Comments on the Discussion Paper

I am Sandy Emmanuel Banda currently working as a Senior Accountant of Eastern and Southern African Management Institute (ESAMI) headquartered in Arusha, Tanzania. ESAMI has a physical presence in 10 countries (i.e. Kenya, Malawi, Mozambique, Namibia, Seychelles, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe) with the mandate to develop management solutions for various clients i.e. public and private sector.

Over the past decade, the world and the business environment has indeed changed in many aspects. Globalization, the growth of multinationals, environmental (ecosystem) challenges, the growing need CSR among others have all exerted pressure on organizational reporting. There is generally greater need for transparency and accountability in the companies’ value creation process to ensure that various stakeholders are properly informed. To address the growing needs for reports on different matters, different regulatory bodies have been mounting pressure on companies to ensure that they report on the various emergent issues. This has resulted in companies having different reports to address different needs of stakeholders and many times the interdependence of these reports is blurred (if not even the value creation process is blurred). To this extent I agree that there is need for action which should improve the way companies present their overall value creation process. The proposal of having an integrated reporting framework is therefore a welcome initiative.

It may be worth pointing out that the changes that have occurred over the past decades have impacted companies’ reporting in different degree in different parts of the world. For example carbon reporting is progressively becoming a big issue in most developed countries where as it may not at this point be an issue of major concern for developing countries. On the other hand there are multinationals operating in various developed and developing countries, there is an increase in cross border investment which raises the need for comparability of reports which form the basis of decision making. On the basis of the forgoing, I believe it is important at this point that an integrated reporting framework should be international in scope.

It is imperative that the integrated reporting framework should be comprehensive and inclusive to ensure a holistic approach to reporting. The current definition of the integrated report covers the key aspects of strategy, governance, performance and prospects that focuses on commercial, social and environmental aspects.