

## TERMS OF REFERENCE (TOR)

### **TRAIN-THE-TRAINERS PROGRAME FOR ECO MEMBER STATES ON SUSTAINABILITY REPORTING STANDARDS**

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## Abbreviations

Abbreviation	Full Form
UN	United Nations
CSRD	Corporate Sustainability Reporting Directive
ECO	Economic Cooperation Organization
ESRS	European Sustainability Reporting Standards
ISSB	International Sustainability Standards Board
ISO	International Organization for Standardization
IEC	International Electrotechnical Commission
IFRS	The International Financial Reporting Standards
WTO	World Trade Organization
SDGs	Sustainable Development Goals
KE	Key Expert
TL	Team Leader

## Background

The Economic Cooperation Organization (ECO), established in 1985, is an intergovernmental regional organization comprising 10 member states: Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan, and Uzbekistan. ECO aims to promote economic, technical, and cultural cooperation among its members, with a particular focus on increasing intra-regional trade and improving the well-being of its citizens.

In recent years, global concerns about climate change, resource depletion, and environmental degradation have led to an increased focus on sustainability across all sectors of the economy. This has resulted in the development of **new international standards for sustainability reporting and disclosure**. The ECO region, with its developing markets and appetite for increasing global exports, faces challenges and opportunities in aligning with these standards to address the new reporting requirements.

Importantly, **all ECO Member States are Signatories to the Paris Agreement<sup>1</sup>**, which commits them to ambitious goals in reducing greenhouse gas emissions and adapting to climate change. The ability to accurately measure, report, and verify sustainability-related information is crucial for these countries to meet their commitments under the Paris Agreement. **Sustainability reporting regulations and standards** play a critical role in this

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<sup>1</sup> [https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg\\_no=XXVII-7-d&chapter=27&clang=\\_en&\\_gl=1\\*1acbe2g\\*\\_ga\\*MjM5OTM3MDU1LjE3MzE4MzY2MjA.\\*\\_ga\\_TK9BQL5X7Z\\*MTczMTgzNjY1Ny4xLjEuMTczMTgzNjY1LjE3MzE4MzY2MjA..](https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-7-d&chapter=27&clang=_en&_gl=1*1acbe2g*_ga*MjM5OTM3MDU1LjE3MzE4MzY2MjA.*_ga_TK9BQL5X7Z*MTczMTgzNjY1Ny4xLjEuMTczMTgzNjY1LjE3MzE4MzY2MjA..)

aspect, providing a structured framework for tracking progress towards climate goals and identifying areas for improvement.

A critical aspect of these relatively new sustainability reporting frameworks is their far-reaching impact on global value chains. **Companies based in the ECO Member States, particularly those involved in export activities, must understand and comply with these standards even if they are not directly subject to them under their national laws.** For instance, if a cotton company in Pakistan is exporting to a textile company in the European Union (EU), it may be required to provide sustainability-related information to its EU-based client., who in turn needs this data to comply with EU reporting requirements in its own home country. This ripple effect of sustainability reporting standards makes it imperative for businesses across the ECO Region to be well-versed in these new requirements, regardless of their size or direct regulatory obligations.

This online training proposal is designed to support the objectives of sustainable development within the ECO Region, with a specific focus on sustainability reporting and disclosure standards. The training will primarily cover;

- The International Financial Reporting Standards<sup>2</sup> (IFRS) system, i.e. the IFRS Standards developed by the International Sustainability Standards Board (ISSB).
- The European Sustainability Reporting Standards (ESRS) System, i.e. the ESRS Standards developed by the European Union and made mandatory by the Corporate Sustainability Reporting Directive<sup>3</sup> (CSRD)

### **Main Subjects in the Area of Sustainability Reporting Standards**

- **The IFRS (International Financial Reporting Standards)**, developed by the International Sustainability Standards Board (ISSB), aim to provide a global baseline for sustainability-related financial disclosures. These standards are designed to meet the information needs of investors and other capital market participants, helping them assess a company's sustainability-related risks and opportunities. While IFRS standards are voluntary by nature, many governments around the world, including Canada, Japan, United Kingdom, Brazil, Australia and Singapore have either adopted or are in the process of adopting IFRS-based national sustainability reporting regulations. **IFRS Standards require the reporting company to report all material sustainability-related risks and opportunities along the entire value chain.**
- The Corporate Sustainability Reporting Directive (CSRD), is the official regulation of the European Union which mandates covered companies to report sustainability-related disclosures in a wide range of environmental, social and governance topics. The 12 European Sustainability Reporting Standards (ESRS) have a much more broad and in-depth scope compared to IFRS. Importantly, the CSRD's requirements extend to

