



## PUBLIC ACCOUNTANTS AND AUDITORS BOARD

### PAAB ROADMAP FOR ADOPTION OF SUSTAINABILITY REPORTING IN ZIMBABWE

Issued on .....

#### About the PAAB

The Public Accountants and Auditors Board (PAAB), Zimbabwe, was established by section 4 of the Public Accountants and Auditors Act, 1995 (as amended) (the Act). **PAAB is the National Standards Setter in Zimbabwe responsible for endorsing and adopting International Accounting Standards, Sustainability Reporting Standards, International Standards on Auditing and International Public Sector Accounting Standards when they meet certain criteria for prescription by statutory regulation in accordance with section 44(2)(a) of the Act.**

PAAB is responsible for defining and enforcing ethical practice and discipline among registered public accountants and public auditors and setting Ethics standards (section 5(1)(d) of the Act); and representing the views of the accountancy profession on national, regional and international issues (section 5(1)(g) of the Act). PAAB also plays a role in accountancy-specific education (section 5(1)(h) of the Act).



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## Table of Acronyms

<b>Acronym</b>	<b>Full Name</b>
EIA	Environmental Impact Assessment
EMA	Environmental Management Agency
ESG	Environmental, Social and Governance
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IAS	International Accounting Standards
IESBA	International Ethics Standards Board for Accountants
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IFRS S	IFRS Sustainability Disclosure Standards
IFRS S1	IFRS Sustainability Disclosure Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	IFRS Sustainability Disclosure Standard S2 – Climate-related Disclosures
IOSCO	International Organization of Securities Commissions
IPEC	Insurance and Pensions Commission
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
IPSAS SRS	IPSAS Sustainability Reporting Standards
ISSA	International Standard on Sustainability Assurance
ISSB	International Sustainability Standards Board
NDC	Nationally Determined Contribution
NDS	National Development Strategy
NDS 2	National Development Strategy 2
NOCLAR	Non-Compliance with Laws and Regulations
PAAB	Public Accountants and Auditors Board
PAO	Professional Accounting Organisation
PIE	Public Interest Entity
RBZ	Reserve Bank of Zimbabwe
SDGs	Sustainable Development Goals
SECZ	Securities and Exchange Commission of Zimbabwe
SIC	Standing Interpretations Committee
SOE	State-Owned Enterprise
UN	United Nations

**Acronym**

VFEX

ZIDA

ZSE

**Full Name**

Victoria Falls Stock Exchange

Zimbabwe Investment and Development Agency

Zimbabwe Stock Exchange

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## 1. Introduction and Purpose

Zimbabwe stands at a pivotal moment in strengthening sustainable economic growth and responsible corporate stewardship. Guided by Zimbabwe's Vision 2030 translated into the National Development Strategy 2 (NDS 2), as well as the global sustainable development goals, the country is advancing toward practices that integrate sustainability considerations into decision-making across public and private sectors.

To support this transition, timely and transparent sustainability reporting is essential. The Public Accountants and Auditors Board (PAAB), as the accountancy profession standard setter is taking a decisive step towards putting in place a structured way for the reporting entities in Zimbabwe to produce Sustainability Reports.

In 2019, the Minister of Finance and Economic Development (now Minister of Finance, Economic Development and Investment Promotion), issued Statutory Instrument 41 of 2019, which prescribes the following standards to be applied by Accountants and Auditors in Zimbabwe:

- i. International Financial Reporting Standards (IFRS);
- ii. International Accounting Standards (IASs);
- iii. Interpretations originated from the International Financial Reporting Interpretations Committee (IFRICs);
- iv. Interpretations originating from the Standing Interpretations Committee (SICs).
- v. International Accounting Education Standards Board (IAESB);
- vi. International Auditing and Assurance Standards Board (IAASB);
- vii. International Ethics Standards Board for Accountants (IESBA);
- viii. International Public Sector Accounting Standards Board (IPSASB).

In 2021, the International Financial Reporting Standards Foundation (IFRS Foundation) created a separate Board for Sustainability Standards, being the International Sustainability Standards Board (ISSB). This Board introduced IFRS Sustainability Standards under the International Financial Reporting Standards (IFRS) framework which were launched in June 2023, with IFRS S1 and S2 being effective for periods beginning 1 January 2024.

