

## A Summary of the SVI & Capitals Coalition response to IAASB consultation on sustainability assurance

This IAASB project aims to *respond to the **public interest** need for a timely standard that supports the consistent performance of quality sustainability assurance engagements*. In an attempt to be an overarching assurance standard for various existing sustainability frameworks, it risks excluding issues that relate to the people experiencing sustainability related consequences of organisations operations and permitting assurance against scopes that do not meet the public interest.

Our six key recommendations in order to better serve the public interest are:

<p>1. <b>Definitions.</b> To adopt the widely accepted United Nations definition of sustainability:</p> <p><i>Sustainability should be defined as – “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” Brundtland, 1987. We also recommend that sustainability information include information on management’s stewardship and performance in increasing positive and reducing negative impacts.</i></p>
<p>2. <b>Scope.</b> To have wider but qualified scopes rather than narrower but non-qualified scopes.</p> <p><i>We would not allow financial audit or assurance to only focus on selected topics. Why allow this for sustainability information. We recommend that the scope is more clearly linked to an intended user that acts in the interest of those impacted and a stated purpose that references sustainability as per Brundtland.</i></p>
<p>3. <b>Rational purpose.</b> To clarify a ‘rational purpose’ in the context of sustainability.</p> <p><i>We argue that a purpose that does not account for and so accepts negative impacts on people’s wellbeing or on their human rights or does not seek to maximise the contribution being made to sustainability could, perhaps should, be considered irrational.</i></p>
<p>4. <b>Competencies.</b> To require appropriate skills, knowledge and experience of assurance practitioners.</p> <p><i>We argue that assurance practitioners should be required to hold relevant sustainability certifications.</i></p>
<p>5. <b>Stakeholder engagement.</b> To consider the processes by which the people who experience impacts were involved in identifying, quantifying and valuing impacts.</p> <p><i>We recommend that assurance of sustainability information should require an examination of the process in which people who experience sustainability impacts are involved.</i></p>
<p>6. <b>Decision making.</b> To cover assurance issues relating to sustainability performance and trade-offs in decision making.</p> <p><i>We recommend assurance providers need to examine how trade-offs between sustainability topics and impacts are being managed with reference to a common unit and processes for determining the relative importance of impacts.</i></p>

If you agree with these recommendations and would like to contribute to the IAASB consultation please feel free to use the attached document as the basis for your own response. Instructions on how to submit can be found; <https://www.iaasb.org/publications/proposed-international-standard-sustainability-assurance-5000-general-requirements-sustainability>

For any further questions or support please contact Ben at SVI ([ben.carpenter@socialvalueint.org](mailto:ben.carpenter@socialvalueint.org)) or Marta at Capitals Coalition ([marta.santamaria@capitalscoalition.org](mailto:marta.santamaria@capitalscoalition.org)).