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Global Trends in Sustainability Reporting and the Ukrainian Context

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ANNOTATION. The article highlights the importance of sustainable development reporting as a tool for increasing transparency and providing an information basis for management decisions, particularly at the macroeconomic level. It provides a brief overview of phenomena in the global and national economies that cause asymmetry in financial and statistical reporting, and focuses on the latest challenges facing the global and national economies that remain outside the scope of traditional approaches to accounting and analysis. The potential of sustainable development reporting in addressing these issues is considered, especially in the context of the growing role of non-financial factors in shaping effective public management policy. Attention is focused on a new direction for the application of sustainable development reporting in the management of the public sector of the economy and the influence of the state on the creation of an institutional environment for the introduction of such reporting for all sectors of the national economy, as well as for certain groups of small and medium-sized businesses. Measures are proposed to further improve the practice of corporate reporting on contributions to the achievement of the Sustainable Development Goals. An analysis of the current state of reporting practice in Ukraine is conducted, the logic of implementing international standards (in particular IFRS S1, S2, ESRS) is outlined, and a number of specific measures for its improvement are proposed. Recommendations include improving UNCTAD international guidance documents, creating algorithms for adapting international standards to the national context, providing methodological support to enterprises, and developing a national taxonomy for sustainable reporting. The need for active dissemination of sustainable reporting practices in Ukraine is justified, taking into account the challenges of martial law, which, according to the authors, will contribute to increasing economic stability, improving management processes, and achieving the Sustainable Development Goals.

KEYWORDS: sustainable development reporting, public sector, state-owned enterprises, institutional environment, IFRS, financial security, sustainable development goals.

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Introduction

The aggravation of dynamic threats in the context of the new economic reality, uncertainty about the growing instability of states, and a decrease in their potential to overcome various difficulties in the full implementation of sustainable development policy are accompanied by the risks of falling into the so-called "fragility trap"[4] .

We are talking about a high level of long-term fragility and vulnerability of the functioning of institutions of all government, administration, local self-government, etc. Therefore, the criterion base of regulatory systems should include their qualitative characteristics, namely durability, indivisibility, validity, depth of satisfaction, relativity, etc. The latter make it possible to determine the objective dimension of structural changes.

The contradictory and inconsistent rules and regulations set by governments exacerbate the problems of information asymmetry. During the transformation of change management in public finance, it is important to take into account the theoretical and practical aspects of rational expectations that justify the limited scope of government intervention in the economy.

Using the levers of public administration, it is necessary to neutralize the risks of unfair behavior of economic agents, to prevent conflicts between them due to different interpretations of information.

The key source of information for management decision-making at all levels of government has been and is the reporting of business entities (financial, statistical, operational and technical). A novelty of the twenty-first century was the reporting of enterprises on sustainable development. Initially, this reporting was seen solely as an image-building exercise for the company, as reporting that could help make an investment decision. However, over time, experts have come to believe that its information potential in management is much broader because it can disclose information that traditional types of reporting do not.

The least researched in this area is the possibility and feasibility of applying sustainable development reporting in the management of the public sector of the economy and the state's influence on the creation of institutional environment and the introduction of such reporting for all sectors of the national economy.

Based on this, the purpose of this study is to: reveal the role, characterize global trends in non-financial reporting in macro-level management decision-making and substantiate the directions for creating institutional prerequisites for the dissemination of sustainable development reporting in Ukraine.

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[4] Carment, David, and Yiagadeesen Samy. 2017. "Exiting the Fragility Trap: Rethinking Our Approach to the World's Most Fragile States," WIDER Working Paper 2017/181 Helsinki: UNU-WIDER. https://doi.org/10.35188/UNU-WIDER/2017/407-0.

Financial security and reporting information

Overcoming current threats to financial security at both the national and global levels is possible through policies based on a full understanding of the realities of today. In this regard, we can note phenomena that cause asymmetry of information in financial and statistical reporting, or are not in all cases reflected in it.

For example, the indirect impact of financial centers through operational networking on the increasing degree of disproportionality of international assets and liabilities supports the asymmetric nature of financial globalization. In this context, it is necessary to distinguish between the processes of real financial integration and corporate structural chains of financial and information flows of large multinational companies.