## 2. WHY adopt the IFRS Sustainability standards – The Case for Change

Globally, sustainability reporting is rapidly shifting from a voluntary to a mandatory requirement, particularly for listed and regulated entities. All listed entities in Zimbabwe are already required by the ZSE listing rules to present sustainability reports. Although sustainability reporting is growing in Zimbabwe, the use of multiple frameworks has created



inconsistencies and reduced comparability between entities. Some frameworks are not designed for general-purpose financial statement users, making it difficult for investors to assess the financial implications of sustainability matters on an organisation's performance or risk.

The IFRS Sustainability Disclosure Standards were developed to address these issues by:

- i. creating a unified, high quality reporting framework that meets the growing demand from primary users of General-Purpose Financial Statements, thus it has a very specific target audience being investors and providers of finance. The ISSB standards are endorsed by the International Organization of Securities Commissions (IOSCO) and African Finance Ministers from more than 50 jurisdictions.
- ii. providing a global base line standard, thus enables comparability with other entities, not just in Zimbabwe, but globally.
- iii. providing investor useful information on how companies identify and manage their sustainability-related risks and opportunities that are expected to affect the entity's prospects i.e. its cash flows, its access to finance or its cost of capital over the short, medium or long term.

By adopting the ISSB Sustainability Standards, entities will:

- a. Enhance investor confidence through relevant and comparable sustainability disclosures
- b. Unlocks access to Capital and attract investment at a fair cost
- c. Attract Capital at fair Cost
- d. Foster sustainable behaviour across their value chains
- e. Support alignment with national and global sustainability goals, including Vision 2030, the NDS, and the UN SDGs.

### 3. WHO is required to use this roadmap – Entities Affected

The ISSB standards are applicable to all entities in Zimbabwe that prepare General Purpose Financial Statements.

All entities are expected to begin the adoption journey within the first two years of this roadmap becoming effective. PAAB however appreciates that entities have different capabilities and experience, thus cannot all achieve compliance at the same time. For the purposes of this roadmap, entities have therefore been clustered into four categories for the purposes of scaling and phasing compliance to the requirements of the standards. The compliance phasing considers:



- i. entity's public interest status,
- ii. level of capacity and experience with ESG disclosures, and
- iii. level of exposure to environmental and climate related risks and opportunities.

This is to ensure that entities are subjected to requirements that they possess the ability to comply with, while at the same time recognizing the need for producing this information in a timely manner.

The following categories shall therefore apply:

### **Category 1**

These are Public Interest Entities (PIE) (As per the PAAB definition of PIE), high levels of implementation capacity and with high exposure to climate risks and opportunities. The following are the identified type of entities under category 1:

- a. **Listed Companies**
- b. **Banking Institutions and Building Societies**
- c. **State Owned Enterprises (SOEs) applying IFRS**
- d. **High Environmental Impact Entities applying IFRS** - These are entities whose operations have a significant impact on the environment or whose operations are significantly affected by environmental and climate-related matters. This includes entities undertaking prescribed activities requiring an Environmental Impact Assessment (EIA) in terms of Section 97 and the First Schedule of the Environmental Management Act [Chapter 20:27].  
For entities not undertaking prescribed activities, management shall apply professional judgement to determine whether the entity's operations have a significant environmental or climate-related impact or exposure, having regard to the nature of the entity's activities, scale of operations, emissions profile, and sensitivity to environmental and climate risks.

### **Category 2 entities**

These are public interest entities with moderate implementation capacity. The following are the identified type of entities under category 2:

- a. **Insurance and Reinsurance companies not listed**
- b. **Life and Funeral Assurers**
- c. **Deposit taking Microfinance institutions.**
- d. **Pension Funds**
- e. **Other Public Interest Entities not already included in Category 1, Category 3 and Category 4.**



### Category 3 entities

These shall be entities with low capacity to comply to sustainability standards. The following entities have been identified as falling under category 3:

- a. **Non-Deposit taking Microfinance institutions**
- b. **Micro-Insurance entities**
- c. **Entities without public interest as per the PAAB definition of Public Interest Entities, not already included in category 1 and category 2**

### Category 4 entities

- **These are Public Sector entities applying the International Public Sector Accounting Standards (IPSAS) framework.**

### 4. WHEN will the requirements apply – Phased Implementation Timeline

Implementation of the IFRS Sustainability Disclosure Standards in Zimbabwe will be phased according to the categories outlined in Section 3. This approach allows for a structured and manageable transition that considers each entity's size, capacity, and level of public interest.

