insaf

Institute for Sustainability Africa

JANUARY 2026 EDITION

INSAF

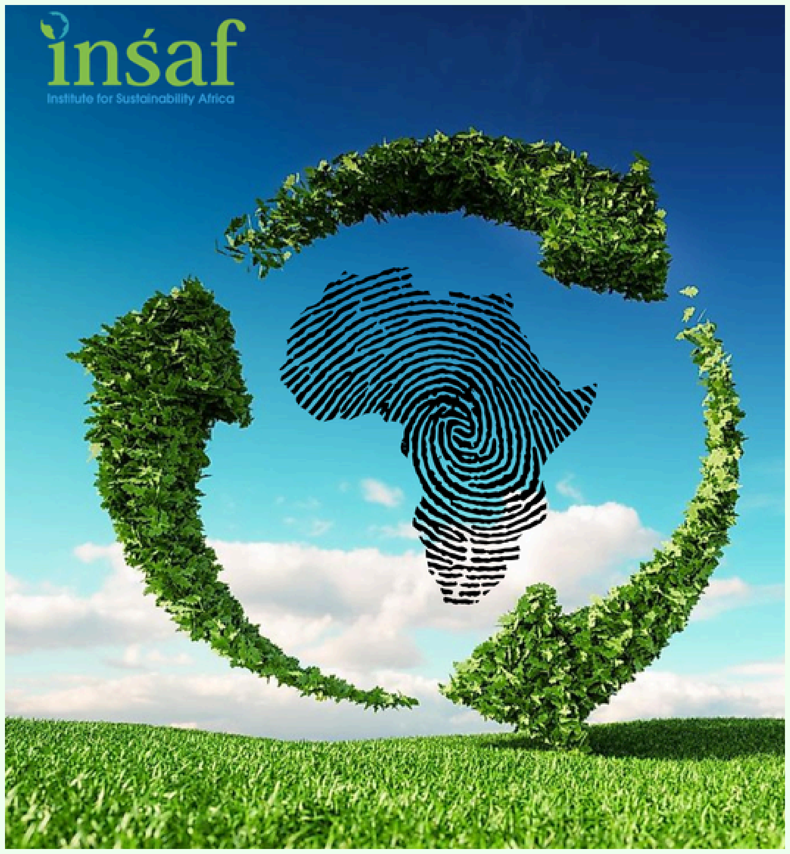
MONTHLY NEWSLETTER.

Sustainabilty Reporting

Sustainability Advisory.

Sustainability Training.

We Make Sustainability Happen!



New Year, Better Sustainability Goals: Advancing Sustainability Initiatives In Africa

Happy New Year! As 2026 begins, let’s move beyond fleeting resolutions and commit to goals to make sustainability across Africa. We're not talking pie-in-the-sky dreams; think practical action wins that boost businesses, communities, and our planet. As INSAF, we've seen organisations in Africa transform "sustainability" from buzzword to strategy, and business model. Industry leaders are recognizing the necessity of implementing sustainable practices, not just for compliance but competitive advantage and new business opportunities. For instance, the increasing demand for clean energy, some businesses have ventured into the renewable energy such as biogas, solar energy, and mini-hydro power stations.
Countries like Kenya and South Africa are leading the charge with innovative solutions such as wind and solar power. Companies that invest in sustainable practices are not just doing good, they're also reaping financial benefits, from improved efficiency to enhanced brand loyalty and attracting investors. Organizations in the manufacturing industry, for example, can benefit by investing in renewable energy through transitioning to clean energy sources and circular economy efficiency. This is not only an ethical choice but also a smart business decision that can lower costs and improve operational efficiency.

Sustainability is not a solo gig but collective effort across the organisation. As INSAF, we partner with organizations in different industries and help them attain their sustainability goals. Our purpose as INSAF is simple: ‘make sustainability happen’ but built on our experience and expertise. Our mission being to help our stakeholders achieve their sustainability goals because we make it our purpose’. This mission is even more critical as the world faces climate change, resource depletion, and social inequalities; the call for sustainability has never been more urgent. Africa, with its rich ecosystems and diverse cultures, is home to a wealth of natural resources. Therefore, prioritizing sustainability can create economic opportunities while safeguarding the environment and society

As we welcome 2026, let us tackle sustainability with passion and purpose, not just as a passing trend but as a way of life. The call for sustainability is no longer optional; it is essential for Africa’s future. Partner with INSAF in advancing sustainability initiatives for Africa, together we can turn resolutions into action with key results and impacts, for businesses, communities, and our shared future.

Sustainability Reporting Conference: Where Sustainability Meets Finance

The Institute for Sustainability Africa (INSAF) proudly invites you to this premier event taking place from 26-27 March 2026 at the Great Zimbabwe Hotel, Masvingo.

