect on the questions and to provide structure for discussion. Environmental, social and governance (ESG) specialists from the HKICPA's Sustainability Advisory Panel also attended the meetings to provide practical insights.

Key findings

Stakeholders would benefit from access to some specific critical databases, notably on emission factors and physical climate risk scenarios, which entities need in order to determine Scope 3 GHG emissions and undertake localised physical climate risk assessments. Where such databases were present, the TFS found either that there was not enough awareness of them, that they were considered outdated, or that they were not detailed enough.

continued ...

¹² In May 2020, the Securities and Futures Commission of Hong Kong and the Hong Kong Monetary Authority established the Green and Sustainable Finance Cross-Agency Steering Group. Other members include the Accounting and Financial Reporting Council, the Environment and Ecology Bureau, Financial Services and the Treasury Bureau, Hong Kong Exchanges and Clearing Limited, the Insurance Authority and the Mandatory Provident Fund Schemes Authority.

Details of the assessment

The TFS showed that some Hong Kong SAR government bureaux, entities and non-profit organisations were already disclosing emission factors to varying extents. The information, however, was often difficult to find, which partly contributed to concerns about data availability and inconsistency.

Participants in the TFS were generally not aware of the CASG website, the GHG emissions calculator and estimator, nor the existence of emission factors relevant to the Chinese mainland.

Potential decisions and actions

Based on the insight of the assessment, relevant bodies would continue:

- to develop capacity within the market to prepare sustainability reports;
- to raise awareness of existing databases; and
- to promote the use of data and technology solutions.

Box 4—Jurisdictional perspective on maturity assessment: Türkiye

As part of a wider package of sustainability-related measures, Türkiye announced in December 2023 that new Turkish Sustainability Reporting Standards (TSRS) would become effective for accounting periods beginning on or after 1 January 2024.

The standards, issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK), apply to all listed entities, financial institutions and various other entities that meet at least two of three criteria:

- total assets in excess of 500 million Turkish lira;
- total revenue in excess of 1 billion Turkish lira; and
- employees in excess of 250.¹³

More than 400 entities were within the scope of the requirements as of 2024.¹⁴

Once the additional transition relief on Scope 3 GHG emissions disclosures expires, Türkiye's disclosure requirements referencing TSRS will fully incorporate ISSB Standards (see the Foundation's [jurisdictional profile](#) for Türkiye).¹⁵

continued ...

13 With some exceptions, these requirements are set out in the Foundation's [jurisdictional profile](#) for Türkiye.

14 In January 2026, Türkiye revised and increased the threshold values that determine the scope of entities required to apply the Turkish Sustainability Reporting Standards (TSRS). The revised thresholds apply for reporting periods beginning on or after 1 January 2025 and are not expected to materially change the number of entities required to report for the 2025 reporting period.

15 The TSRS apply for reporting periods beginning on or after 1 January 2024. In December 2025, Türkiye extended certain transitional reliefs in TSRS 1 by one additional year for entities preparing TSRS sustainability reports for the first time for the 2024 reporting period.

The Turkish authorities recognise the importance of a robust reporting ecosystem to support high-quality sustainability-related disclosures. Accordingly, the authorities emphasise key ecosystem components considered in this guide, namely:

- **assurance**—this includes mandatory assurance over the information in entities' sustainability reports:
 - undertaken by KGK-authorized independent auditors; and
 - conducted in accordance with ISSA 5000, beginning with limited assurance and moving to reasonable assurance from 2028;
- **data**—the Turkish authorities encourage the use of data collected and verified by accredited organisations to support disclosures and aim to expand the use of digital platforms; and
- **oversight and supervision**—this comprises independent public oversight by the KGK and supervision of listed entities' disclosures by the Capital Markets Board of Türkiye.

Having engaged extensively with stakeholders, the Turkish authorities identified important opportunities to build capacity. Steps taken by the Turkish authorities include:

- awareness-raising and capacity-building among preparers, with more than 26,000 individuals reached through more than 180 events. The Foundation has also directly supported Turkish capacity-building efforts.
- dedicated high-quality examinations for sustainability auditors. These examinations:
 - were rolled out in Ankara, Istanbul and Izmir in 2025;
 - qualified 485 auditors, from more than 8,000 candidates; and
 - authorised 29 audit firms to carry out independent audits.

Preparer readiness

The preparer readiness domain focuses on the readiness of entities to provide high-quality sustainability-related financial disclosures, encompassing two assessment areas: **maturity, skills and specialist capacity** and **disclosure requirements familiarity and reporting practices**.

Assessment area D—Maturity, skills and specialist capacity

This assessment area complements the detailed assessment of current reporting practices in assessment area E.

This assessment area considers, as a baseline, entities’:

- previous experience in identifying, assessing and managing sustainability-related risks and opportunities, including governance arrangements;
- investments in onboarding specialist sustainability-related skills and capacity; and
- maturity in making sustainability-related financial disclosures.

ISSB Standards focus on sustainability-related risks and opportunities that could reasonably be expected to affect an entity’s cash flows, access to finance or cost of capital over the short, medium or long term. Therefore, a natural starting point for the assessment of preparer readiness would be an initial assessment of:

- **entities’ experience in identifying, assessing and managing sustainability-related risks and opportunities, and investments in specialist sustainability-related skills and capacity.** Entities might have already invested in specialist sustainability-related skills and capacity and made governance arrangements for the identification and oversight of sustainability-related risks and opportunities, including the role of senior management, accountability structures and board review. Entities might have also invested in specialist sustainability-related training, data and analytical tools and processes. An entity already familiar with sustainability-related risks and opportunities is more likely to have the relevant capacity to support the disclosure of information in accordance with ISSB Standards. Some entities might have experience with identifying, assessing and managing sustainability-related risks and opportunities even if they have not previously disclosed information about these matters publicly.
- **entities’ maturity in sustainability reporting.** Entities might already be subject to legal or regulatory requirements to disclose information about some sustainability-related risks and opportunities or might have voluntarily decided to report sustainability-related information (for example, to meet market expectations and other demands). An entity with such experience might have established disclosure processes that can be used to support the disclosure of sustainability-related financial information in accordance with ISSB Standards—for example, it might have introduced data, systems, review processes and controls, or put governance arrangements in place that support management accountability and board oversight of sustainability-related financial disclosures.

