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## Jurisdictional Working Group

Date **16 January 2022**  
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This document summarises a meeting of the Jurisdictional Working Group (JWG). The JWG informs the work of the IFRS Foundation and the International Sustainability Standards Board (ISSB).

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### Participants on behalf of the IFRS Foundation

- Emmanuel Faber (ISSB Chair)
- Sue Lloyd (ISSB Vice-Chair)
- Richard Barker (ISSB Member)
- Lee White (IFRS Foundation Executive Director)

### Participating jurisdictions and jurisdictional institutions

- China
  - Chinese Ministry of Finance
- Europe
  - European Commission
  - European Financial Reporting Advisory Group
- Japan
  - Financial Services Agency of Japan
  - Sustainability Standards Board of Japan
- United Kingdom
  - Financial Conduct Authority
  - Financial Reporting Council
- United States
  - Securities and Exchange Commission

### Observer(s)

- IOSCO

Participants provided updates on relevant developments in their jurisdiction including on:

- The Memorandum of Understanding signed between the IFRS Foundation and the Chinese Ministry of Finance, in which the IFRS Foundation committed to establishing an office in Beijing;
- The work progressing in the European Union in advancing EFRAG's first set of European Sustainability Reporting Standards into European Legislation;
- In Japan, the consultation on the corporate reporting framework, advancing work on human capital disclosures and establishing the role of the Sustainability Standards Board of Japan into Legislation;
- The publication of the Skidmore Review in the United Kingdom that recommends the endorsement and implementation of the ISSB's standards as soon as possible; and
- The ongoing work by the United States Securities and Exchange Commission in relation to its proposed climate rule and its consideration of enhancing human capital disclosures.

Participants also provided comments on the matters discussed by the ISSB at the January 2023 ISSB meeting which included:

- Utilising existing concepts in IFRS Accounting Standards is useful for practice to further develop in sustainability reporting, including on judgements, assumptions and estimates and the use of reasonable and supportable information without undue cost and effort;
  - Some participants noted that the use of the concept of impracticable from IFRS Accounting Standards is viewed as a very high hurdle for entities to meet.
- The consideration of what sustainability-related information may be commercially sensitive needs to be scoped appropriately to ensure information is disclosed when necessary;
  - Some participants explained how this proposal may interact with regulation on commercially sensitive information within their jurisdiction, including on trade secrets and national security.
- The proposed relief on the approach to obtaining information regarding Scope 1 and 2 Greenhouse Gas Emissions is welcome with some participants noting that such a relief could be applicable elsewhere in [draft] IFRS S2;
- The proposals on the disclosure of current and anticipated financial effects are important to further connect the financial statements and disclosure of sustainability related risks and opportunities;
  - Additional guidance and examples would be welcome to further illustrate connections between financial statements and sustainability-related reporting.
- In relation to the agenda paper on the latest international agreement on climate change, It was noted that Nationally Determined Contributions are also very important considerations for entities in some jurisdictions and that this should be clarified in the wording.

ISSB participants concluded the meeting and thanked participants for their ongoing contributions. It was explained that the JWG's contribution will continue to be valuable on strategic matters relating to the interoperability of the ISSB's Standards, such as on digital reporting and sustainability-related data as the ISSB moves to its next phase of standard-setting.