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<sup>2</sup> <https://www.ifrs.org/>

<sup>3</sup> [https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting\\_en](https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en)

the entire value chain of reporting companies, potentially affecting suppliers and partners in non-EU countries, including those in the ECO region.

- The Global Reporting Initiative (GRI), on the other hand, has been used as the major voluntary sustainability reporting framework for private sector companies around the world for over two decades. Therefore the proposed training will include a short section explaining the GRI system with emphasis on its similarities and differences with the CSRD and ISSB frameworks.

By enhancing the understanding and capacity to implement these international sustainability reporting frameworks, the online training program aims to help prepare ECO Member States and their business communities to align themselves with global and standardized sustainability reporting practices. This will help businesses in the ECO region increase their social reputation, secure their place in global value chains, attract international investments and contribute to the achievement of sustainable development goals.

### **Basis for Action**

The ECO Regional Quality Policy<sup>4</sup> highlights the importance of sustainability, and recognizes the harmonization and alignment of standards as a tool to:

- Reduce the consumption of materials and energy resources,
- Improve labour protection, health protection and safety, and
- Improve environmental protection, among others.

This online training program on sustainability reporting directly supports these objectives of the ECO Regional Quality Policy.

By providing ECO Member States with the knowledge and skills to implement international sustainability reporting standards, the program will contribute to improved environmental management, resource efficiency, and social responsibility across the region. The standardized reporting frameworks covered in this training will enable businesses to measure and disclose their sustainability performance more effectively, leading to better decision-making and more sustainable practices. Furthermore, this initiative aligns with the ECO Regional Quality Policy's aim to harmonize standards and reduce technical barriers to trade, as it will help ECO Member States and their businesses to meet the evolving sustainability requirements of international markets, particularly the European Union.

### **Aims and objectives**

The primary purpose of this online training program is to enhance the capacity of ECO Member States in sustainability reporting and disclosure, as required by the two

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<sup>4</sup> <https://eco.int/wp-content/uploads/2024/06/00-FINAL-Regional-Quality-Policy-English-from-UNIDO.pdf>; pages 17-18.

international sustainability reporting frameworks; namely the ISSB's IFRS standards and the EU's CSRD framework and ESRS standards.

The main aim of the training program is to train trainers for each ECO Member State to improve their professional development regarding the principles and practices of sustainability reporting according to said frameworks.

The training program addresses specific gaps in knowledge and skills related to sustainability reporting. These include understanding the technical requirements of IFRS and ESRS standards, implementing effective data collection and reporting procedures, and managing the complexities of sustainability disclosures across entire value chains. By bridging these gaps, the program will help to establish more consistent and reliable sustainability reporting processes across the ECO region.

Furthermore, this training initiative seeks to enhance economic cooperation among ECO Member States by creating a common understanding and approach to sustainability reporting. The program will facilitate compliance with international requirements, reduce potential barriers to trade, and promote the region's competitiveness in global markets where sustainability performance is increasingly scrutinized and reporting is becoming mandatory.

Importantly, the purpose of this training extends to supporting ECO Member States in meeting their commitments under the Paris Agreement. By building capacity in sustainability reporting, the program will enhance these countries' ability to measure, report, and verify their progress towards climate goals, thereby supporting their broader sustainable development objectives.

Ultimately, the purpose of this training program extends beyond the trainers' individual skill development and support the broader economic and environmental goals of the ECO. By improving the sustainability reporting infrastructure in the region, the program aims to boost investor confidence in the ECO region, open new market opportunities, and contribute to climate change mitigation efforts.