Box 5—Jurisdictional perspective on maturity assessment: South Africa

The Department for Trade, Industry and Competition (DTIC) in South Africa commissioned a detailed Regulatory Impact Assessment (RIA) on the costs and benefits of adopting ISSB Standards. The stated purpose of the RIA was to generate evidence and insights to inform policy and legislative decisions, ensuring that adoption of ISSB Standards would align with national priorities, global best practices and stakeholder interests. The assessment included insights from a survey of preparers, covering matters relevant to preparer readiness. The survey examined, among other things, entities' maturity in sustainability-related reporting. Respondents were asked to identify their maturity on the following scale:

- *non-reporter*—your organisation has not actively collected or reported sustainability-related financial information and has no immediate plans to do so;
- *emerging reporter*—your organisation has not actively collected or reported sustainability-related financial information but plans to start within the next one or two years;
- *internal-only reporter*—your organisation collects sustainability data but only reports it internally;
- *new reporter*—your organisation collects sustainability data and has published reports for the past one or two years;
- *basic reporter*—your organisation has a simple sustainability approach or framework that you use to collect and report basic sustainability data and some reporting has been publicly available for the past three or more years;
- *intermediate reporter*—your organisation collects a limited range of sustainability data and produces a regular sustainability report which has been publicly available for the past three or more years; or
- *mature reporter*—your organisation collects a wide range of sustainability data and produces a regular sustainability report which has been publicly available for the past three or more years.

The Companies and Intellectual Property Commission has since commissioned an Adoption Readiness Working Group (ARWG) for Sustainability Reporting Standards in South Africa, endorsed by the DTIC. Made up of various regulators, relevant authorities and key market role-players, the ARWG operationalises key recommendations of the RIA by serving as a technical, consultative and advisory forum in the development of a national adoption roadmap. The ARWG's aim is to ensure the adoption approach is coherent with the existing regulatory framework—also considering existing sustainability-related reporting requirements—and to undertake stakeholder engagement and coordinate capacity building and technical support.

Box 6—Preparer readiness and implementation support: Malaysia (PACE)

Malaysia has adopted a phased adoption approach to sustainability reporting with an emphasis on capacity building at the centre of implementation. This phased approach is anchored in the National Sustainability Reporting Framework (NSRF), launched on 24 September 2024 by the Advisory Committee on Sustainability Reporting (ACSR), with the support of the Ministry of Finance Malaysia and chaired by the Securities Commission Malaysia. The NSRF sets out the framework for Malaysia’s adoption of ISSB Standards— on a mandatory basis for scoped-in entities¹⁶ in Malaysia, via the respective (and upcoming) regulatory requirements. Recognising the differing levels of sustainability reporting maturity, resources and technical capabilities across entities, the NSRF phased adoption approach is complemented by an implementation support initiative referred to as PACE (Policy, Assumptions, Calculators and Education).

Implementation support for preparer readiness

PACE functions as an implementation support hub designed to assist scoped-in entities in developing the capabilities necessary to apply the NSRF and the ISSB Standards in practice. PACE provides preparers with access to tools, guidance and educational resources to support the early stages of adoption. The initiative supports Main Market and ACE Market listed entities, as well as large non-listed companies. It is intended to accompany preparers as they progress from initial familiarisation with the ISSB Standards towards more advanced reporting practices.

Considering the varied reporting readiness and maturity, the ACSR’s regulatory approach focuses on capacity building and skills enhancement in the first few years of reporting. In essence, emphasis at the start will be placed on ensuring reporting entities make reasonable and meaningful progress.

Policy guidance and application support

PACE provides policy guidance that offers practical insights into the ISSB Standards and how sustainability considerations can be integrated into business strategies and reporting processes. Guidance, in the form of frequently asked questions (FAQ), sample disclosures and policy guidance documents are intended to support preparers in applying ISSB Standards’ requirements and understanding how they apply within the Malaysian context.

continued ...

¹⁶ This includes Main Market and ACE Market listed entities, as well as large non-listed entities.

Assumptions and measurement support

In addition, PACE makes available an emissions calculator aimed at supporting the measurement and reporting of Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions in line with ISSB Standards' requirements. For example, the Simplified ESG Disclosure Guide (SEDG) GHG Emissions Calculator developed by Capital Markets Malaysia, an affiliate of the Securities Commission Malaysia, supports entities in measuring and reporting Scope 1 and Scope 2 emissions based on the globally recognised GHG Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol Corporate Standard). Bursa Malaysia has launched the Centralised Sustainability Intelligence (CSI) Solution to support listed entities in streamlining sustainability reporting in accordance with the ISSB Standards. Launched in June 2024, the platform is designed to accelerate Malaysia's low-carbon transition, featuring built-in carbon emission calculators, a supplier engagement module, and standardised templates to enhance data accuracy. As part of its supplier engagement services, CSI Solution brings corporates and their suppliers—including mid-tier companies and SMEs—into a single ecosystem, enabling structured and systematic onboarding. Aligned with the Simplified ESG Disclosure Guide (SEDG), the platform also supports suppliers by enabling Scope 1 and 2 emissions measurement and providing access to ESG maturity assessment, e-learning, and practical guidance to strengthen sustainability capabilities.

Capacity building and preparer upskilling

PACE provides targeted capacity-building programmes designed to enhance preparers' internal capabilities in sustainability reporting. These include access to educational materials, webinars and structured training programmes focused on the ISSB Standards. A key initiative is the NSRF Preparers' Programme (NPP) which comprises modular training covering sustainability reporting using the illustrative sustainability reports based on ISSB Standards, the calculation and reporting of GHG emissions, and climate risk identification and scenario analysis. The programme supports preparers to progressively build the skills required for effective implementation. The programme is conducted in collaboration with key partners such as the Institute of Chartered Accountants in England and Wales (ICAEW), highlighting the integration of financial and sustainability disclosures.

Since the launch of the NSRF, the ACSR has been conducting regular engagements with various sectors including plantation, construction and financial institutions, as well as energy sectors. These engagements have provided a structured platform for the industry to raise pain points, which feeds into PACE initiatives, and an opportunity for regulators to provide formal clarification.

Both the ACSR and JC3 have also sought to improve the availability of climate-related data required by entities in their sustainability reporting, including through engagements with data-providing agencies and utility providers, as well as the development of the JC3 Climate Data Catalogue to facilitate access to climate-related information and consolidated consumption data.