Category 1 entities will lead the implementation process, beginning with financial periods starting 1 January 2026. Categories 2 through 4 will follow, drawing lessons from the early adopters. Each category will gradually progress from voluntary adoption to full compliance and independent reasonable assurance over a defined period. Entities are not mandated to apply the SASB Standards prior to 1 January 2030. Thereafter, application of the SASB Standards shall be mandatory in accordance with the IFRS Sustainability Disclosure Standards.

The following tables outline the phased timelines and assurance requirements for each category. Based on the categorisation above, Category 1 entities are expected to start the adoption process first for financial periods beginning 1 January 2026. Entities in Category 2 to Category 4 shall observe and learn from Category 1 entities and shall begin their adoption journey for financial periods beginning 1 January 2027. Compliance shall however be phased differently for each category as shown below:





### Category 1

		Compliance requirements	Assurance requirements
Year 1	2026	<ul style="list-style-type: none"> <li>• Mandatory adoption.</li> <li>• IFRS S1 and S2 apply fully including transitional exemptions provided by the standards.</li> <li>• Jurisdiction transitional exemptions as per Annexure 1 apply fully.</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>
Year 2	2027	<ul style="list-style-type: none"> <li>• IFRS S apply fully</li> <li>• Jurisdiction exemptions (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>
Year 3	2028	<ul style="list-style-type: none"> <li>• Full compliance to IFRS S2 must be achieved</li> <li>• Jurisdiction extended transitional exemptions apply for IFRS S1 (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 4	2029	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 5	2030	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Reasonable assurance</li> </ul>

### Category 2

		Compliance requirements	Assurance requirements
	2026	<ul style="list-style-type: none"> <li>• Voluntary adoption</li> </ul>	<ul style="list-style-type: none"> <li>• No assurance</li> </ul>



Year 1	2027	<ul style="list-style-type: none"> <li>• Mandatory adoption</li> <li>• IFRS S apply fully</li> <li>• Jurisdiction exemptions (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>
Year 2	2028	<ul style="list-style-type: none"> <li>• IFRS S apply fully</li> <li>• Jurisdiction exemptions (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>
Year 3	2029	<ul style="list-style-type: none"> <li>• Full compliance to IFRS S2 must be achieved</li> <li>• Jurisdiction extended transitional exemptions apply for IFRS S1 (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 4	2030	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 5	2031	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Reasonable assurance</li> </ul>

### Category 3

		<b>Compliance requirements</b>	<b>Assurance requirements</b>
	2026	<ul style="list-style-type: none"> <li>• Voluntary adoption</li> </ul>	<ul style="list-style-type: none"> <li>• No assurance</li> </ul>
Year 1	2027	<ul style="list-style-type: none"> <li>• Mandatory adoption</li> <li>• Entity chooses areas to report on</li> </ul>	<ul style="list-style-type: none"> <li>• No assurance</li> </ul>
Year 2	2028	<ul style="list-style-type: none"> <li>• Mandatory adoption</li> <li>• IFRS S apply fully</li> <li>• Jurisdiction exemptions (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>



Year 3	2029	<ul style="list-style-type: none"> <li>• IFRS S apply fully</li> <li>• Jurisdiction exemptions (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Management or Internal audit attestation.</li> </ul>
Year 4	2030	<ul style="list-style-type: none"> <li>• Full compliance to IFRS S2 must be achieved</li> <li>• Jurisdiction extended transitional exemptions apply for IFRS S1 (see Annexure 1)</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 5	2031	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited Assurance is required.</li> </ul>
Year 6	2032	<ul style="list-style-type: none"> <li>• Full compliance to ISSB standards must be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>• Reasonable assurance</li> </ul>

#### Category 4

Public sector entities that report under the IPSAS framework will apply the **IPSAS Sustainability Reporting Standards** once issued by the IPSASB.

