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London, August 31, 2023

Mr. Emmanuel Faber, ISSB Chair
Ms. Sue Lloyd, ISSB Vice-Chair
IFRS Foundation
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD, UK

Sent to: commentletters@ifrs.org

International Banking Federation comments on the ISSB's Request for information Consultation on Agenda Priorities

Dear Mr. Faber and Ms. Lloyd,

The International Banking Federation welcomes the opportunity to provide feedback on the ISSB's Request for Information Consultation on Agenda Priorities. Our comments focus on Question 1 – Strategic direction and balance of the ISSB's activities.

We believe that supporting the implementation of the ISSB standards IFRS S1 and IFRS S2 should be the top priority. We feel it is critical for the ISSB to ensure appropriate support for these existing standards through capability building efforts as they will serve as a global baseline and help champion the success of future ISSB projects. To this end, we support the announcement of a Transition Implementation Group to support companies that apply the standards along with the launch of capacity-building initiatives to support effective implementation. We also suggest engagement with industry-based and sub-sector groups to arrive at high level agreements and understandings with respect to implementation.

A critical aspect of this will be the development of methodologies to enable financial and non-financial companies to produce the information required by IFRS S1 and IFRS S2. To facilitate this process, the ISSB should consider providing supplementary guidance and educational materials, as well as promoting capacity-building efforts to help companies comprehend and effectively apply the new standards.

Further, we deem it important to ensure not only consistent application but also that the ISSB Standards can be effectively implemented and applied by entities and used by regulators in, among other things, a way that is interoperable with other sustainability reporting standards (e.g. CSRD), in order to minimize reporting burdens, costs, complexity and enhance comparability. This should ideally be an integral and overarching concept of the standard setting process. However, given the relatively new and evolving environment, we believe that in coming years this should be articulated as a standalone priority and could be addressed via targeted enhancement to the ISSB standards.

We believe that successful implementation of IFRS S1 and IFRS S2 will be key for the ISSB's lasting success. Many countries are still in the early stages of implementing these standards given their recent release date. We believe that careful attention and appropriate resources should be devoted to implementation efforts to guarantee success even before commencing significant work on new projects.

Thank you for considering our comments. We would be pleased to discuss our response at your convenience.

Kind regards,

A handwritten signature in dark ink, appearing to be 'Hedwige Nuyens', with a long horizontal flourish at the end.

Hedwige Nuyens
Managing Director
International Banking Federation