Together, the NSRF and PACE form a preparer-focused implementation approach that combines regulatory clarity with practical support. By prioritising enhancing preparer readiness through guidance, tools and capacity building, Malaysia's sustainability reporting framework seeks to enable consistent and credible adoption of the ISSB Standards ahead of broader reporting and assurance requirements.

The baseline of entities' experience, maturity in sustainability reporting and specialist sustainability-related skills and capacity will inform decisions on, for example, how much lead time and support preparers are likely to need to ensure they can successfully implement the decisions in a jurisdictional roadmap and deliver high-quality sustainability-related financial disclosures for the benefit of capital markets.

Assessment area E—Disclosure requirements familiarity and reporting practices

The speed at which entities can build the capabilities they need to report in accordance with ISSB Standards will depend on factors such as their familiarity with the disclosure requirements of ISSB Standards and the extent to which they are already disclosing relevant information.

To build a detailed picture of the status of sustainability reporting in the jurisdiction, including at the level of individual disclosure requirements and disclosure items, a jurisdiction might find it helpful to assess:

- **entities' familiarity with ISSB Standards or other relevant frameworks for reporting**, including familiarity with:
 - IFRS Accounting Standards, whose definitions and requirements are connected with, and have informed, the definitions and requirements in IFRS S1 and IFRS S2;
 - the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, which have been applied internationally—in some cases referenced in legal and regulatory frameworks—and have been integrated into IFRS S1 and IFRS S2;
 - the sustainability reporting frameworks that were consolidated into the Foundation and referenced as sources of guidance in IFRS S1 and IFRS S2—the frameworks of the Sustainability Accounting Standards Board (SASB), the International Integrated Reporting Council and the Climate Disclosure Standards Board (CDSB);
 - the climate change questionnaires issued by the Carbon Disclosure Project (CDP), which started to align with IFRS S2 in 2024; and
 - other third-party sustainability reporting frameworks that may encompass sustainability-related information that might also be financially material and required to be disclosed by ISSB Standards—including Global Reporting Initiative (GRI) Standards and European Sustainability Reporting Standards.¹⁷
- **entities' current sustainability reporting practices and the disclosure of information as required by ISSB Standards.** The assessment of current reporting practice complements assessment area D.

¹⁷ European Sustainability Reporting Standards are designed to require disclosure of sustainability-related information, including information about sustainability risks and opportunities and impacts that meet the needs of a range of stakeholders beyond investors. GRI Standards are designed to provide information about an entity's most significant, environmental and social impacts to meet the needs of a range of stakeholders, including some investors. Entities that are familiar with these standards might have processes and data capabilities in place that can provide a foundation for the disclosure of financially material information about sustainability-related risks and opportunities. Due to the broader scope of these frameworks, entities also need to ensure that they have the understanding and capabilities to identify and disclose material information about sustainability-related risks and opportunities that could reasonably be expected to affect their prospects to inform the decision making of investors, in accordance with ISSB Standards.

Assessing familiarity and current reporting practices will provide objective insight on the incremental effort and investment required to support high-quality financial disclosures in accordance with ISSB Standards. For example, if a jurisdiction has a high degree of familiarity with the TCFD recommendations or the SASB Standards or discloses a large proportion of the items required by ISSB Standards, the incremental effort to implement ISSB Standards will be reduced.¹⁸ Similarly, where entities' existing sustainability disclosures have been prepared with reference to the GRI Standards may also cover a substantial proportion of the financially-material information relevant to ISSB Standards, a jurisdiction could assess entities' current data gathering and analytical processes to evaluate the incremental effort needed to report in accordance with ISSB Standards. Assessing reporting practices can also provide insights into the extent to which existing reporting governance and oversight arrangements support consistency and quality of such disclosures in the jurisdiction.

Box 7—Current reporting practices: The State of Play reports



The State of Play reports

Alongside the review of sustainability-related assurance trends across jurisdictions (see Box 1), the State of Play research initiative also examines trends in sustainability-related disclosure—tracking changes in the incidence of reporting and in the standards and frameworks that are referenced by reporting entities.

Based on desktop analysis, data from 2023 indicates that reporting entities in both developed and EMDE jurisdictions are increasingly providing disclosures (including on a voluntary basis) and presenting this information alongside their financial reporting.

In the G20 jurisdictions, Singapore and Hong Kong SAR, the incidence of reporting at least some sustainability-related information increased **from 91% in 2019 to 98% in 2023**.

In smaller, EMDE jurisdictions, reporting increased **from 84% in 2019 to 95% in 2023**.

In the absence of regulatory requirements, entities typically reference a mix of standards and frameworks in their disclosures. For the purposes of assessing preparers' readiness to make high-quality disclosures in accordance with ISSB Standards, it is interesting to examine the extent to which disclosures reference SASB Standards and the TCFD framework. Since 2019, IFAC has observed rising use of both SASB Standards and the TCFD recommendations in smaller, EMDE jurisdictions (see figures 4 and 5), indicating increasing familiarity with the disclosure of financially-material information and with the frameworks that informed ISSB Standards.

continued ...

¹⁸ The IFRS Foundation provides updates on entities reporting sustainability-related financial information in accordance with the SASB Standards. These updates may be used by jurisdictions to support their assessment of current reporting practice.

Figure 4—Non-G20 jurisdictions’ reference to or use of the TCFD recommendations, 2023

