

New certifications for accountants to drive green manufacturing

Move to equip them with skills to help firms with sustainability reporting and standards

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Accountants and finance professionals are to play a bigger role in driving environmental sustainability in the manufacturing sector with new certifications to ensure that they have the skills to help firms with sustainability reporting and standards.

This is part of a slew of initiatives launched by the Institute of Singapore Chartered Accountants (ISCA) on Nov 29 at a conference held at Marina Bay Sands.

Adapting and translating global trends to accountancy work is important, said Second Minister for Finance Indranee Rajah at the conference.

“As the green momentum picks up, there will be increasing demand for accountants to provide assurance on sustainability disclosures and help companies to mitigate climate-related risks,” she said.

“Accountants are already well versed in reviewing finances of companies, so there is a natural progression to build new capabilities and expand your stewardship role to include sustainability issues.”

They will have their work cut out for them. According to the results of a study on the role of accountancy in the manufacturing sector launched on Nov 29, only 37 per cent of the manufacturing firms it looked at have implemented sustainability initiatives.

The joint study by ISCA, the Sin-

gapore Manufacturing Federation (SMF), Deloitte and the Singapore Management University (SMU) also found that only 21 per cent of the firms studied have done sustainability reporting.

But this is set to change in the next few years, with 70 per cent of the companies saying that they have begun some form of sustainability transformation.

The data was obtained through a survey of 115 manufacturing companies, one-on-one interviews with senior executives from 20 companies, and focus group sessions.

The study also examined the skill sets needed for sustainability transformation in the manufacturing sector, which include sustainability data management and impact measurement, and sustainability risk management.

To this end, ISCA launched two new sustainability certifications.

The first – the sustainability professional certification – is for pro-

fessionals who are supporting their organisations in sustainability reporting, as well as those interested in kick-starting the decarbonisation journey for their organisations, ISCA, Deloitte, SMF and SMU said in a joint statement.

The second – the sustainability assurance professional certification – targets accountants who are involved in providing assurance in sustainability reports, so that they have essential knowledge of assurance standards.

ISCA president Teo Ser Luck said: “As the business landscape takes a profound shift towards ensuring sustainable practices, accountants are increasingly positioned as key anchors in driving this transformation.”

“Our joint study reinforces the notion that accountancy and finance professionals are well placed to upskill themselves with the relevant skill sets which will stand them in good stead to steer sustainability transformation in compa-

nies, including those in the manufacturing sector.”

The report also recommended ways for manufacturers to drive sustainability, such as having a chief financial and sustainability officer, integrating sustainability considerations into their current operations and assessing supply-chain opportunities and risks.

SMF president Lennon Tan said the study highlights the critical role of sustainability in advancing Singapore’s manufacturing sector, adding that SMF has initiatives like the upcoming green manufacturing mark.

“These efforts, along with the pivotal contribution of accountancy and finance professionals, are key to driving our sector towards a sustainable and innovative future,” he said.

In her speech, Ms Indranee said that besides sustainability, other global trends like artificial intelligence can be adapted to accountancy work.

ISCA has set aside \$2 million to fund its AI initiative for the accountancy sector, to see how the technology can be used to improve the profession, she announced.

Building a sustainable talent pipeline remains vital to ensure that the profession continues to thrive, she added.

To make the profession more inclusive to different types of talent, local polytechnic graduates no longer need to have an advanced diploma in accountancy to apply for the Singapore Chartered Accountant Qualification.

The qualification will also be open to non-accountancy polytechnic graduates, which means that those from other fields such as business management or even engineering can pursue the qualification.

It will also be easier for candidates to fulfil the practical experience aspect of the qualification, with more weightage given to their prior experience.

At the event, ISCA also launched a professional accountancy hub with 13 local and global partners for greater collaboration between professional accountancy and business services organisations.

This will bring together resources, expertise and networks to develop joint initiatives that can strengthen the sector’s growth, Ms Indranee said.

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