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## World Economic Forum and ISSB Form Partnership to Provide Guidance on ISSB Reporting

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On June 6, 2023, the World Economic Forum (WEF) **announced the formation** of the Forum ISSB Preparers Group in partnership with the International Sustainability Standards Board (ISSB). The ISSB is a standard-setting organization established by the International Financial Reporting Standards to promote common, consistent and reliable climate sustainability-related financial disclosures. The ISSB's aim with the standards is to provide "a comprehensive global baseline of sustainability disclosures designed to meet the information needs of investors in assessing enterprise value."

The Preparers Group aims to share insights for those adopting the ISSB sustainability reporting standards, the first two of which are **due to come into force** in January 2024. Comprising 20 senior preparers with expertise in sustainability reporting, the Preparers Group will collate information on best practices and practical examples from companies applying the ISSB Standards and share these with ISSB and other companies. The Preparers Group will provide feedback to the ISSB on the application and feasibility of the standards, offer insights into "corporate reporting transformations," and contribute to the development of guidance material.

The collaboration between WEF and ISSB is supported by a Memorandum of Understanding (MoU) and builds on the **WEF's Stakeholder Metrics initiative** published in September 2020. Stakeholder Metrics is a set of universal metrics focused on four themes - People, Planet, Prosperity and Governance Principles - which companies can use for non-financial disclosures related to ESG, including metrics for the measurement of greenhouse gas emissions. The MoU between WEF and ISSB outlines further areas of collaboration, including through "sharing case studies and perspectives from companies on their experiences."

Olivier Schwab, Managing Director of the World Economic Forum, highlighted that “[a]s the world gets closer to universal sustainability reporting standards, it is important for businesses, policy-makers and other leaders to ensure that businesses from across all regions are ready and able to effectively report on a common set of sustainability disclosures.”

**Taking the Temperature: As we [observed previously](#), the ISSB Standards help to unify global climate-related reporting, but collating consistent data for disclosure and building a general consensus on climate-related reporting among companies remains a challenge. This newly-formed collaboration may help resolve some of these challenges. The expertise of the Preparers Group will be used to create a library of practical examples of sustainability reporting best practices for companies transitioning into reporting. This will enhance the capacity of companies to effectively adopt and implement the ISSB Standards. The formation of the Preparers Group comes ahead of the implementation of IFRS S1 “General Requirements for Disclosure of Sustainability-related Financial Information” and IFRS S2 “Climate-related Disclosures.” The gap between the release of the standards in June 2023 and the effective date of January 2024 was intentional so as to allow best practice examples to emerge but is nonetheless a relatively short period of time. The Preparers Group will hopefully disseminate examples allowing companies to implement the ISSB Standards more effectively. By convening the Preparers Group the WEF and the ISSB aims to contribute to the establishment of a comprehensive global baseline for sustainability reporting and ensure consistent and comparable disclosures across businesses worldwide.**