

To:	General Membership of AOSSG	Date:	November 21, 2023
From:	Secretariat	Agenda Item:	At Inauguration
Subject:	Resolutions (For discussion and approval)	File:	

Introduction

With the formation of the International Sustainability Standards Board (ISSB) by the IFRS Foundation the necessity arose to establish a mechanism in AOSSG to address and support the work of ISSB. Accordingly, the matter was discussed at the CAC in several meetings, at the 14th Annual meeting (November 2022) held in Kathmandu, Nepal and at the Interim meeting (September 2023) held in London, United Kingdom. A unanimous conclusion was reached, as stated below, at the CAC and at the Interim Meeting held in London in September 2023.

Deliberations and Conclusion at the CAC Meeting and at the AOSSG Interim Meeting held on September 24, 2023:

It appeared that some of the jurisdictions within AOSSG have still not taken active steps, particularly from a legislative point of view on how to adopt or how to embrace Sustainability Standards. This is due to the very short time frame, which could not have been sufficient for certain jurisdictions to set up their structures to accommodate these developments.

Accordingly, two broader groups of jurisdictions were identified:

- (1) Those jurisdictions which had separate formal institutions to perform the work relating to Sustainability Standards.
- (2) Those jurisdictions which had no separate formal institutions but the same AOSSG member institution, with or without a separate committee, attending to the work relating to Sustainability Standards.

Accordingly, the following suggestions were made:

- (1) To implement an arrangement within AOSSG to take care of Sustainability Reporting Standards until a formal structure is introduced with the evolvement of time.
- (2) Thus, continue the present Working Group for Sustainability Reporting Standards with more authority and flexibility until it is developed later into a separate Association within AOSSG structure.
- (3) In order to implement the above arrangement, it was necessary to invite and grant membership of the Sustainability Standards Working Group to institutions other than the present AOSSG member institution in jurisdictions where separate institutions have been formed for this purpose.
- (4) In order to accommodate the above requirement, certain changes were necessary to be made in the AOSSG MoU in connection with the formation and operation of Working Groups.

(5) Further it has also been observed that, with the introduction of Sustainability Standards IFRS Foundation has introduced a new terminology which are more specific in nature. The changes are: 'IFRS Standards' to 'IFRS Accounting Standards'; and 'IFRS for SMEs' to 'IFRS for SMEs Accounting Standard'. The Sustainability Standards are referred to as 'IFRS Sustainability Disclosure Standards'. In order to be in line with IFRS Foundation Terminology, these editorial changes need to be made in the AOSSG MoU and other related documents.

AOSSG Secretariat suggests that the changes to the body of the existing MoU and other documentation be minimised as much as possible and incorporate the above changes through resolutions and an annexure.

Accordingly, AOSSG Secretariate has developed the following resolution and the annexure related to AOSSG documentation including the MoU.

- (1) Draft Resolution 01 on the editorial changes to the AOSSG documentation to be approved by the members at the 15th AOSSG Annual Meeting.
- (2) Draft Resolution 02 on the Annexure to be included as part of the MoU to be approved by the members at the 15th AOSSG Annual Meeting

These two resolutions have been recommended to be passed at the 15th AOSSG Annual Meeting by Chair's Advisory Committee (CAC).