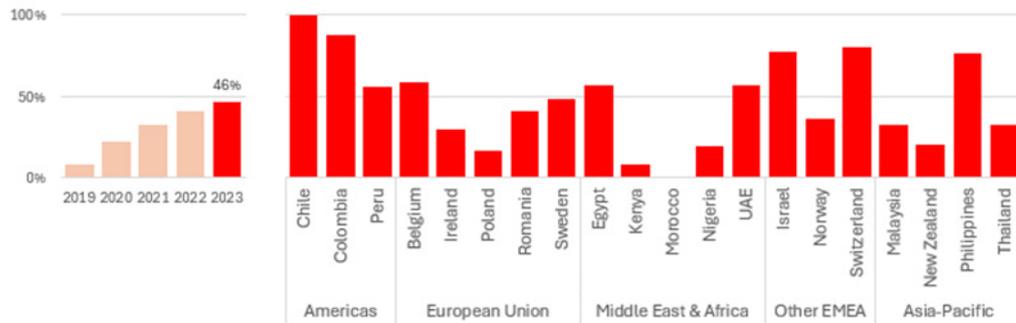
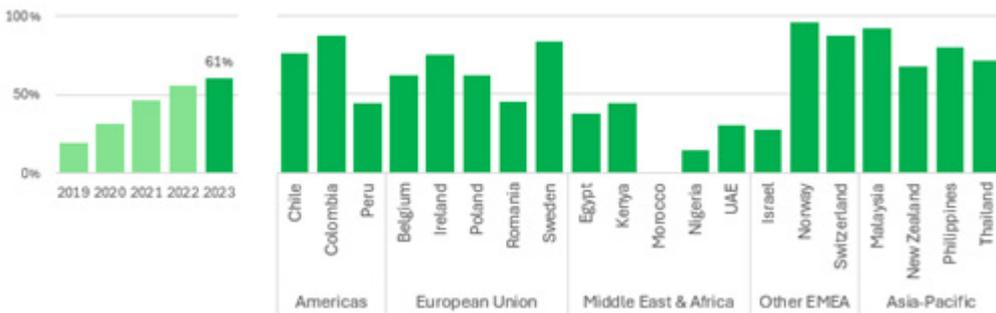


Figure 5— Non-G20 jurisdictions’ reference to or use of SASB Standards, 2023



(The Foundation thanks IFAC for contributing this box.)

Box 8—Support to EMDEs for readiness assessments: World Bank Group



The World Bank Group recognises that high-quality, harmonised sustainability reporting is essential for integrating sustainability considerations into financial decisions, and therefore for mobilising institutional investments towards more sustainable assets, especially in EMDEs. A key motivation for this work is to support jurisdictions in making informed decisions about whether and how to adopt or otherwise use international sustainability reporting standards, such as ISSB Standards. Jurisdictions might face a complex landscape, but adopting international standards can bring benefits such as improved access to sustainable finance, enhanced transparency and alignment with global capital flows. However, such adoption can also entail significant costs, including compliance, capacity building, data collection and reporting-system upgrades. The World Bank Group’s collaboration with the Foundation, formalised in a recent memorandum of understanding, strengthens the World Bank Group’s commitment to supporting jurisdictions by providing a framework to evaluate the implications of adopting international sustainability reporting standards, including rigorous cost–benefit analyses.¹⁹

continued ...

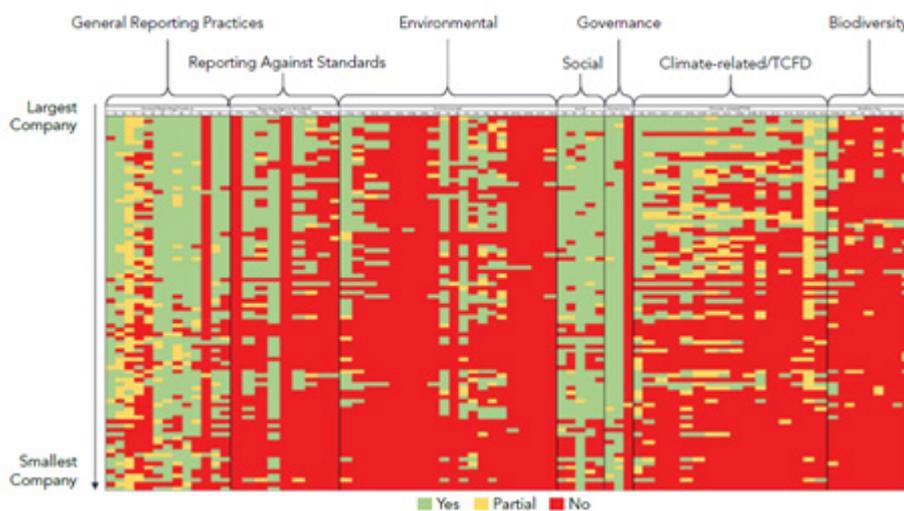
¹⁹ World Bank Group, ‘World Bank Group and IFRS Foundation Announce Commitment to Further Partnership Towards Adoption of ISSB Standards in EMDEs’, 2024.

The World Bank Group’s approach is based on providing analytical tools and technical assistance that help jurisdictions to assess systematically the costs and benefits of introducing ISSB Standards in their market infrastructure, considering local market structures, regulatory environments and institutional capacities. This approach ensures that any move towards international standards is proportionate, context-sensitive and does not create unintended barriers or excessive burdens for preparers.

For example, in collaboration with the Securities Commission of Malaysia, the World Bank Group conducted a benchmarking exercise of listed entities’ and investors’ sustainability-related disclosure practices in the jurisdiction using its Best Practice Disclosure Framework for Pension Funds.²⁰ This was updated to incorporate indicators and metrics from IFRS S1 and IFRS S2, the new Principles for Responsible Investment (PRI) reporting framework and the Taskforce on Nature-related Financial Disclosures.

The assessment reviewed sustainability disclosure practices for a representative sample of 90 listed entities and the disclosure processes of four of the largest asset owners in Malaysia. The assessment indicated that most sampled entities had strong corporate disclosures and sound governance and social practices. However, disclosures on environmental indicators—particularly climate change, nature and biodiversity—were weaker. Larger entities (by market capitalisation) showed significantly better disclosure rates compared to smaller entities, with a marked decline in scope and quality among entities outside the top 50 on Bursa Malaysia’s Main Market (see Figure 6). These gaps highlighted the need for more explicit and transparent sustainability-related disclosures and continuous monitoring of how IFRS S1 and IFRS S2 complement existing national sustainable finance commitments.

Figure 6—Heatmap of sustainability-related disclosures for listed entities in Malaysia



(Data source: World Bank Group and Securities Commission Malaysia, *ESG Disclosure Assessment of Malaysia’s Listed Companies and Recommendations for Policy Development*, 2024)

continued ...

20 World Bank Group and Securities Commission Malaysia, [ESG Disclosure Assessment of Malaysia’s Listed Companies and Recommendations for Policy Development](#), 2024; World Bank Group, [Sustainable Investment: Best Practice Disclosure Checklist for Pension Funds](#), 2020.

