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IMPLEMENTATION OF REPORTING ON WATER-USE EFFICIENCY IN THE CONTEXT OF SDG’S ATTAINMENT

Improvement of regulation and standardization in the area of water-use efficiency through the development of legislation on preparation of management report will enhance the usage of standards as a tool for policymakers, authorities, civil society, corporate entities and other stakeholders; transparency of information on water-use between countries, geographical regions, industries and undertakings. Also, this will increase the level of data transparency and openness, provided by countries, geographical regions, industries and entities; strengthen partnerships between standards bodies, policy makers, stakeholders and UN organizations.

In a post-industrial society, water-use exceeds the intensity and rate of use of all other natural resources. Thus it is necessary to provide and increase water-use efficiency at global, national and entity’s level. According to Food and Agriculture Organization of the United Nations (UN FAO AQUASTAT), the contemporary water consumption structure in Ukraine has significantly reoriented. For now, about 70% of all produced water is consumed by industry. There is a need to monitor the water-use made by industrial entities [1]. Implementation of recognised international initiatives in the area of standardisation of Sustainable Development Goals’ (SDG) attainment is the effective tool for solving the existing problem.

Recognised international initiatives in the area of sustainable development and non-financial reporting: United Nations Global Compact; Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings; Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups; Guidelines on non-financial reporting (methodology for reporting non-financial information, Communication from the European Commission 2017/C 215/01); Draft Guidance on Core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals; Global Reporting Initiative (GRI).

The summary of the specific impact of the mentioned above international initiatives on the implementation of reporting that provides the disclosure on water-use efficiency in the context of SDG’s attainment in Ukraine:

- in Ukraine the methodological and organisational support for preparation of management report disclosing the information on water-use efficiency by entity was developed in the context of application of the amendments made to the Law of Ukraine “On Accounting and Financial Reporting in Ukraine” [2];
- the general goal of the offered document is assistance of standardization of the report on management of the reporting under questions of stability in coordination with a monitoring system of Sustainable development goals and its indicators. The offered core indicators cover economic, ecological, social and managerial aspects of activity of the entities. Their disclosure by the entities in the management report is intended to promote transparency of information on economy, ecology and society and to identify possible risks and threats that are important for creation of the sustainable state;
- the developed document is based on recognised international recommendations in the area of sustainable development.

The core humankind problem is to provide water and enhance water-use efficiency. The solution of this problem is one of the targets to SDG 6 “Clean water and sanitation” [3]. The development of legislation on reporting through the disclosure of such information in entity’s reporting, in particular in management report, is the effective tool for attainment of the target and solving the problem. This will help to provide continuous monitoring of water resources, estimations of water-use by countries, geographic regions, industries and individual consumers. The identified issue is of particular importance in countries with economies in transition because of issues related to SDG's attainment. In this context, it is important for the governments of such countries to develop a specific legislation in the area of disclosure of such information in the context of the attainment of the SDG 6 “Clean water and sanitation” [3]. This will lead to increase the relevance and comparability of disclosed non-financial information on sustainable development; transparency and investment attractiveness of entities.

The offered initiative can be applied for development of the regulatory frameworks not only in Ukraine but also in the countries with economies in transition. This will enhance transparency, accountability, and public awareness of entities activities in the context of attainment of the SDG 6 “Clean water and sanitation”.

1. Food and Agriculture Organization of the United Nations: official website. URL: <http://www.fao.org/nr/water/aquastat/main/index.stm>. 2. The Law of Ukraine “On Accounting and Financial Reporting in Ukraine” (2018). URL: <http://zakon.rada.gov.ua/laws/show/996-14>. 3. Sustainable Development Knowledge Platform: Sustainable Development Goals. URL: <https://sustainabledevelopment.un.org/?menu=1300>