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Sustainability accounting in Ghana: Conceptual foundations, regulatory evolution, and prospects for a resource-dependent economy

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Abstract

This paper reviews sustainability accounting in Ghana, a resource-dependent, climate-vulnerable economy transitioning from voluntary practice toward mandatory disclosure under the IFRS Sustainability Disclosure Standards from January 2027. Adopting an integrative, narrative review, it combines a documentary analysis of the principal instruments issued by the Bank of Ghana, the Ghana Stock Exchange, the Securities and Exchange Commission, and the Institute of Chartered Accountants Ghana with a synthesis of the scholarly and practitioner literature on sustainability and environmental disclosure in Ghana and Sub-Saharan Africa, interpreted through the complementary lenses of legitimacy, stakeholder, and institutional theory. Ghana has assembled a comparatively advanced architecture spanning banking, capital markets, insurance, and the accountancy profession; yet practice remains predominantly voluntary, narrative, and legitimacy-oriented, concentrated among large and environmentally sensitive firms, with limited comparability, thin assurance coverage, and persistent capacity constraints. The coherence of requirements across multiple regulators emerges as a central implementation challenge. For regulators, the priorities are harmonisation and enforcement capacity; for firms, early adoption and cross-functional data governance; for the accountancy profession, sustained investment in preparer and assurer competence. In a setting shaped by mining-related degradation and climate vulnerability, credible sustainability accounting can strengthen corporate accountability and advance the Sustainable Development Goals, provided disclosure moves beyond legitimation toward substantive measurement. The paper consolidates a fragmented literature and sets a research agenda for an early African adopter of the global sustainability reporting baseline.

Keywords: Sustainability Accounting, ESG Disclosure, Sustainability Reporting, IFRS S1 and S2, Legitimacy Theory, Ghana

JEL Classification: M14, M41, Q56, G38

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1. Introduction

Over the past three decades, the boundaries of corporate reporting have been progressively redrawn. Where the annual report once spoke almost exclusively in the language of financial performance, it is now expected to account for an organisation's environmental footprint, its treatment of workers and communities, and the quality of its governance. This broadening reflects a deeper recalibration of the relationship between business and society: the recognition that the long-run viability of a firm cannot be separated from the social and ecological systems in which it is embedded (WCED, 1987; Gray et al., 1996). Sustainability accounting is the field of practice and scholarship that gives institutional form to this recognition, concerning itself with how organisations identify, measure, manage and communicate the economic, environmental and social consequences of their activities. The momentum behind sustainability accounting has accelerated sharply in recent years. Institutional investors managing trillions of dollars now screen portfolios for ESG performance; lenders increasingly price climate and transition risk; and a fragmented landscape of voluntary frameworks is consolidating around a single global baseline following the International Sustainability Standards Board's issuance of IFRS S1 and IFRS S2 in June 2023 (IFRS Foundation, 2023). For firms everywhere, sustainability information is migrating from the margins of the corporate communications function toward the core of mainstream, investor-grade reporting, with the same expectations of rigour, governance and assurance that attach to financial statements.

For Ghana, these developments are neither remote nor merely aspirational. The Ghanaian economy is anchored by sectors—gold and other minerals, oil and gas, cocoa and agriculture, and a rapidly evolving financial system—whose activities generate material environmental and social externalities. The persistence of illegal small-scale mining (popularly, "galamsey"), with its attendant deforestation, mercury contamination and degradation of water bodies, has elevated environmental accountability to a question of national salience. At the same time, Ghana is highly exposed to climate variability that threatens agricultural livelihoods and infrastructure (Sabogu et al., 2020; Nassè et al, 2025), and the country has committed to the United Nations Sustainable Development Goals and the Paris Agreement. In this setting, sustainability accounting is not only a matter of capital-market competitiveness but also a potential instrument of environmental governance and developmental policy. Ghana's institutional response has been notably rapid and, in the African context, comparatively advanced. Within little more than half a decade, the Bank of Ghana introduced the Ghana Sustainable Banking Principles (2019) and a Climate-Related Financial Risk Directive (2024); the Ghana Stock Exchange published an ESG Disclosures Guidance Manual (2022); the Securities and Exchange Commission embedded ESG dimensions in its Corporate Governance Code for listed companies (2020); and, most significantly for the accountancy profession, the Institute of Chartered Accountants, Ghana approved a phased roadmap in 2024 for adopting the IFRS Sustainability Disclosure Standards, moving from voluntary application toward mandatory disclosure for significant public-interest entities from

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January 2027 (Institute of Chartered Accountants, Ghana, 2024). Ghana is therefore transitioning from an era of essentially voluntary, discretionary disclosure toward one of standardised, enforceable, investor-focused reporting.

