

## **SUSTAINABILITY STANDARDS: A GLOBAL BASELINE TO EVOLVE IN LINE WITH PUBLIC INTEREST NEEDS**

Madrid, 20 January, 2025

Following the Public Interest Oversight Board (PIOB) Certifications of 12 November 2024 and 17 January 2025, market participants and policymakers around the world now have a robust global baseline of the International Auditing and Assurance Standards Board (IAASB) and International Ethics Standards Board for Accountants (IESBA) standards to instill confidence in sustainability reporting, as it assumes greater relevance for users both within and outside of capital markets.

Sustainability has very wide relevance and requires additional information sources and the exercise of key judgments beyond financial reporting. There are also heightened risks, such as greenwashing, where organizations might seek to misrepresent their performance. Avoiding such risks becoming so common as to undermine public trust and capital flows into sustainable development is paramount, in the public interest.

ISSA 5000, as the benchmark for consistent assurance engagements, and the IESBA standards, constituting the same for ethics and independence for sustainability reporting and assurance, and use of external experts, have been developed in an accelerated timeline and meet to the greatest extent possible today the expectations of users in order to place reliance on reported information.

The PIOB has encouraged concerted, coordinated implementation efforts by the IESBA and the IAASB as well as, crucially, an effective monitoring and rapid response mechanism. This will help share good practices on implementation, draw key lessons from experience and enable timely refinements and, ideally, simplifications to the standards. Sustainability reporting is at the start of a long journey and the IESBA and the IAASB standards, which are central to this journey, will necessarily need to evolve in line with public interest needs.

The PIOB commends the IESBA and the IAASB for their leadership in addressing the evolving global demand for sustainability-related standards within a challenging timeframe and for their commitment to ensuring that there is a rapid monitoring mechanism with the involvement of all relevant stakeholders.

### **More information on the PIOB:**

The PIOB provides recommendations to the IESBA and the IAASB through its quarterly Public Interest Issues lists, which are available on the [PIOB website](#).

### **More information on the IAASB Standard:**

[International Standard on Sustainability Assurance \(ISSA\) 5000](#)

**More information on the IESBA Standards:**

- [The International Ethics Standards for Sustainability Assurance \(including International Independence Standards\) and Other Revisions to the Code Relating to Sustainability Assurance and Reporting](#), and
- [Using the Work of an External Expert](#).

**Media Enquiries**

Ms. Rocío Goudie  
PIOB Communications Director  
Email: [rgoudie@ipiob.org](mailto:rgoudie@ipiob.org)