### **Short-Term Goals & Objectives:**

The short-term goals and objectives of the train-the-trainers programme are to train:

1. 2 (two) trainers from each national financial regulatory bodies or relevant government departments authorised to regulate sustainability reporting practices,
2. OPTIONAL: 2 (two) trainers representing Non-Governmental Organizations that are officially recognized by national government administrations and organized to disseminate regulatory information in the area of environmental protection and sustainability practices.
3. If an ECO Member State does not nominate the participation of an NGO as such, Member States may nominate up to 4 (four) trainers in total from national financial regulatory bodies or relevant government departments.

The project also aims to conduct a preliminary assessment of each participating country's current level of sustainability reporting practices and readiness to adapt to IFRS Sustainability Disclosure Standards and CSRD requirements.

#### **Long-Term Goals & Objectives:**

1. Develop a core group of senior trainers in each ECO Member State capable of training other experts in the government administrations and other regulatory bodies, and implementing and overseeing sustainability reporting processes aligned with IFRS Sustainability Disclosure Standards and/or CSRD requirements.
2. Facilitate the establishment of recognized sustainability reporting systems in ECO Member States based on international best practices.
3. Enhance the capacity of ECO Member States to participate effectively in international discussions and standard-setting processes related to sustainability reporting.
4. Support ECO Member States in developing national sustainability reporting frameworks that align with international standards while addressing local contexts and priorities.
5. Improve the ability of businesses in ECO Member States to meet the sustainability reporting requirements of their international partners and customers, particularly those in the European Union.

#### **Impact, Outcome & Outputs**

##### **The project's impact and outcomes are:**

- Increased intra-regional integration regarding sustainability implementation practices and quality infrastructure, resulting in increased competitiveness in the global market.
- Trainers will gain improved knowledge of IFRS and the ESRS sustainability reporting frameworks.
- Trainers will see examples and best practices in applying IFRS-based sustainability reporting standards in a national context. They will understand the requirements for sustainability reporting under international standards and the steps needed to implement them in their organizations.
- A 'Preliminary Assessment Report' will be produced to outline the current status in the ECO Member States concerning sustainability reporting practices and readiness for compliance with existing international frameworks.
- Enhanced regional cooperation in sustainability reporting, potentially leading to harmonized practices among ECO member states.

# **Terms of Reference for Contractor to provide Consultancy Service for Study**

**Table: Brief project profile**

1. Basic data		Project Code: TI/Investment/SSP/2025	
Project title	Train-The-Trainers Programme For ECO Member States on Sustainability Reporting Standards	Directorate	Trade and Investment
Short title	J.I.S.		TI/I/SSP4-2021
Project Activity	(a) Development of Trainers’ Toolkit (b) Delivery of Train the Trainers Programme	Executing Agency	ECO Secretariat
Modality	“Functional Methodology of ECO”		
Focus Countries		ECO Member States	Project Participants
			ECO Member States and RISCAM
2. Sector		Subsector	Investment
Trade		Goods and Services	NA
3. Operational Targets: Development of standardization toolkit Delivery of Train the Trainers Programme			
4. Risk Categorization		Low	ECO does not have project risk-related policy.
5. Safeguard Policies		ECO Contingency Policy in the form of selected provisions does not apply.	
6. Financing Sources			
ECO Secretariat		GRF to support Consultancy Service	
Project Coordinator		ECO Secretariat	
Project participating countries		All Member States	
Co-financing (amount)		Nil	
Counterparts		Nil	
Co-partner financing		Nil	

The Contractor will deliver its outputs according to the following structure:

**Activity 1:** Preparation of a tool-kit, which will be delivered to the trainees for use in their own training programmes, including guidance and recommendations on how trainings at the national level should be planned, organized and executed, as well as a series of training documents (presentations, case studies, exams, evaluation sheets, etc.) to help the trainees develop their own training programmes in their respective countries.