Another case. The spatial institutional aspect is related to spillover effects, when turbulence phenomena spread at a certain point between different institutions and sectors, affecting their direct and indirect links.

The regulation of relations between economic agents in the public finance system, as a component of fiscal and monetary policy, is closely interrelated with the scale and pace of the country's development in a certain period, based on the tasks and goals set. Crises in the practice of institutional interaction between the main economic regulators usually occur in years of global and regional shocks.

The decisive factors of destabilization in public finance are relevant to the main challenges and threats to fiscal security. Among them is a significant state budget deficit that exceeds the established thresholds in relation to the nominal GDP for a given year. In the actual absence of non-debt sources of financing, this leads to an increase in public debt and a corresponding burden on the state budget.

Other factors include the loss of budget revenues due to the use of tax evasion schemes, the erosion of its base and the inconsistency of legal regulation of relations in the tax sphere, as well as the spread of money laundering.

Other threats to fiscal security include the insufficient development of long-term lending, and a significant share of non-performing loans in the loan portfolio of banks, including the public sector.

Last but not least: the functioning of the pension system in the face of a high demographic burden is a complex problem for governments. Its solution includes both social and fiscal perspectives. A well-balanced pension system should ensure social integrity and be an acceptable component of government spending.

Modern threats to the financial security of the state and the place of harmonization of national and international standards in the field of corporate reporting to prevent asymmetry of information in countering them are shown in Fig. 1.

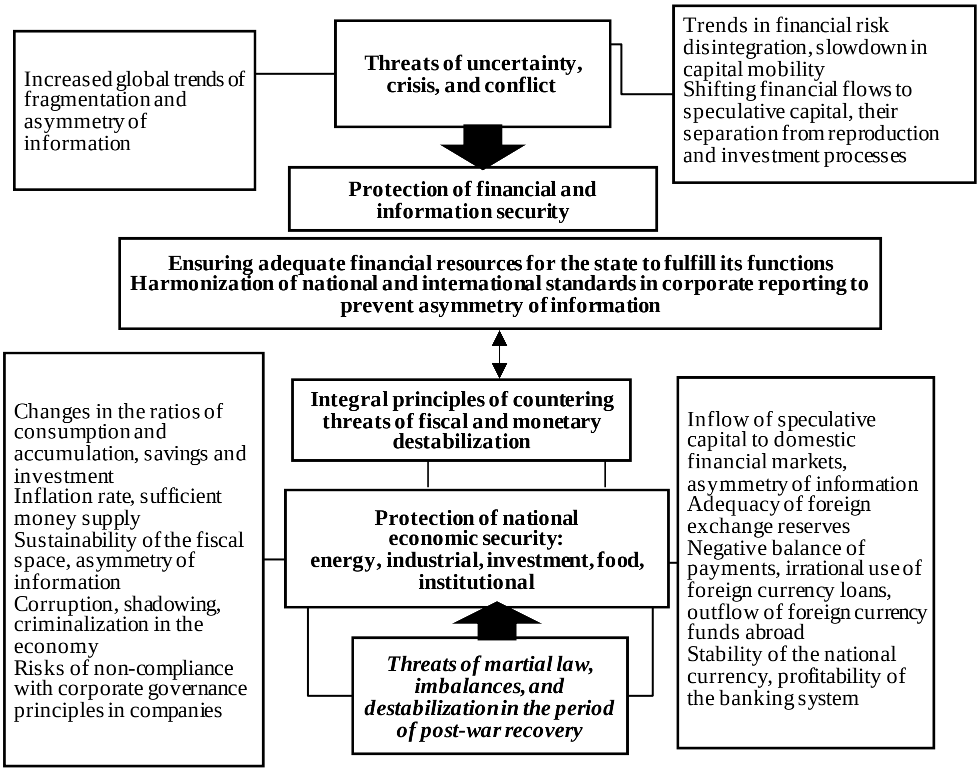

Figure 1. Protecting the financial security of the national economy

Source: developed by the authors

The issue of the formation and development of corporate sustainability reporting is reflected in the scientific works of numerous researchers. The results of scientific research can be grouped into the following areas:

- theoretical foundations of enterprise reporting on sustainable development (Abeysekera I.[5], Abela M.[6], Nasreen T., Baker R., Rezania D.[7] and others);

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[5] Abeysekera I. 2022. A framework for sustainability reporting. *Sustainability accounting, management and policy journal*. Vol. 13, issue 6.