Such benchmarking analyses and the corresponding gap assessments help to inform the dialogue between securities markets regulators and the World Bank Group, with the aim of designing proportionate and tailored guidance for market participants, and sequencing and prioritising necessary reforms. In Malaysia, the findings directly informed recommendations to the Securities Commission, including a recommendation to encourage domestic investors to stimulate demand for corporate sustainability-related disclosures and to tailor new requirements to local market realities. This approach ensured that new requirements were both ambitious and achievable, avoiding undue burden on market participants while raising the overall quality of disclosures.

The benchmarking also provided a baseline for the effective implementation of the National Sustainability Reporting Framework and the decision to fully adopt ISSB Standards in Malaysia. For asset owners, the assessment clarified areas for improvement, particularly in climate and biodiversity reporting, and underscored their potential role in driving corporate sustainability-related disclosures. For listed entities, the report indicated that sustainability reporting was largely compliance-driven with limited demand from domestic investors and recommended fostering a stronger demand pull for disclosures to incentivise improved reporting.

The World Bank Group also applied the benchmarking tool in South Africa, where the analysis highlighted strengths in governance and strategy disclosures but revealed significant gaps in climate-related reporting. Regulators used these insights to prioritise the integration of climate risk into pension fund regulation (for example, Regulation 28 of the Pension Funds Act) and to develop guidance notes and capacity-building initiatives focused on climate and ESG integration. Among other developments in South Africa (see Box 10), the Financial Sector Conduct Authority (FSCA) has since issued targeted guidance and conducted follow-up surveys to monitor progress.

Overall, these efforts are important steps as jurisdictions develop strategies to enhance capital markets competitiveness and attractiveness to investors by promoting consistent and comparable sustainability-related information and build a more robust and sustainable financial system through better sustainability practices and disclosures across the board.

(The Foundation thanks the World Bank Group for contributing this box.)

Box 9—Scope and review methodology of the Progress Report on Corporate Climate-related Disclosures

The Foundation's 2024 [Progress Report on Corporate Climate-related Disclosures](#) builds on the approach set out in previous TCFD status reports to ensure consistency across reporting years. The analysis covers public entities from five regions (Africa, Asia–Oceania, Europe, Latin America and the Caribbean, and North America) and nine industries (agriculture, banking, consumer goods, energy, food and forest products, insurance, materials and buildings, technology and media, and transportation).

The Foundation used artificial intelligence (AI) technology to review financial filings, annual reports, integrated reports, sustainability reports and other relevant documents published in English. Reports in other languages were excluded to maintain consistency in the automated review. The AI technology used language models capable of mathematically representing entire sentences and paragraphs and capturing contextual meaning. It was based on the Robustly Optimised Bidirectional Encoder Representations from Transformers Pretraining Approach, a deep learning natural-language processing model, which was trained to identify information aligned with the 11 TCFD recommended disclosures under governance, strategy, risk management, and metrics and targets.

Importantly, the AI review was not designed to assess the quality of entities' climate-related financial disclosures, but instead to provide an indication of the alignment of existing disclosures with the 11 TCFD recommended disclosures. The final dataset comprised 3,814 entities corresponding to 25,127 reports in 2022 and 26,637 reports in 2023.

The outcome of the familiarity and practices assessment will inform decisions on matters such as the scope of entities subject to the requirements, the phasing-in of requirements in ISSB Standards and the extension of transition reliefs. It will also help to build capacity and other support efforts.

Support system readiness

Assessment area F—Support system

When a jurisdiction identifies gaps in ecosystem and preparer readiness, it will need to consider how a support system of development partners, accountancy bodies and others can be mobilised to assist preparers, regulators and the wider ecosystem to build capacity for high-quality sustainability-related disclosures. This subject is the focus of the support system readiness domain of the assessment.

A jurisdiction's ability to access this support system can accelerate capacity-building efforts, helping to more quickly create a reporting environment that supports high-quality sustainability-related disclosures. As part of its jurisdictional readiness assessment, a jurisdiction might therefore consider the extent to which preparers, relevant authorities, professional services firms, and data and analytical providers have access to resources and support.

The Foundation emphasised the importance of the support system in its Regulatory Implementation Programme outline, identifying partner support as one of the four key elements of the programme to help jurisdictions to progress along the adoption pathway. International bodies, multilateral development banks, development agencies, accounting bodies and other technical support partners can provide financial and technical assistance, capacity building and opportunities for peer learning and information sharing.

To facilitate connections with partners, the Foundation has set up a Partnership Framework for Capacity Building alongside an Implementation Partners Programme and an Implementation Advisors Programme. Each category of support partners brings its own strengths. For instance:

- **IOSCO** supports securities regulators and their broader network through peer-learning platforms and capacity-building programmes, including through its Growth and Emerging Markets Committee Network (GEMC Network) for the adoption or other use of ISSB Standards (see Box 11).
- **multilateral development banks and development agencies** contribute to advancing both ecosystem and preparer readiness. Multilateral development banks and other development agencies can serve as both implementation partners and capacity-building partners, providing jurisdictions with technical assistance on policy, legislative and regulatory matters and with knowledge sharing and tailored support throughout adoption. Through these roles, multilateral development banks help strengthen local readiness and support the effective implementation and adoption of ISSB Standards.
- **accountancy bodies**, including IFAC member bodies, embed ISSB Standards into certified public accountants' professional practices, curricula and training, while promoting international standards such as the ISSA 5000 and the IESSA (see Box 12).
- **other technical support partners** facilitate access to high-quality data, technical knowledge and capacity-building resources. Examples include the CDP, Accounting for Sustainability (A4S), XBRL International, Chapter Zero, PRI and the World Business Council for Sustainable Development (WBCSD).

Jurisdictions that have existing partnerships and actively coordinate with support partners could be better placed to address readiness gaps. Readiness assessments should therefore evaluate not only the availability of support but also the jurisdiction's ability to coordinate across agencies and put these partnerships into practice.

Jurisdictions might find it helpful to consider the extent to which regulators, professional services and IT and information infrastructure, and preparers have access to resources and support.

Regulators

Jurisdictions should consider whether relevant authorities have access to the knowledge, tools and support mechanisms they need to design, supervise and enforce sustainability-related financial disclosure requirements effectively and efficiently. The assessment might focus on whether the jurisdiction is already leveraging such support or is well positioned to do so to address gaps identified in prior assessments (see assessment area A) based on existing arrangements, partnerships or funding streams.