Period	Requirements
<b>2026</b>	Voluntary production of sustainability reports using IPSASB Sustainability Reporting Standards.
<b>2028 onwards</b>	Mandatory sustainability reporting in accordance with IPSASB standards. A detailed public sector roadmap outlining transition and exemptions will be released separately.

This phased implementation approach ensures that adoption of the IFRS and IPSAS sustainability frameworks in Zimbabwe is both achievable and sustainable. It allows preparers, auditors, regulators, and users of sustainability information to progressively build the skills, systems, and confidence needed to achieve high-quality, comparable, and decision-useful disclosures.



## 5. HOW will the roadmap be rolled out – Implementation Framework

The Zimbabwe ISSB adoption roadmap shall focus on the following key areas on how to implement the standards:

- a. Phasing of entities in the adoption journey – see **section 3, the “Who”** above.
- b. Scoping of disclosures

After assessing the state of readiness for Zimbabwean entities, entities may not be able to comply with all the disclosure requirements in their first year of implementation. The roadmap therefore applies a gradual expansion of the reporting scope from simplified climate-focused disclosures in the initial phases to full IFRS Sustainability Disclosure Standards over at most a four-year period, to give entities enough time to mature their internal governance, data collection processes, and understanding of materiality, ultimately promoting a deeper and more sustainable adoption of the standards.

See **section 4 the “When”** above and Annexure 1 for further details.

- c. Phasing of Assurance requirements

The roadmap considers that both preparers and auditors need time to get ready to achieve proper assurance on the reports. The roadmap therefore scales the assurance process to make it start when there is meaningful preparation taking place, when the auditors have been fully trained and certified to achieve proper assurance as well as to allow assurance to start at a limited level scaling to reasonable assurance. When auditing General Purpose Financial Statements, Assurers are expected to report on any instances of an entity’s non-compliance to laws and regulations (NOCLAR). As a result, assurers must review progress of entities to this roadmap and report such when non-compliance is not achieved.

This phasing also allows auditors to have enough time to develop skill sets and put in places systems and procedures that allow them to deliver quality assurance.

Assurance will be based on the International Standard on Sustainability Assurance (ISSA) 5000 developed by the International Auditing and Assurance Standards Board (IAASB) to address both limited and reasonable assurance.

Limited or Reasonable Assurance of sustainability disclosures is expected to be carried out by a qualified and experienced independent provider. The PAAB will develop accreditation criteria for assurance providers.

Providers of assurance for sustainability-related disclosures will be required to be independent of the entity being audited in accordance with the International Ethics Standards Board for Accountants (IESBA) code. The assurance providers will be



expected to possess requisite professional qualifications and knowledge of assurance processes.

Due to the technical and sophisticated nature of sustainability assurance, the use of experts to verify certain elements of sustainability related information will not be unusual. Where an auditor uses such an expert, they should stand guided by ISA 5000 on how to use the “Work of An Expert”.

All professionals involved in assuring sustainability related financial disclosures will be required to be registered with the PAAB.

For further information, see **section 3, the “When”** above.

d. Capacity development

The roadmap recognises the need for coordinated capacity development across preparers, auditors, and educators. It therefore provides measures that will be taken to address this gap.

Capacity building for preparers will start first to pave way for adoption on the standards. Educators and auditors are expected to attend these capacity development programs which will be offered by PAAB, PAOs and fellow regulatory bodies. Entities are also encouraged to make use of educational material provided by the ISSB.

After category 1 preparers are capacitated, capacity development shall be extended to auditors and educators, thus the rest of the category preparers, auditors and educators’ capacity programs will be done concurrently.

The capacity development activities shall be classified as follows:

- i. Delivery of training programs for sustainability preparers, auditors, and regulators. Earlier trainings will focus only on IFRS S1 and S2. The trainings shall be delivered strategically to each category of entities at least six months prior to the effective date of implementation for each category.
- ii. Assistance in creating a conducive environment for Data Collection and sharing e.g. putting up appropriate policies for collection and sharing provision of data commonly used
- iii. Pilot Testing: During adoption, some entities will be selected to participate in pilot testing with results being shared with others for learning purposes.