[6] Abela M. 2022. A new direction & The "mainstreaming" of sustainability reporting. *Sustainability accounting, management and policy journal*. Vol. 13, Issue 6. P. 1261–1283.

[7] Nasreen T., Baker R., Rezania D. 2023. Sustainability reporting – a systematic review of various dimensions, theoretical and methodological underpinnings. *Journal of Financial Reporting and Accounting*. DOI 10.1108/JFRA-01-2022-0029

- standardization of approaches to disclosure of information on sustainable development of the enterprise (de Villiers C., La Torre M., Molinari M.[8], de Villiers C., Dimes R.[9] and others);
- improvement of the regulatory and organizational model for the preparation, collection and quality control of enterprises' sustainability reporting (Amoako K. O., Amoako I. O., Tuffour J., Marfo E. O.[10], Fusco F., Civitillo R., Ricci P., Morawska S., Pustulka K., Banasik P.[11], Iefymenko T., Lovinska L., Kucheriava M.[12] and others);
- empirical studies of the practice of reporting on sustainable development by enterprises in the industry, regional cut (Tumwebaze Z., Bananuka J., Orobia L., Kinatta M.[13], Leo D., Sfodera F., Cucari N. Mattia G., Dezi L.[14], Buallay A.[15], Alsahali K. F., Malagueno R.[16] and others).

Ukrainian scholars pay attention to the study of socio-economic issues in the context of martial law and post-war recovery (Libanova E. M.[17], Heyets V. M.[18], Hrytsenko A. A.[19] and others). At the same time, the issues of standardization and unification of approaches to sustainable development

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[8] de Villiers C., La Torre M., Molinari M. 2022. The Global Reporting Initiative's (GRI) past, present and future: critical reflections and a research agenda on sustainability reporting (standard-setting). *Pacific Accounting Review*. Volume 34, issue 5. P. 728–747.

[9] de Villers C., Dimes R. 2023. Will the formation of the International Sustainability Standards Board result in the death of integrated reporting? *Journal of Accounting & Organizational Change*, Volume 19, Issue 2. P. 279–295.

[10] Amoako K. O., Amoako I. O., Tuffour J., Marfo E. O. 2022. Formal and informal sustainability reporting: an insight from a mining company's subsidiary in Ghana. *Journal of financial reporting & accounting*, volume 20, issue 5. P. 897–925.

[11] Fusco F., Civitillo R., Ricci P., Morawska S., Pustulka K., Banasik P. 2022. Sustainability reporting in justice systems: a comparative study in two European countries. *Mediterian accountancy research*, volume 30, issue 6. P. 1629–1657.

[12] Iefymenko T., Lovinska L., Kucheriava M. 2022. Reforming information support of public administration in the wartime. *Sci. innov.*, 18(4), 17–24.

[13] Tumwebaze Z., Bananuka J., Orobia L., Kinatta M. 2022. Board role performance and sustainability reporting practices: managerial perception-based evidence from Uganda. *Journal of Global Responsibility*, volume 13, issue 3. P. 317–337.

[14] Leo D., Sfodera F., Cucari N. Mattia G., Dezi L. 2023. Sustainability reporting practices: an exploratory analysis of luxury fashion brands. *Management decision*, volume 61, issue 5. P. 1274–1297. DOI 10.1108/MD-02-2022-0142

[15] Buallay A. 2022. Sustainability reporting and agriculture industries' performance: worldwide evidence. *Journal of agribusiness in developing and emerging economies,* volume 12, issue 5, pp. 769–790. DOI 10.1108/JADEE-10-2020-0247

[16] Alsahali K.F., Malagueno R. 2022. An empirical study of sustainability reporting assurance: current trends and new insights. *Journal of accounting & organizational change*, volume 18, issue 5, p. 617–642.