Types of support that might be available include:

- **development partner support**—tailored partnership initiatives, such as the programmes supported by multilateral development banks or development agencies that provide technical assistance for the design and development of jurisdictional roadmaps and regulations and training for regulators and market institutions (see Box 10);
- **global and regional peer-learning networks**—participation in platforms such as IOSCO's GEMC Network, which offers regulators structured opportunities for technical training, peer exchange and supervisory capacity building (see Box 11); and
- **the Foundation capacity-building framework**—including the Partnership Framework for Capacity Building and related technical resources, which regulators can draw on to support the adoption of ISSB Standards.

A regulator can draw on its relationships to support systems to get early access to support, to respond to technical and operational gaps and to build supervisory capacity more efficiently. Conversely, limited access might put a regulator on a more gradual adoption pathway.

**Box 10—Supporting ISSB-aligned regulatory development:
IFC—a member of the World Bank Group**



South Africa's FSCA entered into a cooperation agreement with IFC. The partnership between IFC and FSCA is part of IFC's [Beyond the Balance Sheet](#) programme, aimed at aligning South Africa's financial sector with ISSB Standards.

The work of IFC includes:

- working with FSCA and other national agencies on the approach to adoption of ISSB Standards, including engaging with South Africa's Adoption Readiness Working Group for Sustainability Reporting Standards, which was established with the objective of building consensus on a jurisdictional roadmap;
- developing tools such as a climate disclosure readiness checklist and board governance guidance;
- training and capacity building of FSCA staff and listed entities and banks;
- facilitating stakeholder consultations with national and global standard-setters and regulators; and
- monitoring uptake and effectiveness of the regulations.

This partnership underscores IFC's commitment to advancing sustainability and climate-related disclosures globally.

This initiative builds on IFC's broader collaboration with the Foundation, formalised through a memorandum of understanding in June 2024, and supports IFC's mission to promote transparency, sustainable finance and climate resilience globally.

Additionally, through the Beyond the Balance Sheet programme, in collaboration with IFC's advisory programmes, IFC is supporting Bangladesh, Egypt, Jordan, Nepal, Peru, other jurisdictions and IFC clients in aligning with ISSB Standards. In addition, jointly with the United Nations Sustainable Stock Exchanges (UN SSE) Initiative and the Foundation, IFC delivered [ISSB Standards-related training](#) to 20,000 participants across 30 markets.

(The Foundation thanks IFC—a member of the World Bank Group—for contributing this box.)

Box 11—Supporting ISSB-aligned regulatory development: IOSCO Growth and Emerging Markets Committee and the GEMC Network for the adoption or other use of ISSB Standards

IOSCO's GEMC Network fosters jurisdictional capacity building and regional information sharing for EMDEs. The GEMC Network supports jurisdictions at different stages in their journeys of adopting or otherwise using ISSB Standards, enabling peer learning and targeted technical assistance. Through regional workshops and structured information sharing, the GEMC Network contributes to:

- **regulatory training and supervisory capacity building**—technical training programmes developed in collaboration with the IOSCO Nurturing Excellence Through Growth, Education and Networking programme and the Foundation to strengthen supervisory and enforcement capabilities for sustainability-related disclosures;
- **e-learning and continuous professional development**—an ongoing webinar series available to GEMC Network and other IOSCO members, offering practical guidance based on Foundation educational resources, suitable to the needs of regulators;
- **a peer-learning and information-sharing forum**—a structured forum for regulators to exchange experiences, share roadmaps and respond to challenges in adopting and implementing ISSB Standards;
- **joint programmes with development partners**—a collaboration with the World Bank and Foundation through the IOSCO–World Bank–IFRS Foundation Capacity Building Programme, providing jurisdictions with access to global expertise and targeted support; and
- **jurisdiction-specific technical assistance**—a platform to connect jurisdictional needs with tailored technical assistance from other implementation partners, helping regulators to design adoption roadmaps, preparing market participants and addressing jurisdictional implementation challenges.

Professional services

Jurisdictions should consider the extent to which assurance providers, consultants and legal advisors can access the knowledge, training and institutional support they need to assist entities in delivering high-quality sustainability-related disclosures, particularly where gaps are identified in the professional ecosystem (see assessment area B).

Access to support might, for example, be provided through international and regional initiatives such as the Foundation's Partnership Framework for Capacity Building, professional development programmes run by IFAC, capacity-building initiatives run by the Pan African Federation of Accountants (PAFA) and activities to support new sustainability-related assurance standards developed by the IAASB and the IESBA (see Box 12).

Box 12—International and regional initiatives

IFAC

IFAC organised regional roadshows across Southeast Asia, Latin America and the Middle East and North Africa in 2024, speaking directly to accountancy professionals about sustainability reporting. In 2025, this work was deepened further through the [IFAC Connect](#) global event series, which replaced the previous roadshow format. The 2025 series included four regional events: Africa (Nairobi, Kenya, 19–20 August 2025), the Middle East and North Africa (Riyadh, Saudi Arabia, 2 October 2025), Latin America/Global (Mexico City, Mexico, 12–13 November 2025) and Asia–Oceania (Jakarta, Indonesia, 4 December 2025).

These events are centred around the theme ‘Leading the Sustainability Transformation: Global Standards, Local Solutions’ and offer a platform to explore practical strategies for implementing ISSB Standards and sharing regional experiences. The series aims to support professional bodies and regulators in understanding and applying global baselines and to encourage integration of ISSB Standards into regulatory frameworks.

IFAC has also issued revisions to the International Education Standards to reflect ISSB Standards and is working with professional bodies to support curriculum updates and capacity-building strategies.²¹

PAFA

With funding from the United Kingdom’s Foreign, Commonwealth & Development Office, PAFA has developed a comprehensive strategy to build the capacity of professional accountancy organisations to support the implementation of ISSB Standards in Africa. This initiative encompasses the creation of the [Sustainability Centre of Excellence](#), designed to build sustainability-reporting capacity at scale through professional accountancy organisations, and to facilitate the development of resources and the exchange of knowledge to enhance practice.

IAASB

The IAASB plays a central role in strengthening sustainability assurance through standard-setting that establishes a global baseline for the consistent performance of quality assurance engagements. This work is augmented by non-authoritative support materials and stakeholder outreach that facilitates the effective adoption, implementation, understanding and application of the global standard on sustainability assurance.