The conference brings together audit and finance professionals, sustainability experts, industry leaders, public sector practitioners to explore innovative strategies for integrating sustainability into financial practices. Attendees will gain insights into global trends, regulatory frameworks, and practical approaches to sustainable finance.

Why Attend?

• Gain essential knowledge on regulatory compliance for sustainability reporting

• Unlock financing for circular economy projects via green bonds and climate risk tools

• Get knowledge on how to integrate ESG principles and impact investing into your portfolio

• Network with top banks, investors, policymakers, and sustainable finance innovators

• Enhance your ESG expertise for transformative growth in sustainable finance

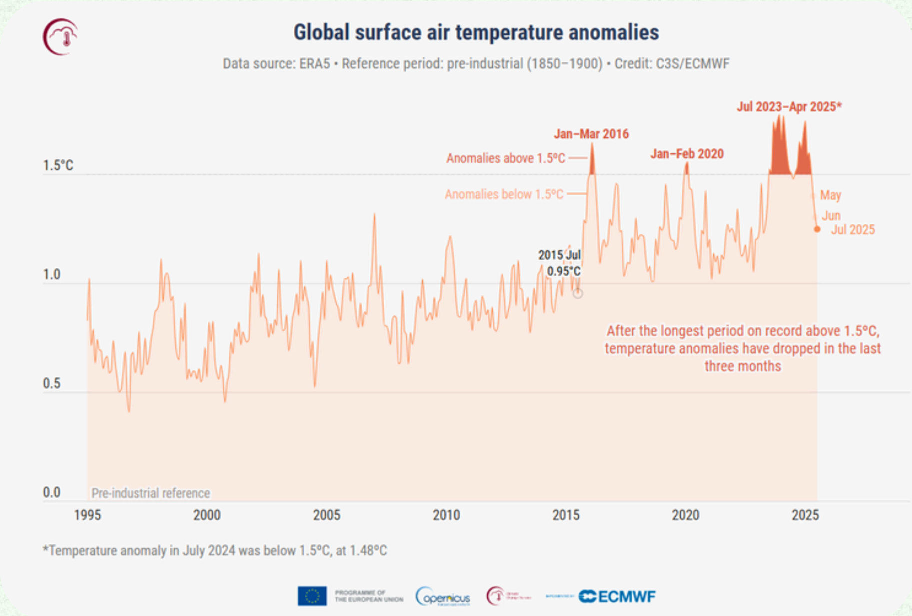
Click the registration link: https://forms.office.com/Pages/ResponsePage.aspx?id=FAwo_PF7WEm-AJSYulvLfnfD2CGR68VDq7VilbtVCApUNzdlTjEwWlhMTFFOUVpON1ZER01NQTEwVS4u

Elevate your expertise with INSAF! “Invest Sustainably. Ignite Growth”

SUSTAINABILITY DEVELOPMENT COLUMN

insaf
Institute for Sustainability Africa

Sustainability news around the globe......



CLIMATE IMPACTS INTENSIFY

The latest Climate Bulletin by the Copernicus Climate Change (C3S) service confirms that July 2025 was +1.25°C above the pre-industrial baseline (1850–1900). It was only the fourth month in the past 25 months with a global-average surface air temperature below the 1.5°C threshold set by the Paris Agreement. Although global temperature records have eased slightly, climate-related events such as heatwaves, floods and wildfires heavily affected some regions worldwide in July, leading to significant health impacts, loss of life and damages...Read more https://climate.copernicus.eu/third-warmest-july-globally-extreme-climate-events-continue

Kenya Advances Direct Air Carbon Capture

On July 18, 2025, engineers in central Kenya began using geothermal steam to capture carbon dioxide directly from the air, scaling up direct air capture technology as a potential solution to combat climate change. The project leverages Kenya's geothermal resources for sustainable carbon removal. Read more...https://turritopsis.org/en/harnessing-geothermal-steam-kenyas-bold-leap-in-direct-air-capture/

IFRS S1: A Technical Deep Dive into the General Requirements for Sustainability-Related Financial Disclosures

This article offers a detailed technical analysis of IFRS S1, examining its structure, core requirements, and implications for preparers and users of general-purpose financial reports.

The primary objective of IFRS S1 is to require entities to disclose information about sustainability-related risks and opportunities that is useful to primary users existing and potential investors, lenders, and other creditors of general-purpose financial reports in making decisions related to providing resources to the entity. The standard emphasizes that an entity's ability to generate cash flows is inextricably linked to its interactions with stakeholders, society, the economy, and the natural environment throughout its value chain.
In terms of scope, IFRS S1 applies to all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance, or cost of capital over the short, medium, or long term, while excluding matters that could not reasonably be expected to affect the entity's prospects. It may be applied irrespective of whether the entity's financial statements are prepared under IFRS or other GAAP, and while it uses terminology suitable for profit-oriented entities, not-for-profit entities may need to adapt descriptions to fit their context.