To ensure the successful capacity building, the following institutions will be instrumental:



- i. PAAB – will provide technical and regulatory support on all areas working with Professional Accounting Organisations and Regulators.
- ii. Professional Accounting Organisations shall provide technical support and shall handhold their members to create capacity.
- iii. Other Regulators - each regulator will provide capacity building support especially for industry specific areas.

e. Enablement process

The successful adoption of IFRS Sustainability Disclosure Standards in Zimbabwe rest on high coordination of entities and activities. Key regulatory bodies, Professional Accounting Organisations (PAOs), Preparers and Auditors are instrumental in the various processes; thus the roadmap clarifies the roles that will be played by these parties in the roll out process.

Given this roadmap is for reporting purposes, PAAB shall be the regulator that oversees the implementation process. However, other regulatory bodies such as IPEC, RBZ, ZSE, SECZ among others also have direct interest in the Sustainability practices and reporting of entities they regulate. To avoid fragmentation in policy formulation, communication and regulatory requirements, PAAB shall work with each regulator to coordinate the sustainability reporting process, so that there will be harmony between the requirements of PAAB and other regulators regarding Sustainability reports that form part of General-Purpose Financial Statements. Entities required to submit financial statements by regulators shall therefore be expected to submit their sustainability reports to their regulators based on this transitional road map, failure to which normal regulatory sanctions on failure to submit financial statements shall apply.

PAAB	<p>PAAB shall oversee the implementation of the ISSB standards in Zimbabwe including capacity development. The Board shall be responsible for advising on the correct reporting frameworks to apply as well as frameworks to use for assurance.</p> <p>The Board shall be responsible for registering members that are approved to prepare or audit sustainability reports and regulate the conduct of these professionals.</p> <p>PAAB shall regulate the implementation process through ongoing monitoring and review to foster the effective implementation of IFRS Sustainability Disclosure Standards. The PAAB will regularly evaluate the progress of entities in meeting their reporting obligations and provide guidance as needed. This will include the development of a</p>
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	<p>multi stakeholder approach to generate and consider feedback. Continuous feedback loops will be established between companies, auditors, and regulators to identify areas for improvement and ensure that the regulatory framework remains aligned with international best practices.</p> <p>PAAB shall conduct its work in collaboration with other regulators such as the RBZ, IPEC and ZSE which will conduct some of the reviews and/or inspections of companies' sustainability reports to assess compliance, as part of their regulatory role. Whilst these regulatory bodies may impose sanctions on the entities failing to comply, PAAB shall impose sanctions on its members who do not comply with their professional responsibilities.</p>
PAOs	<p>PAOs shall provide the necessary education and Continuous Professional Development to equip preparers and auditors with skills to apply principles of the ISSB standards. Education and training shall be targeted towards students, preparers, auditors, and regulators. These training will cover the technical aspects of IFRS Sustainability Disclosure Standards, including how to integrate climate-related risks, governance, and other specified ESG factors into financial reporting. PAOs are expected to embed sustainability reporting and assurance in their educational curriculum.</p>
ZSE	<p>ZSE regulates listed companies and will oversee their compliance with IFRS Sustainability Disclosure Standards. Listed entities are early adopters of the standards, given their public-facing nature and the demand from investors for enhanced transparency on sustainability issues.</p>
Reserve Bank of Zimbabwe	<p>RBZ plays a central role in regulating all financial institutions, including banks and micro finances. The RBZ's oversight will focus on integrating sustainability-related financial disclosures into its prudential supervision framework, ensuring that financial institutions align with the sustainability reporting requirements set forth by IFRS Sustainability Disclosure Standards.</p> <p>For regulatory purposes, the RBZ may require additional disclosures to those already required by ISSB standards. These may be included as General Purpose Financial Statements to the extent that they do not obscure the financially material sustainability information intended to be communicated by an entity.</p> <p>PAAB in collaboration with the RBZ will facilitate workshops and seminars to promote collaborative learning amongst entities in the financial services sector.</p>