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²¹ International Education Standards are global standards developed by IFAC that establish the educational requirements and development standards for professional accountants. These standards cover areas such as technical competence, professional skills, practical experience and continuing professional development. International Education Standards provide a framework for professional accountancy organisations worldwide to develop education and training programmes that ensure accountants have the knowledge and skills needed to serve the public interest effectively.

Alongside the issuance of the ISSA 5000, the IAASB provides extensive implementation support through the ISSA 5000 Implementation Guide, webinars on demand, presentation slides, fact sheets, frequently asked questions (FAQs), introductory and FAQs videos, and other guidance materials. These [resources](#) are designed to enable consistent, high-quality sustainability assurance engagements across firms and jurisdictions, and provide the building blocks for capacity building among assurance practitioners, firms and jurisdictional bodies. The IAASB also continually monitors implementation matters arising through its ISSA 5000 Technical Implementation Contact Group, Sustainability Assurance Implementation Working Group, online implementation submission mechanism and direct outreach.

IESBA

The IESBA has established a suite of ethics (including independence) standards for sustainability reporting and assurance that complete the global sustainability standards infrastructure. These standards consist of the IESSA (including International Independence Standards) and sustainability-reporting revisions and new provisions addressing using the work of an external expert in the International Code of Ethics for Professional Accountants (including International Independence Standards).

The IESBA promotes effective adoption and implementation of its standards through its Adoption & Implementation Working Group, the IESSA Implementation Monitoring Advisory Group and the IESSA online feedback platform. To support effective implementation of its sustainability-related standards, the IESBA has developed a range of implementation support materials, including joint ISSA 5000-IESSA FAQs, Technical Overviews, webinars, Staff Questions & Answers, Proportionality of the IESSA and Explainers video series. These [materials](#) also help to promote awareness and understanding of the crucial role of ethics in underpinning trustworthy sustainability reporting and assurance, including by equipping professionals to address ethical risks such as bias, conflicts of interest, undue pressure, greenwashing and, in the context of sustainability assurance engagements, threats to independence.

Information and data infrastructure

Jurisdictions should consider whether they themselves can access the knowledge, tools and institutional support they require to develop and maintain a robust information infrastructure to support high-quality sustainability-related disclosures. The focus of this assessment is on whether jurisdictions are already accessing such support through existing programmes, partnerships or funding mechanisms, or are well positioned to do so to address gaps identified in prior assessment (for example, data availability, analytical capacity and digital reporting platforms, as discussed in assessment area C).

Access to support might be available through international and regional programmes. Multilateral development banks, non-governmental organisations and technical support partners also facilitate access to high-quality data, technical knowledge, digital reporting platforms and toolkits, advisory and training support, and capacity-building resources. Professional development programmes from professional bodies further strengthen capabilities across the professional services market and regulatory authorities.

This assessment examines whether jurisdictions can effectively leverage these resources to build and sustain strong information infrastructure for accurate, consistent and enforceable sustainability reporting.

Preparers

Jurisdictions should consider whether entities can access the technical guidance, training and professional services necessary to produce high-quality sustainability-related financial disclosures. The focus of the assessment might be whether jurisdictions leverage available support to address gaps identified in assessment areas D and E, and whether they are well positioned to do so based on existing governance structure, capabilities, programmes and partnerships.

Types of support might include:

- **capacity building and training initiatives**—programmes and resources targeted at preparers' needs including at board and senior management level, offered by development partners, accountancy bodies and others (see Box 13);²²
- **Foundation resources**—educational materials and other resources on the [IFRS Sustainability knowledge hub](#) and preparer readiness materials and programmes such as the [FSA® Credential](#) (see Box 13); and
- **forums for peer learning**—peer-to-peer learning platforms provided by bodies such as A4S, WBCSD, Chapter Zero and others that enable preparers—including reporting professionals, management and board members—to share experiences, exchange insights and strengthen practical approaches to sustainability reporting.²³

Ready access to support system resources can help preparers to build skills and apply ISSB Standards consistently and efficiently. Where the assessment shows that access is more limited, jurisdictions might need to consider the pace of adoption, use of transition reliefs and development of capacity-building programmes.

Box 13—Capacity building, training initiatives and resources

ASEAN Capital Markets Forum–IFRS Foundation Dialogue

The Association of Southeast Asian Nations (ASEAN) Capital Markets Forum (ACMF) and the Foundation have set up the ACMF–Foundation Dialogue on ISSB Standards, a structured platform to facilitate regional engagement with the ISSB. The ACMF also delivers initiatives to strengthen capacity for high-quality sustainability disclosures across ASEAN jurisdictions, supported by the Asian Development Bank.

Through this dialogue, ACMF members maintain structured interaction with the ISSB on standard-setting developments, focusing on areas that are particularly relevant to their regional markets. The group is a formal channel for the ACMF to offer ongoing feedback to the ISSB while also ensuring coordinated messaging and engagement with regulators, listed entities and other regional stakeholders.

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²² For instance, capacity building at board and senior management level can help to strengthen corporate governance for sustainability-related reporting—including guidance, training and advisory support on oversight of sustainability-related risks and opportunities, integration with strategy and risk management, and accountability for sustainability-related disclosure.

²³ Chapter Zero is a body that focuses on equipping and inspiring non-executive directors to lead on climate from the boardroom. It serves as a hub for peer learning and knowledge sharing, helping directors integrate climate-related considerations into corporate strategy and decision-making.

The group includes twice-yearly engagement sessions between the chairs of the ISSB and the ACMF. In addition, the ACMF and the Foundation co-host events, conferences and technical workshops to raise awareness of ISSB Standards and strengthen implementation readiness. ACMF members, supervisors and ASEAN-listed entities can take advantage of dedicated training and outreach events delivered in hybrid formats to increase regional accessibility.

UN Sustainable Stock Exchanges Partnership Training Program

To help market participants implement ISSB Standards and promote consistent global uptake, the [UN SSE](#) has partnered with IFC and the Foundation to deliver [free training](#) through the UN SSE's global network of Partner Exchanges. This training was developed jointly by the UN SSE, the Foundation and IFC (with support from [State Secretariat for Economic Affairs of Switzerland SECO](#)). Training is hosted locally by stock exchanges, which convene preparers and other market participants. This approach brings open-access training directly to market participants.

