



Republic of the Philippines
Professional Regulation Commission
Manila



Professional Regulatory Board of Accountancy
Resolution No. 44
Series of 2022

ADOPTION OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) SUSTAINABILITY DISCLOSURE STANDARDS FOR GENERAL-PURPOSE FINANCIAL STATEMENTS AND RENAMING FINANCIAL REPORTING STANDARDS COUNCIL (FRSC) TO FINANCIAL AND SUSTAINABILITY REPORTING STANDARDS COUNCIL (FSRSC)

WHEREAS, under Section 9 (g) of Republic Act (RA) No. 9298 or the "Philippine Accountancy Act of 2004", the Professional Regulatory Board of Accountancy (Board) is empowered to monitor the conditions affecting the practice of accountancy and adopt such measures, including the promulgation of accounting and auditing standards, rules and regulations and best practices as may be deemed proper for the enhancement and maintenance of high professional, ethical, accounting and auditing standards: Provided, that the domestic accounting and auditing standards shall include the international accounting and auditing standards and generally accepted best practices;

WHEREAS, under Section 9 (A) of Board Resolution No. 71 (s.2004), known as the "Rules and Regulations Implementing Republic Act No. 9298, otherwise known as the 'Philippine Accountancy Act of 2004', and for other Purposes", the Professional Regulation Commission (Commission), upon the recommendation of the Board, created an accounting setting body known as the Financial Reporting Standards Council (FRSC);

WHEREAS, from the time of its inception/creation in 2004 up to this date, the FRSC has consistently assisted the Board in carrying out its power and function to promulgate accounting standards in the Philippines by adopting the international financial reporting standards (IFRS Standards) issued by the IFRS Foundation and set by its standard setting-board, the International Accounting Standards Board (IASB) in the preparation of general-purpose financial statements;

WHEREAS, the IFRS Foundation recently created another standard setting-board, the International Sustainability Standards Board (ISSB) that sets IFRS Sustainability Disclosure Standards on how a company discloses information in the financial statements about sustainability-related factors that could create or erode its enterprise value in the short, medium and long term;

WHEREAS, on July 18, 2022, the Board approved the recommendation of the FRSC to adopt the IFRS Sustainability Disclosure Standards that will be developed by the ISSB in the preparation of general-purpose financial statements and the renaming of the Financial Reporting Standards Council to Financial and Sustainability Reporting Standards Council;

WHEREAS, the Board recognizes the importance of the IFRS Sustainability Disclosure Standards for the guidance of companies as well as CPAs preparing financial statements;

IN VIEW THEREOF, the Board **RESOLVES**, as it is hereby **RESOLVED**, to recommend to the Commission the approval of the following:

1. Adoption of the IFRS Sustainability Disclosure Standards that will be developed by the International Sustainability Standards Board (ISSB) in the preparation of the general-purpose financial statements; and
2. Renaming of the Financial Reporting Standards Council (FRSC) to Financial and Sustainability Reporting Standards Council (FSRSC)

RESOLUTION ON ADOPTION OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) SUSTAINABILITY DISCLOSURE STANDARDS FOR GENERAL-PURPOSE FINANCIAL STATEMENTS AND RENAMING FINANCIAL REPORTING STANDARDS COUNCIL (FRSC) TO FINANCIAL AND SUSTAINABILITY REPORTING STANDARDS COUNCIL (FSRSC)

This Resolution shall take effect immediately after its publication in the Official Gazette or in any newspaper of general circulation the Philippines.

Let a copy hereof be furnished the University of the Philippines Law Center and the Philippine Institute of Certified Public Accountants (PICPA).

Done in the City of Manila, this **8th** day of **September**, 2022


NOE G. QUINANOLA
Chairman


SAMUEL B. PADILLA
Vice-Chairman


GLORIA T. BAYSA
Member


THELMA S. CIUDADANO
Member


GERVACIO I. PIATOR
Member


MARIA TERESITA Z. DIMACULANGAN
Member


ROSALINDA D. EVANGELISTA
Member

ATTESTED BY:


Atty. Lovelika T. Bautista
Chief, PRB Secretariat Division

APPROVED:

(vacant)
Chairperson


JOSE Y. CUETO, JR.
Acting Chairperson


ERWIN M. ENAD
Commissioner

DATE OF PUBLICATION IN THE
BUSINESS MIRROR : *Sept. 16, 2022*
DATE OF EFFECTIVITY : *Immediately*