

CAPA Member Bodies' Activities on Environmental Accounting and CSR

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Acknowledgments

- The Chinese Institute of Certified Public Accountants (CICPA)
- The Philippine Institute of Certified Public Accountants (PICPA)
- CAPA Board members and secretariat
- Task Force members
- Respondents to the main survey

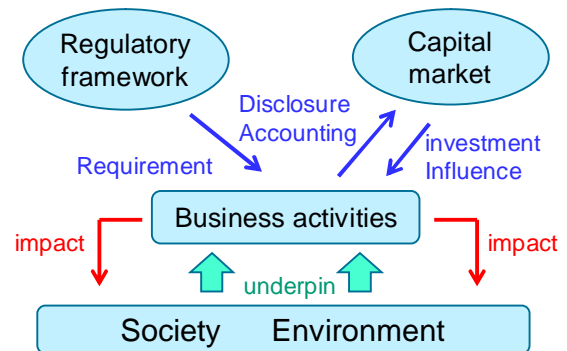
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Background of the survey

Why are EA /CSR so important for accountants and accountancy professional organization?

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International framework

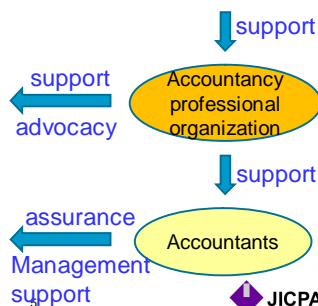
Regulatory framework of each country

Business activities

International network (CAPA)

Accountancy professional organization

Accountants



Outline of the survey

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Objective and outcomes of the survey

[objective]

- To collect extensive information on notable practices by the CAPA member bodies, in order to support activities of professional accountants concerning EA/CSR issues so that such information can be provided to member bodies. By doing so, it is expected to facilitate CAPA members' supporting activities.

[outcomes]

- Publishing the main survey report
- Holding the forum on EA/CSR at Beijing

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Preliminary survey
(Jun. – Nov. 2008)



Task force
Kick-off meeting (Jan. 2009)



Sending questionnaire to all
CAPA members (Mar. 2009)



Responses from 21 members

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Task Force Members

Name	Country	Organization
Mr. Bill Palmer	Australia	ICAA
Mr. John Purcell	Australia	CPA Australia
Dr. Kamalesh Gosalia	Canada	CGA Canada
Mr. V. Murali	India	ICAI
Dr. Takeshi Mizuguchi (Chair)	Japan	JICPA
Dr. Han-Hyun Rho	Korea	KICPA
Dr. Hasnah Harun	Malaysia	MIA
Mr. Chris Neame	New Zealand	NZICA
Ms. Maria Fatima Reyes	The Philippines	PICPA
Mr. Kenneth W. Witt	USA	AICPA

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Respondents (1)

Country	Member bodies
Australia	The Institute of Chartered Accountants in Australia (ICAA)
	CPA Australia
Bangladesh	The Institute of Chartered Accountants of Bangladesh (ICAB)
	The Institute of Cost and Management Accountants of Bangladesh (ICMAB)
Canada	The Canadian Institute of Chartered Accountants (CICA)
	Certified General Accountants' Association of Canada (CGA-Canada)
China	The Chinese Institute of Certified Public Accountants (CICPA)
India	The Institute of Chartered Accountants of India (ICAI)
Japan	The Japanese Institute of Certified Public Accountants (JICPA)
Korea	The Korean Institute of Certified Public Accountants (KICPA)

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Respondents (2)

Country	Member bodies
Malaysia	Malaysian Institute of Accountants (MIA)
New Zealand	New Zealand Institute of Chartered Accountants (NZICA)
Pakistan	The Institute of Chartered Accountants of Pakistan (ICAP)
	The Institute of Cost and Management Accountants of Pakistan (ICAMAP)
The Philippines	Philippine Institute of Certified Public Accountants (PICPA)
Samoa	Samoa Institute of Accountants (SIA)
US	The American Institute of Certified Public Accountants (AICPA)
UK	Association of Accounting Technicians (AAT)
	The Institute of Chartered Accountants in England and Wales (ICAEW)
	The Association of Chartered Certified Accountants (ACCA)
Russia	Institute of Chartered Accountants of Samara Region (Samara)

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Main survey report

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Main Survey Report

- The report intends to provide wide-ranging information on **notable practices** of CAPA member bodies on environmental accounting and CSR.
- The report is based on a **descriptive approach** that presents helpful examples, rather than prescriptive approach.
- A full copy of the report can be found on CAPA website.