[17] Libanova E. M. 2023. "On the post-war revival of Ukraine." *Bulletin of the National Academy of Sciences of Ukraine*. No. 2. p. 55–61. URL: https://doi.org/10.15407/visn2023.02.055.

[18] Heyets V. M. 2023. To the question of theory and practice of social quality policy in postwar Ukraine. *Economy of Ukraine*. No 4. p. 3–22. URL: https://doi.org/10.15407/economyukr.2023.04.00.

[19] Hrytsenko A. A. Nationally Rooted Development in a Divided and Common World. International historical experience of post-war economic reconstruction: lessons for Ukraine: materials of the international scientific and practical conference (Kyiv, April 27, 2023) / State Institution "Institute of Economics and Forecasting" of the National Academy of Sciences of Ukraine, Institute of Higher Education of the National Academy of Sciences of Ukraine. NAS of Ukraine", Institute of Higher Education of the National Academy of Sciences of Ukraine. Kyiv, 2023. p. 13. URL: http://ief.org.ua/wp-content/uploads/2023/05/Mizhnar-istor-dosvid-povojen-reconstrukcii-uroky-dla-Ukrainy.pdf.

reporting require further development, taking into account changes in international standards.

In the context of growing needs of users of reporting information and in order to prevent information asymmetry, the need to ensure wider disclosure of data in the reporting of enterprises is becoming more relevant. This is stated in clause 1.6 of the Conceptual Framework for Financial Reporting[20] issued by the International Accounting Standards Board in 2010 (revised in March 2018). This indicates the need to take into account, in addition to financial reporting data, additional current accounting data[21] when making management decisions.

An important step towards standardizing approaches to sustainability reporting by companies in 2023 was the approval by the Foundation IFRS of IFRS C1 General Requirements for Sustainability-related Financial Disclosures[22], IFRS C2 Climate-related Disclosures[23] and ESRS, according to which sustainability information becomes an integral part of general-purpose financial statements. According to paragraph 1 of IFRS C1, the objective of these standards is to require and provide guidance to an entity on disclosing information about its risks and opportunities related to sustainable development that is useful to users of general-purpose financial statements when making decisions about how to provide resources to the entity. Therefore, the adoption of IFRS C1, IFRS C2 and ESRS is aimed at eliminating the risks of information insufficiency and asymmetry, and their implementation will help to mitigate such challenges.

The work on IFRS S1 and S2 has been completed, and the responsibility for implementing these standards now rests with governments. Australia, Japan and the UK have announced that they will implement these standards, while several other major countries, including Canada, New Zealand, Nigeria, Singapore and Malaysia, have only expressed interest in implementing them[24]. According to Directive 2022/2464[25], EU member states have to introduce mandatory sustainability reporting for certain groups of companies as early as 2024.

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[20] Conceptual Framework for Financial Reporting. URL: https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards/english/2021/issued/part-a/conceptual-framework-for-financial-reporting.pdf.

[21] Ibid.

[22] IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information. URL: https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s1-general-requirements-for-disclosure-of-sustainability-related-financial-information.pdf?bypass=on.

[23] IFRS S2 Climate-Related Disclosures. URL: https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s2-climate-related-disclosures.pdf?bypass=on.

[24] Wordflavor. IFRS S1 and IFRS S2 explained. URL: https://blog.worldfavor.com/ifrs-s1-and-ifrs-s2-explained.

[25] Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (Corporate Sustainability Reporting Directive or CSRD) URL: https://climate-laws.org/document/directive-eu-2022-2464-of-the-european-parliament-and-of-the-council-of-14-december-2022-amending-regulation-eu-no-537-2014-directive-2004-109-ec-directive-2006-43-ec-and-directive-2013-34-eu-as-regards-corporate-sustainability-reporting-corporate-sustainability-reporting-directive_3a34

The logic of implementing international sustainability reporting standards in Ukraine

Ukraine is in the trend of events related to the standardization and promotion of corporate sustainability reporting practices. In particular, On October 18, 2024, the Cabinet of Ministers of Ukraine approved the Strategy for the Implementation of Sustainable Development Reporting by Enterprises, where the Ministry of Finance of Ukraine takes a key position in its implementation.[26]

Figure 2 schematizes how international standards on sustainable development can be implemented in Ukraine.