**Activity 2:** Preparation of materials for the train-the-trainer programme, and the delivery of the trainings.

**Activity 3:** Reporting.



## The Output of the programme is:

Table: Outputs expected from Consultancy Service

Outputs	Description
<b>Output 1</b>	Preparation of Train-the-Trainer Tool-kit (including case studies)
Output 2.1	Preparation of presentations and online delivery material <sup>5</sup>
Output 2.2	Delivery of training (Indicative 3-day training programme below)
Output 3	Delivery of Report, including a Preliminary Analysis of the ECO Member States' Sustainability Reporting Training Needs

### INDICATIVE 3-DAY TRAINING PROGRAMME

The training will be conducted online, over 3 (three) days and will incorporate lectures, discussions, and case studies:

#### Day 1: Introduction & IFRS System

##### Morning

- The Concept of Sustainability: Its history, meaning and other sustainability-related concepts
- Recent international developments in the field of sustainability reporting
- Overview of major sustainability reporting frameworks: The ISSB (IFRS), CSRD (ESRS) and GRI frameworks
- Introduction to the ISSB (IFRS) System

##### Afternoon

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures
- IFRS/SASB Sectoral Standards
- Overview of IFRS based national sustainability reporting regulations and case studies from Türkiye, Australia, Japan, Canada and Singapore
- Wrap up and delivery of essays & assignments.

#### Day 2: The CSRD System

##### Morning

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<sup>5</sup> Delivery material will also include a digital copy of the policy paper titled "Regional Quality Policy for the ECO Region", March 2016, drafted under the UNIDO-ECO Cooperation Project.

- Introduction to the CSRD (ESRS) System & the Corporate Sustainability Due Diligence Directive
- The overall structure of CSRD and ESRS standards
- Key disclosure topics from
  - ESRS 1 & 2 on General Disclosures

#### Afternoon:

- ESRS E1, E2, E3, E4 & E5 on Environmental disclosures
- ESRS S1, S2, S3 & S4 on Social disclosures
- ESRS G1 on Governance disclosures
- Implication of CSRD for ECO member states' businesses
- Wrap-up and delivery of essays & assignments

### **Day 3: Implementation and Best Practices**

#### Morning

- From the business side: Case studies from sustainability reports
- From the government side: Case studies from government authorities responsible for sustainability reporting regulations (for example, the Public Oversight Authority from Türkiye)

#### Afternoon

- Roundtable Discussion (possibly an international conference/panel broadcasted on Youtube): How prepared are we to make the sustainability shift? What are possible next steps for the ECO region, and for individual member states?

## **Implementation Arrangements, Methodology, Approaches**

### **THE PROJECT TEAM:**

The wider project team comprises:

- **The ECO Secretariat** and resource staff who will supervise the Consultants and also act as intermediaries for communication and administrative purposes.
- **The Consulting Team**, comprising two senior consultants (**KE1/Team Leader** and **KE2/Trainer**) to be contracted under this project, who are responsible for carrying out the work defined in this document.

The Consultants responsible for the successful planning, implementation, and evaluation of the 3-day training program will consist of experts and professionals with a wealth of experience and knowledge in sustainability processes, policies, and practices. As such, the services of two senior experts are required for the implementation of this project's activities.

The minimum experience and qualifications of these experts are defined below:

**1. Key Expert 1 / Team Leader:** An experienced professional with a strong background in project management, international trade, and standardization, the TL will be responsible for overseeing the project's overall progress and ensuring that all activities are completed on time and within budget. They will coordinate with all project partners and stakeholders, ensuring effective communication and collaboration throughout the project's duration.

The TL will be responsible for the overall communications and administration of the Consulting Team and communications with ECO secretariat, relevant Member States and participants. S/he will also contribute to the trainings and prepare the final report of the trainings. The minimum criteria for the TL is:

- Masters' degree or equivalent in social sciences, law or related technical fields, with minimum 10 years of overall work experience, or M.Phil/PhD with minimum 5 years of overall work experience,
- At least 5 years experience in the field of sustainability, sustainability reporting and other fields related to quality infrastructure,
- Experience in delivering trainings on sustainability reporting standards,
- Experience in delivering trainings in an inter-governmental setting,
- Expertise working with/for national and international organisations/bodies is an asset,
- Excellent command of written and spoken English.

**2. Key Expert 2 / Trainer:** This expert must have considerable background in international trade, and sustainability standards and reporting. S/he will develop and deliver the training program's content and the tool-kit, in cooperation with and under the supervision of the TL. S/he will share their knowledge and expertise on various aspects of sustainability, ensuring that the training program is comprehensive, relevant, and up-to-date.

