Virtual Knowledge Event:
Establishment of the International Sustainability Standards Board (ISSB) and Way Forward for Sustainability Reporting and Sustainable Finance Agenda

On January 25, 2022, another Green Bag Lunch was held at the invitation of the German Executive Office at the World Bank on the occasion of the establishment of the "International Sustainability Standards Board (ISSB)". In his opening speech, the German Executive Director Gunther Beger highlighted the importance of this new institution based in Frankfurt am Main (Germany) for standard setting of sustainable financial products. With the support of many investors, regulators, the corporate sector, the G7 and G20, the idea of an ISSB had become a reality within a year and was announced during COP26. The ISSB is beginning its work on globally comparable sustainability standards for climate change finance. Another social standard to address inequality is to follow. According to Prof. Robert Eccless, one of the speakers at the event, climate change and social justice were the two key risks that kept investors up at night. The issue of private capital mobilization (PCM), which is also one of Germany's G7 priorities, and the danger of greenwashing were also discussed. The approximately 160 participants actively participated in the discussion. In about 12 months, we expect said the completion of the first standard on climate change, said the representative of the IFRS Foundation, Lucrezia Reichlin.
Join us and learn about the establishment of the International Sustainability Standards Board (ISSB), understand the role played by new standards in facilitating broader sustainable finance reforms, and reflect on their potential impact on the emerging economies’ capacity to access global markets and to mobilize private capital for sustainable, climate-friendly investments.

Background:
The last year has seen significant rise in global attention to the sustainable finance agenda, as a key mean for meeting demand for investment that supports climate and sustainability goals; ensuring that the financial system is resilient to climate and sustainability-related risks; and scaling up the private capital mobilization.

In 2021 a few global fora, including the G20 Sustainable Finance Working Group and the Financial Stability Board, produced detailed recommendations on key actions to advance sustainable finance agenda, including introduction of global harmonized sustainability reporting standards. On November 3rd, the IFRS Foundation announced establishment of the ISSB, which is expected to develop a comprehensive global baseline of high-quality sustainability disclosure standards to meet investors’ information needs, starting with the climate disclosure standard. First standards are expected to be issued in the second part of 2022 and to be applied by some jurisdictions as early as 2023-2024.

OPENING REMARKS

BOB SAUM
Director, Standards, Procurement and Financial Management and Chief Financial Management Officer, OPCS

GUNTHER BEGER
Executive Director for the German Executive Directors Office, World Bank

MODERATORS

SVETLANA KLIMENKO
Lead Financial Management Specialist, Financial Management and Anticorruption, OPCS

FIONA STEWART
Lead Financial Sector Specialist, Finance, Competitiveness and Innovation Practice Group

SPEAKERS

ROBERT ECCLES
Visiting Professor, Oxford University

LUCREZIA REICHLIN
Trustee, IFRS Foundation

CLOSING REMARKS

JEAN PESME
Global Director, Finance, Competitiveness and Innovation Practice Group