IPEC	<p>IPEC plays a central role in regulating all insurance and pension fund institutions. IPEC's oversight will focus on integrating sustainability-related financial disclosures into its supervision framework, ensuring that insurance and pension fund institutions align with the sustainability reporting requirements set forth by IFRS Sustainability Disclosure Standards.</p> <p>For regulatory purposes, IPEC may require additional disclosures to those already required by ISSB standards. These may be included as General Purpose Financial Statements to the extent that they do not obscure the financially material sustainability information intended to be communicated by an entity.</p> <p>PAAB in collaboration with the IPEC will facilitate workshops and seminars to promote collaborative learning amongst entities in the financial services sector.</p> <p>IPEC will:</p> <ul style="list-style-type: none"> <li>• issue guidelines to assist its regulated entities in meeting their sustainability reporting obligations under IFRS Sustainability Disclosure Standards.</li> <li>• review sustainability reports to ensure that they meet the required standards and provide accurate and reliable information to investors.</li> <li>• reprimands that fail to meet the requirements of this roadmap.</li> </ul>
SECZ	<p>SECZ works in close coordination with the ZSE to oversee the broader capital markets' compliance with sustainability reporting requirements. The SECZ's role extends to all capital market participants, including investment firms, asset managers, and other entities involved in raising and managing capital.</p> <p>PAAB shall work together with SECZ to ensure that investors and users of Sustainability reports have been well capacitated on how to interpret Sustainability reports prepared using ISSB standards.</p>
ZSE	<p>The ZSE regulates listed companies thus will oversee their compliance with IFRS Sustainability Disclosure Standards. ZSE and VFex listed entities will be the early adopters thus the joint statement issued by the ZSE, SECZ and PAAB on 12 FEBRUARY 2025 on sustainability reports requirements is superseded by this roadmap.</p> <p>ZSE will:</p> <ul style="list-style-type: none"> <li>• issue guidelines to assist listed companies in meeting their sustainability reporting obligations under IFRS Sustainability Disclosure Standards.</li> </ul>





	<ul style="list-style-type: none"> <li>review sustainability reports to ensure that they meet the required standards and provide accurate and reliable information to investors.</li> <li>reprimands, or suspension entities that fail to meet the requirements of this roadmap.</li> </ul>
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## 6. Stakeholder Engagement and Communication – Jurisdictional Transitional Exemptions

The ISSB standards contains transitional exemptions that entities may elect to apply in their first time of adopting the standards. These exemptions will remain valid. The Board is however extending these exemptions to include regulatory transitional exemptions. These extended regulatory exemptions shall be complied after stakeholder engagements have been conducted and shall be documented under Annexure 1 of this road map.

Stakeholder consultations shall be conducted in the following manner:

Date	Stakeholder Group	Focus of Consultation
<b>19 November 2025</b>	Investors (through ZIDA)	Investor expectations and disclosure priorities
<b>26 November 2025</b>	Regulators (IPEC, RBZ, SECZ, ZSE)	Regulatory alignment and reporting oversight
<b>27 January 2026</b>	Category 1 Entities and Auditors	Practical readiness, challenges, and data requirements
<b>11 February 2026</b>	Category 2 Entities and Auditors	Transitional exemptions and sector-specific guidance
<b>18 February 2026</b>	Category 3 Entities and Auditors	Transitional exemptions and sector-specific guidance
<b>25 February 2026</b>	Category 4 Entities and Auditors	Transitional exemptions and sector-specific guidance

- Draft exemption documents will be compiled by **April 2026**.
  - Board approval** of the final roadmap will take place in **March 2026**.
  - The **official launch of the roadmap** is scheduled for **April 2026**.
  - Final **regulatory transitional exemptions (Annexure 1)** will be published by **June 2026**.
- To facilitate meaningful engagement, entities in **Categories 1 to 3** are expected to submit the following documents to PAAB **at least two weeks before their consultation date**: GAP Analysis Report.
  - Areas they regard to be low hanging and compliance will be achieved easily.



- iii. Areas which they regard to be complex and will take substantial time to achieve
- iv. Areas where there is no data availability completely.
- v. Suggested transitional reliefs on specific disclosure information.
- vi. Climate related metrics they think are applicable but are not provided within IFRS S2.
- vii. Areas where entities will require assistance and the nature of assistance.
- viii. Systems and processes readiness of your entity for sustainability data collection.
- ix. Estimated cost areas and resource implications for compliance.
- x. Sector-specific sustainability risks and opportunities

These will enable the Board to develop more practical exemptions for each category, sector or industry and to come up with meaningful interventions.