Sustainable Banking and Finance Network—ISSB collaboration

Facilitated by IFC, the [Sustainable Banking and Finance Network \(SBFN\)](#) is a global platform for knowledge sharing and capacity building among financial sector regulators and industry associations in EMDEs. SBFN supported the promotion of the adoption of ISSB Standards and strengthens sustainability reporting capacity across EMDEs. The SBFN—ISSB collaboration provides a structured channel for dialogue and engagement with regulators and industry stakeholders.

The collaboration also delivers targeted training programmes and research outputs to help members to implement ISSB Standards effectively. Workshops, webinars and hybrid formats ensure these offerings are broadly accessible to help regulators and industry associations to enhance reporting practices and mobilise capital for sustainable development.

Foundation resources

The Foundation provides open-access resources to support the implementation of ISSB Standards for preparers, investors, regulators and other stakeholders. These resources include:

- **educational materials**—including explanatory guidance on matters such as [disclosing material information](#), [disclosing information about an entity's climate transition and transition plans](#) and [disclosing information about current and anticipated financial effects](#). More educational materials can be found on the Foundation's website.
- **webcasts and webinars**—interactive content published by the Foundation to raise awareness, provide technical explanations and build preparer readiness for ISSB Standards.
- **the IFRS Sustainability knowledge hub**—an online platform consolidating nearly 300 resources developed by the Foundation and other expert organisations. The knowledge hub offers preparers practical guidance, case studies and technical materials to support consistent, high-quality understanding of content that is relevant to ISSB Standards.
- **the FSA[®] Credential**—an advanced credential covering ISSB Standards that equips professionals with specialist knowledge and skills to apply ISSB Standards effectively, strengthening capacity in sustainability reporting while supporting the career development of finance and reporting professionals.

POTENTIAL ASSESSMENT APPROACHES

Jurisdictional readiness assessments involve a combination of evidence-gathering activities, with different assessment areas and matters for consideration lending themselves to different approaches. The most frequently used methods for readiness assessments are **landscape mapping, desktop analysis, surveys** and **stakeholder engagement**.

Landscape mapping

Landscape mapping is used to produce an initial understanding of the jurisdiction's sustainability-related reporting architecture. The main activity is identifying and documenting the key institutions, mandates, policy instruments and delivery mechanisms relevant to the application of ISSB Standards. This information includes the roles of government ministries, regulators, public oversight bodies, standard-setters, professional accountancy organisations, assurance providers, digital reporting authorities and data infrastructure providers. Landscape mapping enables jurisdictions to clarify institutional responsibilities, identify coordination needs and see where capacity building or mandate strengthening might be required.

Desktop analysis

Desktop analysis enables the precise identification of available evidence on the state of sustainability-related reporting and institutional support within a jurisdiction. The main activity is a systematic analysis—based on documents and data—of applicable frameworks and voluntary reporting practices, published legal or regulatory instruments, guidance materials, enforcement policies, filing platforms, taxonomies, supervisory arrangements and market-level infrastructure indicators. This approach supports both the preparer assessment and the ecosystem readiness assessments and helps to refine insights gathered through other methods.

Surveys

Surveys can be an important tool for evaluating jurisdictional readiness. Surveys can be especially useful in the context of preparer readiness—for example, a survey-based approach might be used to collect structured, comparable information on entities' familiarity with ISSB Standards and their current maturity across governance, risk management, internal controls, data coverage and resourcing. Survey instruments often use concise, multiple-choice questions to facilitate benchmarking across sectors and entity types (see Box 14 for survey best practices). Where appropriate, additional questions could be included to assess entities' access to key ecosystem services—such as professional or assurance services, digital solutions and external data sources—and their familiarity with sources of capacity-building support. Surveys can also help jurisdictions to identify potential cost barriers to implementation.

Box 14—Best practices for surveys

In the context of a jurisdictional readiness assessment, a well-designed survey can provide structured, comparable and decision-useful insights into preparer maturity and ecosystem capabilities. To be most effective, the design of a survey should:

- articulate a clear purpose and objective that align with the goals of the assessment, clarifying what the jurisdiction seeks to understand or diagnose;
- define a representative target audience;
- include profiling questions to enable segmentation of responses by relevant respondent groups through profiling questions (for example, segmentation by sector, size or reporting experience);
- maximise respondent engagement by limiting questions to a manageable number and ensuring they are concise, focused and directly related to key readiness indicators;
- set reasonable timelines for completion of the survey that allow for appropriate engagement across stakeholder groups; and
- where possible, present structured response options (such as multiple-choice questions or Likert scales) to enhance quantitative analysis, general consistency and comparability.

Before conducting a survey, a jurisdiction should set out a clear methodology for interpreting and applying its findings. The jurisdiction should ensure that results are systematically analysed and used to inform decisions on adoption pathways, timing, scope of entities included and capacity-building priorities.

Stakeholder engagement

Stakeholder engagement is a commonly used method that can be especially useful for evaluating aspects of ecosystem readiness. This method involves convening focused discussions or interviews with key actors grouped by thematic area—for example, oversight bodies and securities regulators for mandate and enforcement, professional bodies and audit firms for assurance capacity, and filing authorities or data providers for infrastructure. An inter-agency coordination mechanism can help to manage the process of the readiness assessments overall. Such a mechanism could also support topic-specific groupings for focused dialogue at later stages. This method helps to provide deep, context-rich insights into institutional responsibilities, coordination dynamics, operational constraints and practical implementation challenges.

NEXT STEPS

The *Jurisdictional Readiness Assessment Tool* makes use of the concepts introduced in this guide. For each of the assessment areas outlined in this guide, the tool sets out the focus of the assessment, potential assessment approaches, matters for consideration with suggested assessment questions, and potential decisions and actions arising from the insights generated by the assessment.

This guide is designed to complement the *Jurisdictional Readiness Assessment Tool*. Jurisdictions can use this guide to understand the overall framework of jurisdictional readiness assessments and then apply the *Jurisdictional Readiness Assessment Tool* as a practical resource for detailed self-assessment, stakeholder engagement, decision-making and prioritisation. By using the *Jurisdictional Readiness Assessment Tool*, jurisdictions ensure that their adoption roadmaps are grounded in a structured, evidence-based appraisal of both preparer readiness and the capacity of the accompanying reporting ecosystem and support system.

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