IFRS S1 aligns with the Conceptual Framework for Financial Reporting and establishes clear qualitative characteristics for useful sustainability-related financial information. The fundamental characteristics include relevance where information must be capable of making a difference in users' decisions through predictive or confirmatory value and faithful representation, requiring information to be complete, neutral, and accurate. Enhancing characteristics encompass comparability, verifiability, timeliness, and understandability, all of which are detailed in Appendix D of the standard. These characteristics guide the preparation and presentation of disclosures, ensuring that the information provided is both reliable and decision useful.

The standard mandates disclosures across four core content areas, often referred to as the "four pillars." Under governance, entities must disclose information about the governance processes, controls, and procedures used to monitor and manage sustainability-related risks and opportunities, including the identification of responsible governance bodies, how responsibilities are reflected in mandates, and how sustainability is integrated into strategy and risk management.

Regarding strategy, entities must disclose their approach to managing sustainability-related risks and opportunities, including descriptions of identified risks and opportunities, their time horizons, effects on the business model and value chain, and the resilience of the strategy to such risks. For risk management, entities must disclose the processes used to identify, assess, prioritize, and monitor sustainability-related risks and opportunities, including inputs, parameters, and the use of scenario analysis. Finally, under metrics and targets, entities must disclose the metrics used to measure performance, targets set or required by law or regulation and ensure consistency in metric definition and calculation over time.

Materiality is a central concept in IFRS S1, where information is considered material if omitting, misstating, or obscuring it could reasonably be expected to influence the decisions of primary users. Materiality is entity-specific and based on the nature, magnitude, or both of the information in the context of the entity's sustainability-related financial disclosures. Fair presentation requires that a complete set of sustainability-related financial disclosures present fairly all material sustainability-related risks and opportunities, necessitating the disclosure of relevant information and faithful representation, along with additional information if compliance with specific requirements is insufficient for user understanding.

Entities must also provide connected information, enabling users to understand the linkages between various sustainability-related risks and opportunities, between disclosures on governance, strategy, risk management, and metrics and targets, and between sustainability disclosures and other general purpose financial reports such as financial statements. Furthermore, sustainability-related financial disclosures must be for the same reporting entity as the related financial statements, ensuring consistency and comparability across reports.

In terms of practical application, disclosures may be included in management commentary, integrated reports, strategic reports, or separate sustainability reports, provided they are cross-referenced and accessible. Sustainability-related financial disclosures must be reported at the same time and cover the same reporting period as the related financial statements. Comparative information for the preceding period must be disclosed for all amounts, narrative, and descriptive information, unless otherwise permitted or required by another standard.

To identify sustainability-related risks and opportunities and applicable disclosure requirements, entities must refer to IFRS Sustainability Disclosure Standards, SASB Standards for disclosure topics and metrics, CDSB Framework Application Guidance for water and biodiversity, and other standard-setting bodies such as GRI and ESRS, to the extent they do not conflict with IFRS Standards. This multi-source approach ensures that entities can draw on relevant guidance while maintaining consistency with global benchmarks.

IFRS S1 becomes effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. Transition reliefs include the option to report sustainability disclosures after financial statements in the first year, the option to disclose only climate-related information in the first year using IFRS S2, and no requirement to provide comparative information in the first year. These reliefs are designed to facilitate a smoother implementation process for entities adopting the standard for the first time.

The standard includes several appendices that provide essential guidance. Appendix A defines key terms such as business model, value chain, and material information. Appendix B offers detailed application guidance on materiality, connected information, cross-referencing, and more. Appendix C outlines additional sources of guidance, including GRI and ESRS. Appendix D elaborates on the qualitative characteristics of useful sustainability-related financial information, and Appendix E covers the effective date and transition provisions.

In conclusion, IFRS S1 represents a significant step towards global harmonization of sustainability-related financial reporting. By establishing general requirements grounded in the principles of financial reporting, it aims to provide decision-useful, comparable, and reliable information to capital market participants. Entities preparing to adopt IFRS S1 should focus on integrating sustainability into governance and risk management, developing robust processes for identifying and assessing material sustainability risks and opportunities, ensuring connectivity between financial and sustainability disclosures, and building internal capabilities for data collection, measurement, and reporting. The standard is intended to be used alongside future IFRS Sustainability Disclosure Standards, creating a scalable and consistent framework for sustainability reporting worldwide.

INSAF Advisory

insaf

Institute for Sustainability Africa

Our Purpose

Make Sustainability Happen

Our Vision

Advancing Sustainability Initiatives for Africa

Our Mission

Help our stakeholders achieve their sustainability goals because we make it our purpose.

65 Whitwell, Borrowdale West, Harare, Zimbabwe
+263 242 796 501 / 0778 357 714
admin@insafrica.org.zw
institutesaf@gmail.com
www.instforsustainafrica.org