International Sustainability Reporting Standards

- IFRS1 S1 General requirements for disclosure of financial information related to sustainable development
- IFRS S2 Climate-related disclosures
- ESRS 1 General requirements; ESRS 2 General disclosures; ESRS E1 Climate change; ESRS E2 Pollution; ESRS E3 Water and marine resources; ESRS E4 Biodiversity and ecosystems; ESRS E5 Resource use and circular economy; ESRS S1 Own personnel; ESRS S2 Employees in value chain; ESRS S3 Affected communities; ESRS S4 Consumers and end users; ESRS G1 Business conduct

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Implementation of international sustainability reporting standards

Through the application of existing frameworks for sustainability disclosure (e.g., based on the GCI and GRI indicator lists, particularly in emergency situations), which is consistent with the principle of "cost-benefit ratio," i.e., does not entail additional costs.

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Taxonomy

The development of a taxonomy for sustainability disclosure under IFRS and IAS will help eliminate information asymmetry by standardizing approaches to disclosure by companies in XBRL electronic format.

Figure 2. Logic of implementing international sustainability reporting standards in Ukraine

Source: compiled by the authors.

Global and regional threats of destabilization, global fragmentation trends in an uncertain environment require proper information support for enterprise management, in particular through the inclusion of a component related to business risks, including fiscal, information, and other components, in strategic plans and policies for sustainable development of enterprises. This

[26] On approval of the Strategy for the Implementation of Sustainable Development Reporting by Enterprises. Order of the Cabinet of Ministers of Ukraine No. 1015-р of October 18, 2024. URL: https://zakon.rada.gov.ua/laws/show/1015-2024-%D1%80#Text. [In Ukrainian]

is an important component for decision-making by stakeholders, primarily owners, potential investors, banks, and employees. It makes it possible to assess the level of resilience, profitability, investment attractiveness, competitiveness, as well as fiscal risks and economic potential.

As an example, the reliability of the results of risk assessment arising from the business activities of state-owned enterprises (SOEs) depends on the quality and completeness (sufficiency) of information support, in particular general-purpose financial statements.

Current trends in the assessment of the impact of various factors on the fiscal stability of the state indicate that it is necessary to take into account not only indicators of economic, but also social and environmental performance, which necessitates expanding the information base of the risk management process (including fiscal risks) at the state level. Such a source of data can be the sustainability reports of state-owned enterprises (SOEs). The above fits into the general framework of the current understanding of information support for SOE management developed by international organizations (OECD[27], IMF[28]) and requires further regulation at both the national and international levels. In particular, in Ukraine, under the IMF Memorandum (The Extended Fund Facility (EFF) IMF Ukraine), great importance is attached to the quarterly review of the implementation of the beacons related to the SOEs' activities.

The social orientation of Ukraine's economic development requires building an effective system of public sector entities whose activities should be aimed at ensuring stable economic development along with the growth of social well-being of society.

According to the OECD, the share of SOEs in the global economy has increased significantly in recent decades. In particular, the TOP 500 largest global companies (by revenue) in 2000 included 34 SOEs, while in 2023 – 126[29]. Therefore, it is important, given the growing importance of SOEs in the global and national economies, to ensure proper management of these entities, since, according to the IMF, SOEs are a potentially significant source of fiscal risks, as they are often inefficient from an economic point of view and require financial support.[30]

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[27] OECD. 2016. Transparency and disclosure measures for state-owned enterprises (SOEs): Stocktaking of national practice. Official website. https://www.oecd.org/daf/ca/2016-SOEs-issues%20paper-Transparency-and-disclosure-measures.pdf p.9

[28] Harris J., Tim T., Zohrab J., Karolova V., Rahman J. 2022. Updating the Balance Sheet and Quantifying Fiscal Risks from Climate Change. https://www.greenpolicyplatform.org/sites/default/files/downloads/resource/Georgia%20Technical%20Assistance%20Report-Updating%20the%20Balance%20Sheet%20and%20Quantifying%20Fiscal%20Risks%20From%20Climate%20Change_IMF.pdf.