KE 2 will be the lead trainer, responsible for the delivery of the training programme and will operate under the supervision of the TL and ECO Secretariat. The minimum criteria for the KE2 are listed below:

- Masters degree or equivalent in social sciences, law or related technical fields along with minimum 5 years of overall work experience; or BA degree or equivalent in social sciences, law or related technical fields along with minimum 10 years of overall work experience,
- At least 15 years of experience in the field of EU and global product and service standards and regulations, sustainability-related regulations and standards, incl. sustainability reporting,
- Expertise working with national and international organizations,
- Experience delivering trainings in an inter-governmental setting,
- Excellent command of written and spoken English

By assembling a skilled project team with this specific background in the field and training experience, the project will ensure the effective planning, implementation, and evaluation of the 3-day sustainability reporting train-the-trainer program, ultimately contributing to the enhancement of sustainability capacities in ECO Member States.

## COOPERATION WITH PROJECT STAKEHOLDERS/PARTNERS:

The success of the project relies on the effective engagement and collaboration of various stakeholders and partners, who will play crucial roles in the planning, implementation, and evaluation of the 3-day sustainability reporting training program. Key partners include:

1. **ECO Secretariat:** As the owner and the main beneficiary of the Project and the overarching organization promoting economic cooperation among its Member States, the Secretariat will supervise the Contractor's work, and provide overall guidance, coordination, and support for the project.  
The Secretariat's involvement ensures that the project aligns with its strategic goals and objectives, and effectively addresses the technical / regulatory needs of its Member States. ECO Secretariat will also play a crucial role in communicating with Member States. The Secretariat is responsible for the approving the final report.
2. **Ministries and/or National Regulatory Bodies of ECO Member States:** These entities will play a critical role in identifying and nominating participants for the training program, ensuring that the right individuals with relevant expertise and responsibilities – which include providing awareness raising and training activities on sustainability in their respective countries – are selected. They will also provide valuable input and insights on the specific sustainability challenges and priorities faced by their respective countries, enabling the training program to be tailored to address these needs effectively.
  - Ministry of Trade/Commerce and/or Ministry of Environment and/or Ministry of Finance, and
  - National regulatory bodies in the area of financial / sustainability reporting in ECO Member States, and
  - OPTIONAL: The Non-Governmental Organizations that are officially recognized and nominated by national government administrations. These NGOs should be organized to disseminate national regulatory information in the area of environmental protection and sustainability practices. Ministries of ECO Member States and/or National Regulatory Bodies may nominate the participation of NGOs as such.

## TIMELINE

Train the Trainers Programme for ECO Member States on International Standards and International Standardisation	MONTHS		
	1	2	3
Inception Report/Final Work Plan			
<b>Activity 1</b>			
1.1 Preparation of the train-the-trainer toolkit			
<b>Activity 2</b>			
2.1 Preparation of the training materials			
2.2 Delivery of the train-the-trainers session			
<b>Activity 3</b>			
3 Reporting			

## Milestones

1. Contract signing & Kick Off (half-day meeting)
2. Finalization of training program
3. Training programme sent to ECO Member States
4. Correspondance and coordination with Member States, and the confirmation of participants **(up to 4 (four) trainers from each ECO Member State)**
5. Completion of training materials and case studies
6. Successful delivery of 3-day training
7. Final Questionnaire circulated
8. Evaluation and Analysis
9. Submission of final report

Each day of the 3-day training will focus on specific aspects of sustainability reporting, with participants expected to complete and submit case studies daily to receive their certificates.

### **Payment Schedule:**

Invoices for payments may be submitted as and when completed but indicative delivery dates are advised as below. Completion of all deliverables is expected to last within **three (3) months**. The below payment schedule (Table-9) and the workload breakdown follows the ECO practices as customized for similar studies that were fulfilled by Consultancy Services of the ECO Secretariat.

**Table 9: Payment schedule for Contractor**

<b>No</b>	<b>Payments of consultancy fees</b>	<b>Targeted (Indicative) Deliverables Date</b>	<b>Outputs and Deliverables</b>
1.	30% of total contract value	At Commencement of Contract	
2.	30% of total contract value	At the end of the first month	Inception Report and Final Work Plan
3.	40% of total contract value	After Project Completion	Trainers' Toolkit  Training Materials ( <i>Training Programme, Presentations in PDF format, case studies, and other reading materials</i> )  Report ( <i>including Preliminary and Final Questionnaires, Participants' Responses,</i>

