

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores
المنظمة الدولية لهيئات الأوراق المالية

IOSCO/MR/26/2023

Madrid, 1 December 2023

IOSCO welcomes the consultation on the Proposed International Standard on Sustainability Assurance (ISSA) 5000 and the global outreach program

The International Organization of Securities Commissions (IOSCO) congratulates the International Auditing and Assurance Standards Board (IAASB) on achieving an important milestone by publishing for consultation the exposure draft of their International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements. IOSCO also congratulates the IAASB on an extensive and thorough outreach program conducted during the consultation period in which IOSCO representatives took an active role.

IOSCO has closely analyzed the proposed standards, monitored the stakeholder feedback around the world on the IAASB proposal, and engaged with the IAASB in order to provide a capital markets perspective and encourage them to consider some of the resulting key messages and priorities as set out in IOSCO's accompanying [Statement](#).

Way forward

With IOSCO's recent endorsement of the inaugural sustainability disclosure standards of the International Sustainability Standards Board (ISSB), IOSCO considers that having assurance (and ethical) standards in place is a prerequisite for achieving consistently prepared and independently assured sustainability disclosures by issuers of securities across the globe.

In that sense, IOSCO will continue its work to support a corporate reporting ecosystem aimed at enhancing trust in the quality of sustainability-related financial information provided to the market, and sees the Proposed ISSA 5000 as an important step in delivering an assurance framework for end-2024 sustainability disclosures by market issuers. IOSCO continues to encourage continued close engagement as the standard-setters advance their respective work programs to foster compatibility between international financial reporting, sustainability reporting, and assurance standards.

Jean-Paul Servais, Chair of the Board of IOSCO, commented: *“This is an impressive milestone that will help ensure the finalization of a sound corporate sustainability-related reporting ecosystem for the 2024 end of year accounts, as I called for during COP27 in 2022. I congratulate Tom Seidenstein, the IAASB Chair and all the IAASB staff for this achievement. The task ahead is not easy, but it is of crucial importance that market participants and others have their say in the consultation, and that the*

standard is suitable for all assurance providers, responsive to public interest and finalized in a timely manner.”

Rodrigo Buenaventura, the Chair of IOSCO’s Sustainable Finance Taskforce, commented: *“This is an important moment in enhancing trust in the sustainability information disclosed to investors. IOSCO has reviewed the draft standard from a global capital markets perspective considering the issues of market integrity, investor protection and matters raised in our March 2023 report, and will continue to engage proactively with the IAASB on this journey.”*

NOTES TO THE EDITORS

1. IOSCO is the leading international policy forum for securities regulators and is recognized as the global standard setter for securities regulation. The organization's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions, and it continues to expand.
2. The IOSCO Board is the governing and standard-setting body of IOSCO and is made up of 35 securities regulators. Mr. Jean-Paul Servais, the Chair of Belgium’s Financial Services and Markets Authority (FSMA) is the Chair of the IOSCO Board. The members of the IOSCO Board are the securities regulatory authorities of Australia, Bahamas, Bangladesh, Belgium, Brazil, China, Egypt, France, Germany, Greece, Hong Kong, India, Ireland, Italy, Japan, Korea, Kuwait, Malaysia, Mauritius, Mexico, Morocco, the Netherlands, Oman, Ontario, Peru, Quebec, Saudi Arabia, Singapore, Spain, Sweden, Switzerland, Türkiye, the United Kingdom and the United States of America (both the U.S. Commodity Futures Trading Commission and U.S. Securities and Exchange Commission). The Chair of the European Securities and Markets Authority and the Chair of IOSCO’s Affiliate Members Consultative Committee are also observers.
3. The Growth and Emerging Markets (GEM) Committee is the largest committee within IOSCO, representing more than 75% per cent of the IOSCO membership, including ten of the G20 members. Dr Mohamed Farid Saleh, Executive Chairman of the Financial Regulatory Authority, Egypt is Chair of the GEM Committee. The committee brings members from growth and emerging markets together and communicates members’ views and facilitates their contribution across IOSCO and at other global regulatory discussions. The GEM Committee’s strategic priorities are focused, amongst others, on risks and vulnerabilities assessments, policy and development work affecting emerging markets, and regulatory capacity building.
4. IOSCO aims through its permanent structures:
 - to cooperate in developing, implementing and promoting internationally recognized and consistent standards of regulation, oversight and enforcement to protect investors, maintain fair, efficient and transparent markets, and seek to address systemic risks;
 - to enhance investor protection and promote investor confidence in the integrity of securities markets, through strengthened information exchange and cooperation in enforcement against misconduct and in supervision of markets and market intermediaries; and

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- to exchange information at both global and regional levels on their respective experiences to assist the development of markets, strengthen market infrastructure and implement appropriate regulation.
5. In September 2022, IOSCO issued a [statement](#) welcoming the IAASB and IESBA’s plan to develop profession- and framework-agnostic assurance and ethics (including independence) standards for sustainability-related disclosures.
 6. In its March 2023 [report](#) on assurance, IOSCO set out key considerations for promoting an effective global assurance framework for sustainability-related corporate reporting that supports the consistency, comparability and reliability and overall trust in the quality of sustainability-related information provided to the market.
 7. In April 2023, IOSCO issued a [statement](#) welcoming the IAASB’s plans to bring forward the start of the consultation on its proposed new standard for sustainability assurance, as part of its plan to deliver an assurance framework for end-2024 sustainability disclosures by market issuers.
 8. On 25 July 2023, IOSCO announced the [endorsement](#) of the first two sustainability disclosure standards published by the ISSB for use in capital markets.
 9. In August 2023, the IAASB [published](#) the draft ISSA 5000 General Requirements for Sustainability Assurance Engagements for public consultation until 1 December 2023 and committed to an “extensive, high-level outreach plan to ensure broad stakeholder input.”
 10. On 25 October 2023, the IAASB [published](#) a set of Frequently Asked Questions on the Proposed ISSA 5000 regarding The Application of Materiality by the Entity and the Assurance Practitioner.

MEDIA ENQUIRIES

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