[29] OECD. 2024. Corporate governance of state-owned enterprises. https://www.oecd.org/en/topics/sub-issues/corporate-governance-of-state-owned-enterprises.html.

[30] IMF. 2024. Fiscal risk toolkit. State Owned Enterprise. Health Check Tool: User Guide. https://www.imf.org/-/media/Files/Topics/Fiscal/Fiscal-Risks/Tool/soe-health-check-user-guide.ashx.

Achievement of non-commercial goals of public sector entities related to the performance of their functions that are not typical for the private sector requires grouping of accounting and reporting information in such a way that activities related to their achievement are separately reflected in the reporting, which will ensure transparency and contribute to reducing corruption risks and increasing social responsibility. For example, Ukraine has developed a demographic development strategy to overcome the consequences of the war, which requires non-commercial tasks for public sector enterprises.

In this context, sustainability reporting is a tool for enhancing transparency and accountability of public sector entities by providing information to citizens and other stakeholders on the social orientation of the state and the effectiveness of responsible management practices.

Thus, the key reasons/prerequisites for preparing sustainability reports by general government entities are as follows:

- the need to ensure transparency and accountability of public authorities in the context of achieving the Sustainable Development Goals and increasing the resilience of the national economy, which will allow the public to control the use of resources and promote greater trust in the institution of government;
- improving the efficiency of management through the use of reporting data in assessing and monitoring the effectiveness of reforms, implementation of certain measures at both local and national levels in the context of the state's implementation of its innovative, social and environmental functions.

The professional community involved in the regulation of accounting and reporting of public sector entities is currently working on a set of standards for sustainable development reporting for economic agents that are focused on achieving social and environmental goals and are non-profit. Analyzing the global trends in the development of non-financial reporting and the experience of UNCTAD in this area, we observe the structuring of such reporting information in four areas: economic, environmental, social, and managerial (institutional). By the way, these aspects are extremely relevant today and are emphasized in the Ukraine-IMF Memorandum.

At the same time, the IPSASB (International Public Sector Accounting Standards Board) focuses on the environmental aspect. In our opinion, this approach somewhat limits the information potential of non-financial reporting.

It is worth noting that the Academy of Financial Management experts initiated the launch of non-financial reporting by public sector entities – non-profit institutions – starting in 2019.

Current practice of sustainability reporting in Ukraine

Amid the escalation of current geopolitical conflicts, Ukraine's global challenge remains the consistent implementation of reforms aimed at ensuring macroeconomic stability, supporting the implementation of the Sustainable Development Goals, and accelerating its EU membership.

Special attention should be paid to the issues of reporting on the sustainable development of small and medium-sized enterprises. In our opinion, we cannot underestimate their impact on the development and budgeting of territorial communities, on the one hand, and, on the other hand, if they are executors of government orders, recipients of grants and technical assistance, reporting on the impact of their activities on the economy, environment, and social sphere of the region is extremely important.

In wartime, when assessing financial risks, it is very important to take into account the component related to extraordinary circumstances. Depending on the intensity of the combat situation and the territorial proximity to the regions of constant military clashes, the financial risks known in a normal situation are reformatted to take into account various threats, up to the complete destruction of the business.

Due to these factors, Ukraine has made a territorial differentiation depending on the scale of military threats, as depicted on the map of Ukraine[31]. This map shows the temporarily occupied territories, the 30-kilometer most dangerous zone, the 100-kilometer danger zone, as well as the conditionally safe center, the conditionally safe outpost, and the most secure rear.

Each of these geographical regions has developed specific approaches to organizing the activities of both the general government sector and enterprises, households, and individual business activity. This requires specific approaches to reporting.

In wartime, when assessing financial risks, it is critical to take into account the component related to extraordinary circumstances. Depending on the intensity of the combat situation and the territorial proximity to areas of constant hostilities, the financial risks known in a normal situation are reformulated to take into account various threats, up to the complete destruction of the business.

