

## SUSTAINABILITY REPORTING IN 2023: NAVIGATING GLOBAL STANDARDS

**Press Release, Nov. 2<sup>nd</sup> 2023**

PHNOM PENH, Nov. 2<sup>nd</sup> 2023 - EuroCham's Responsible Business Hub (RBH) in collaboration with GIZ FABRIC Cambodia, organized the Public and Private Dialogue event titled " Sustainability Reporting In 2023: Navigating Global Standards" at Hyatt Regency, Phnom Penh. This gathering combined influential speakers, experts, and stakeholders to shed light on the evolving international landscape of sustainability reporting.

2023 has brought significant global developments. From the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) in Europe, to the pioneering International Sustainability Standards Board's (ISSB) IFRS Sustainability Disclosure Standards, the framework for reporting has seen remarkable shifts.

For companies, this necessitates not only a thorough understanding but also concrete actions. This involves assessing how the standards apply to their specific situation and then constructing a strategic plan to ensure compliance while also meeting the increasing expectations of stakeholders.

The event featured representatives from the Ministry of Environment (MOE), the Better Factories Cambodia (BFC/ILO), PWC India, Labor Solutions and private sector representatives.

The event opened with remarks from Ms. Julie Keo, Legal Consultant and Business Development Director (DFDL) and Eurocham Board Member, emphasizing the importance of fostering ESG culture in the business world by emphasizing the strong commitment of Eurocham in driving positive change and being a focal point for sustainable development among the business community in Cambodia.

Mr. Ke Vongwattana, Deputy Director General, Environmental Protection Agency (EPA), Ministry of Environment (MoE) highlighted the government's commitment to developing policies aligned with sustainability reporting goals. Central to this endeavor is the availability of high-quality, reliable data which represent a crucial component for the implementation of national strategies related to sustainable development.

Mr. Samir Karnik, Director of Sustainability at PWC India, provided a comprehensive overview of sustainability reporting in the Asia Pacific region. He highlighted that a substantial 80% of private sector entities in this region adhere to the Global Reporting Initiative (GRI) standards. Additionally, he conducted a thorough comparative analysis of three major international sustainability reporting frameworks: the Corporate Sustainability Reporting Directive (CSRD) in Europe, the IFRS Sustainability Disclosure Standards by the International Sustainability Standards Board (ISSB), and the climate proposal presented by the United States Securities and Exchange Commission (US SEC).

Following this, Mr. Jaap Van der Meer, Senior Advisor at ENVAM/GOPA, delineated essential steps for implementing environmental assessment and reporting. Subsequently, Ms. Jen Green, Director at Labor Solutions, delivered an extensive presentation elucidating how social due diligence and human rights policies are documented for the purpose of sustainability reporting.

During the panel discussion, representatives from Better Factory Cambodia (BFC), PWC India, and Labor Solutions underscored key insights, with a particular emphasis on the critical role of transparency. Sara Park (BFC/ILO) emphasized that it's not sufficient to solely inform management; comprehensive training and awareness dissemination across all levels of production are imperative for compliance with sustainability reporting standards. The power dynamics inherent in buyer-supplier relationships contribute to trust issues, often leading factories to be hesitant in disclosing data. Jen Green (Labor Solutions) highlighted the paramount importance of trust in ensuring robust data collection. She advocated for an approach that fosters increased transparency without resorting to punitive measures for instances of non-compliance.

In his closing remarks, Mr. Hasso Anwer, Project Manager at FABRIC of GIZ highlighted the important trends of the legislation framework which require responsible companies to change their mindset shifting from voluntary CSR actions to mandatory HREDD obligations in their supply chains. For example, the German Supply Chain Act was put into force in January 2023. Through the obligations, the companies also need to prepare their precise sustainability reporting to communicate their ESG performance to the stakeholders, including investors, customers, and employees. And it is becoming increasingly important for businesses. To support this movement, FABRIC of GIZ has proactively and collaboratively worked with key partners including CGTI, TAFTAC, and RBH of ECC to make services for the improvement of sustainability management available and accessible for the garment industry and beyond.

The event was a great success and EuroCham's RBH would like to thank all the speakers and panellists for their invaluable contributions.

\*\*\*

### **About EuroCham Cambodia**

**The European Chamber of Commerce in Cambodia** (EuroCham Cambodia) was created in 2011 by French, German and British business associations in Cambodia to act as the official chamber of the European business community in the Kingdom. Since then, it has grown to over 300 members and 5 national chapters, comprising 11 European countries. [EuroCham Cambodia](#)'s core activities are to promote, support and represent its members and European business interests in dialogue with the Royal Government of Cambodia, with the aim of developing a more efficient and fertile business and investment environment for all.

EuroCham's key objectives are to

- Consult & advocate on key issues related to doing business in Cambodia;
- Promote investment to Cambodia
- Work to improve access for European business to the Cambodian market, and vice-versa; and facilitate business between small and medium size companies of Cambodia and EU Member States;
- Provide services relating to economic, legal, technical, financial, market and other business issues in the EU and Cambodia and industry specific information to investors;
- Promote a strong European Union business identity vis-à-vis the Cambodian business community;
- Work closely with Cambodian stakeholders in supporting inclusive and sustainable growth of the Cambodian economy.



**FABRIC** Cambodia



For more information, please contact:

Sara Monti, Senior Responsible Business Hub Coordinator, [rbh@eurocham-cambodia.org](mailto:rbh@eurocham-cambodia.org)

\*\*\*

**About the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH**  
**The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH** is Germany's

leading provider of international cooperation services. As a federal enterprise, we support the German Federal Ministry for Economic Cooperation and Development (BMZ) in achieving its objectives in the field of international cooperation for sustainable development. We are also engaged in international education work around the globe. GIZ's project "Fostering and Advancing Sustainable Business and Responsible Industrial Practices in the Clothing Industry" (FABRIC) in Cambodia is addressing sustainability in the textile and garment industry in its social, economic, and environmental dimensions, encompassing a more comprehensive approach on engaging the private sector in project activities. The project is also working in Bangladesh, Cambodia, Myanmar, Pakistan, Vietnam and cooperates with actors in China, supporting the efforts of business representatives, government institutions, civil society, and trade unions to build an industry that offers quality jobs, protects the environment, and contributes to economic growth.

Contact:

Hasso Anwer, Project Manager of GIZ/FABRIC, [hasso.anwer@giz.de](mailto:hasso.anwer@giz.de)

\*\*\*