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Structure of the Report

Introduction

Part I	Notable Practices of the Member Bodies
Part II	Challenges Faced by the Member Bodies
Part III	Future Intentions of the Member Bodies
Part IV	Notable Practices of Regulatory Bodies/Business Associations, etc.
Part V	Recommendation to CAPA
Appendix	Questionnaire and Answer from Member Bodies

Notable Practices of the Member Bodies

1. Background – Importance of EA / CSR
2. Organizational Structure
3. Education
4. Research Reports
5. Guidelines / Standards
6. Award Programs
7. Advocacy
8. Conferences / Events
9. Other Activities

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Major findings

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Importance of EA / CSR

- “the Institute considers EA and CSR as areas of importance because of the impact EA and CSR have on society, and the significance of disclosures that should be made in this regard. The Institute believes that these areas are going to gain importance in the years ahead and corporations would become increasingly accountable for the impact of their businesses on the environment, and that the society would give cognizance for the contributions made by corporations to the society and for the preservation of the environment.”
- (The Institute of Chartered Accountants of India : ICAI)

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Importance of EA / CSR ~ variant interest in specific issues

- Non-financial or sustainability reporting
- Broad based business reporting
- Internal information systems aspect
- Embedding EA/CSR into the decision-making process of an entity
- Measuring, interpreting and providing management with the information
- Climate change and global warming

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Organizational Structure

- 10 member bodies set up internal organizational units to address EA/CSR issues.
- The role of such organizational units are diversified such as
 - Research
 - Development of guidance or standards
 - Response to international activities
 - Advocacy
 - Involvement in governmental policy work, etc.

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Education

- Most of member bodies provide education for member accountants in a variety of ways, such as
 - Continuing professional education program
 - Online program
 - Publication
 - Seminars
 - Support for interest group on sustainability
 - Scholarships

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Research Report

- Many member bodies have published various research reports related to EA / CSR issues
 - Role of professional accountants
 - Sustainability reporting
 - Climate Change
 - Environmental accounting
 - Environmental audit

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Guidelines / Standards

- Participating in international projects aimed at the development of guidelines / standards
 - IAASB project on assurance engagements on carbon emission information
 - Climate Disclosure Standards Board (CDSB)
 - Accounting for Sustainability Working Group, etc.
- Participating in guidelines / standards developing activities organized by domestic organizations
- Developing guidelines / standards on their own

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Awards

- Many member bodies offer or support awards for corporate reporting on CSR or sustainability
 - Stand-alone award program for sustainability reporting
 - Separate awards focusing on sustainability as part of more comprehensive corporate reporting award program
 - Corporate reporting award programs which have sustainability related criteria

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Advocacy

- Some member bodies are active in advocacy
 - GHG(Greenhouse gases) issues (accounting, assurance, taxation, etc.)
 - Sustainability disclosure / reporting
 - Assurance of sustainability information
- Approaches to advocacy are diversified
 - Leadership in international initiatives
 - Recommendations to governments
 - Communication with legislators and regulatory bodies, etc.

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Challenges faced by the member bodies

- Challenges related to the nature of the topic
- Lack of clear regulation
- Limited recognition concerning the role that CPA should play in this area
- Necessity in educating the business community, the public as well as member accountants
- Lack of human and other resources and time

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Conclusion

- It is the unquestionable fact that this region rapidly increases their importance both in global economy and sustainability.
- In this regard, this survey would give insights into how CAPA, and its member bodies, should respond to the global and local challenges related to sustainable development in the Asia Pacific region.
- CAPA is very well placed to play a key role in this area and the development of society.

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