For many years, the Academy of Financial Management, and since 2021, together with Kyiv National Economic University named after Vadym Hetman under a Memorandum of cooperation, has participated in the work

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[31] Tkachuk A. 2024. "Update of the State Strategy for Regional Development. What the relevant Ministry and the Cabinet of Ministers should take into account first." *Mirror of the Week*. February 2. https://zn.ua/ukr/politics/onovlennja-derzhavnoji-stratehiji-rehionalnoho-rozvitku-shcho-profilne-ministerstvo-i-kabmin-povinni-vrakhuvati-nasampered.html.

of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting of the United Nations Conference on Trade and Development (ISAR-UNCTAD). As part of the creative team, the Academy's scientific consultants worked on the development of draft international documents on companies' reporting on their contribution to the achievement of the SDGs, namely:

- Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals (2019)[32];
- Guidance on Core Indicators for Sustainability and SDG Impact Reporting (2022)[33];
- Tackling the Sustainability Reporting Challenge – A Policy Guide (2023).[34]

In particular, a number of proposals were made related to standardizing approaches to disclosure of information by enterprises in sustainability reporting and building the infrastructure for such reporting in countries with economies in transition (low-middle income countries according to the IMF).

Taking into account specific situations of uncertainty, economic development opportunities, and the security factor, we believe that methodological documents should be developed for the entities that will prepare the above-mentioned reports.

The professional community of the countries undergoing reforms expects that the next UNCTAD documents will provide an opportunity to familiarize themselves with the best international practices in regulating the disclosure of information on sustainable development in the reporting of public institutions and enterprises.

Conclusions

Ukraine, as a candidate for accession to the European Union, is implementing its European integration strategy step by step. National public financial management systems have demonstrated their resilience in the face of high global, regional geopolitical and geoeconomic uncertainty. Of course, the implementation (execution) of such a strategy is accompanied by the necessary changes in the institutional space of accounting and reporting related to sustainable development, namely:

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[32] UNCTAD ISAR. Guidance on Core Indicators for Entity Reporting on Contribution Towards Implementation of the Sustainable Development Goals. Geneva, 2019. 60 p. URL: https://unctad.org/en/PublicationsLibrary/diae2019d1_en.pdf.

[33] UNCTAD. 2022. Guidance on core indicators for Sustainability and SDG Impact Reporting. URL: https://unctad.org/system/files/official-document/diae2022d1_en.pdf.

[34] UNCTAD. 2023. Tackling the Sustainability Reporting Challenge – A Policy Guide. URL: https://unctad.org/system/files/official-document/diae2022d3_en.pdf.

- Identifying areas and developing a basic list of indicators to be disclosed in the sustainability reporting for budgetary institutions in terms of economic, environmental, social and institutional security components;
- Adapting the requirements of international sustainability reporting standards to the specifics of the relevant economic agents' activities and the provisions of the national regulatory framework in terms of fiscal, accounting and reporting legislation.

We offer to further promote the practice of reporting by enterprises on their contribution to the Sustainable Development Goals:

— to supplement the international document UNCTAD "Tackling the Sustainability Reporting Challenge. A policy guide" *(Introduction, p. 2)* in terms of strengthening data quality management in the area related to the use of sustainability reporting as a source of risk assessment (including fiscal) for private enterprises and general government entities;

— to create an institutional security environment for further promotion of generally recognized international standards for preparing sustainability reports, in particular through the development of an algorithm for the implementation of their provisions by governments (IFRS S1, S2, ESRS standards);

— to spread the practice of developing and approving by the central executive authorities of the countries of the world (especially in emergency situations) the documents of a methodological nature on the preparation of a sustainable development report based on the accounting and financial statements of enterprises;

— to continue work on the introduction (implementation) of the Taxonomy of Sustainability Reporting (national approach based on the Taxonomy of IFRS Sustainability Disclosures issued in April 2024 by the IFRS and ESRS Foundation).

** This article was translated from its original in Ukrainian*

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