In addition, entities in Category 1 to 3 will be required to make the following submissions to the entity's primary sector regulator at most 6 months after the beginning of their road map period:

- i. Entity Board resolution on the adoption of IFRS sustainability Disclosure standards
- ii. Other Sustainability Frameworks that will be applied other than ISSB standards.
- iii. Implementation plan
- iv. Transitional reliefs selected
- v. Entity Sustainability Governance framework
- vi. Entity Risk Management framework
- vii. Who has been trained on IFRS S/IPSAS SRS within their entities.

## 7. Local Laws, regulations and guidelines that support Sustainability

As entities begin their sustainability reporting journey, it is important to recognise that sustainability reporting is one component of a broader legal and policy framework governing sustainable development in Zimbabwe. Entities must therefore be mindful of the various laws, regulations, and national policies that guide conduct and disclosure on sustainability-related matters.

The Board draws your attention to the following key instruments—though this list is not exhaustive:

The Constitution of Zimbabwe	Provides for environmental and Human rights under various sections.
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Zimbabwe Climate Change Management Bill	Establishes legal and institutional framework for climate change governance, coordination, and mainstreaming across sectors.
Zimbabwe Revised NDC [2021]	Provides Zimbabwe's commitments to greenhouse gas emissions reduction.
Zimbabwe National Renewable Energy Policy [2019]	Promotes renewable energy investment; sets targets for power supply from renewables.
Zimbabwe Long-term Low Greenhouse Gas Emission Development Strategy 2020-2050	Provides pathway to a low-carbon economy by 2050. Emphasizes energy transition, sustainable agriculture, and climate-resilient infrastructure.
Zimbabwe National Climate Policy [2017]	Framework for climate action. Integrates climate resilience and low-carbon growth into national planning and development.
Zimbabwe Environment Management Act [2002]	Establishes EMA. Regulates environmental protection, pollution control, and sustainable resource use.
Zimbabwe Environment Management Act Impact Assessment Regulations [2007]	Requires Environmental Impact Assessments (EIAs) for specified projects; provides procedures for approvals and compliance monitoring.
Zimbabwe National Forest Policy [2023]	Guides conservation, restoration, and sustainable management of forests; promotes community-based forestry and carbon sequestration.
SI48 of 2025 Carbon Trading General Regulations [2025]	Provides framework for carbon markets; regulates issuance, trading, and monitoring of carbon credits in line with global carbon pricing mechanisms.
Zimbabwe Vision 2030 [2018]	National development blueprint to transform Zimbabwe into an upper middle-income economy by 2030; emphasizes inclusive growth and sustainability.
Zimbabwe National Development Strategy 2 2025-2030 [TBA]	Successor to NDS1 (2021–2025), expected to embed deeper sustainability, climate resilience, and green growth objectives in medium-term planning.
Mines and Minerals Act [Chapter 21:05]	Governs exploration and mining; includes provisions for rehabilitation of mined land and environmental protection.
Public Procurement and Disposal of Public Assets Act [Chapter 22:23]	Requires procurement entities to consider environmental and social sustainability in tendering and asset disposal.



Companies and other business entities act [chapter 24:31]	Requires entities to report financial statements as per the PAAB requirements
SI 2019-041 Public Accountants and Auditors (Prescription of International Standards) Regulations, 2019	Outlines the reporting frameworks to be used in Zimbabwe

## 8. Conclusion and Call to Action

Zimbabwe's adoption of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) represents a transformative step toward achieving transparent, accountable, and sustainable corporate reporting. This roadmap provides a clear and practical pathway for entities to integrate sustainability into their governance, operations, and disclosure practices in alignment with international best standards.

Achieving this vision requires strong collaboration among all stakeholders — including regulators, professional bodies, preparers, auditors, investors, and civil society. Each has a vital role to play in ensuring that sustainability reporting in Zimbabwe goes beyond compliance to become a driver of responsible investment, innovation, and inclusive growth.

Through coordinated implementation, consistent communication, and shared commitment, Zimbabwe can position itself as a regional leader in sustainability reporting and a trusted destination for responsible capital. PAAB remains committed to providing the regulatory guidance, capacity development, and institutional support necessary to ensure the success of this journey.

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