Yet the existence of an enabling architecture does not guarantee substantive practice. Empirical evidence indicates that, historically, sustainability and environmental disclosure by Ghanaian firms has been low in volume, uneven in quality and concentrated among large and environmentally sensitive entities (Welbeck et al., 2017). The scholarship on the subject, moreover, remains fragmented across disclosure studies, sector analyses and practitioner surveys, and has yet to be synthesised against the backdrop of the country's new regulatory trajectory. There is, accordingly, a need for an integrative account that connects the conceptual and theoretical foundations of the field to the specific institutional and empirical realities of Ghana.

This paper addresses that need. It pursues four objectives: first, to clarify the conceptual and theoretical foundations of sustainability accounting; second, to map and critically appraise the regulatory and institutional architecture that now governs sustainability reporting in Ghana; third, to characterise the state of sustainability accounting practice and to identify its principal drivers, determinants and barriers; and fourth, to draw out the implications of the impending transition to mandatory disclosure for regulators, firms, the accountancy profession and researchers. The remainder of the paper is organised as follows. Section 2 sets out the conceptual terrain and Section 3 the theoretical lenses. Section 4 describes the review approach. Section 5 examines Ghana's regulatory architecture and Section 6 the state of practice. Sections 6 and 7 analyse drivers and barriers respectively, Section 8 considers implications and the way forward, and Section 9 concludes.

2. Conceptual Foundations of Sustainability Accounting

2.1 From Social and Environmental Accounting to Sustainability Accounting

Sustainability accounting is best understood as the contemporary expression of a longer tradition of social and environmental accounting (SEA). SEA emerged from the insight that conventional financial accounting, by recognising only those transactions that affect the reporting entity's own assets and liabilities, systematically renders invisible the externalities a firm imposes on, or the benefits it confers upon, society and the natural environment (Gray et al., 1996). Where financial accounting answers to the providers of capital, SEA extends the notion of accountability to a wider constituency of stakeholders and to the public interest, and seeks to make visible impacts that markets do not price.

The modern field encompasses several overlapping strands. Environmental management accounting (EMA) concerns the generation and use of physical and monetary information on energy, water, materials and waste for internal decision-making (Burritt & Schaltegger, 2010). Social accounting addresses labour practices, human rights, community relations and product

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responsibility. External sustainability reporting communicates this information to outside stakeholders, while integrated reporting seeks to weave financial and non-financial information into a single account of how an organisation creates value over time (International Integrated Reporting Council, 2021). The widely used “ESG” shorthand—environmental, social and governance—reflects the lens through which the investment community in particular now organises and consumes sustainability information.

2.2 The Concept of Sustainability and the Triple Bottom Line

Underpinning the field is the concept of sustainable development, canonically defined by the World Commission on Environment and Development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs (WCED, 1987). Translated into the corporate sphere, this idea found influential expression in Elkington’s (1997) notion of the “triple bottom line,” which holds that organisational performance should be evaluated not on financial results alone but across three interdependent dimensions—economic, environmental and social, often glossed as profit, planet and people. The triple bottom line reframes the firm as accountable for a portfolio of value-creating and value-destroying effects, and provides the conceptual scaffolding for much of sustainability reporting practice.

2.3 The Reporting Ecosystem and the Emerging Global Baseline

For much of its history, sustainability reporting was characterised by a proliferation of competing and complementary frameworks. The Global Reporting Initiative (GRI) Standards, oriented toward a broad stakeholder audience and the disclosure of an organisation’s impacts on the economy, environment and people, became the most widely adopted reference globally and provided the technical foundation for the Ghana Stock Exchange’s disclosure guidance. The Sustainability Accounting Standards Board (SASB) developed industry-specific, financially material metrics, while the Task Force on Climate-related Financial Disclosures (TCFD) advanced a four-pillar architecture—governance, strategy, risk management, and metrics and targets—for climate-related reporting.

The issuance of IFRS S1 and IFRS S2 by the International Sustainability Standards Board in 2023 marks a decisive step toward consolidation. IFRS S1 establishes general requirements for the disclosure of sustainability-related risks and opportunities that could reasonably be expected to affect a firm’s cash flows, access to finance or cost of capital, while IFRS S2 sets out specific climate-related requirements; both build directly on the TCFD pillars and incorporate SASB-based industry guidance (IFRS Foundation, 2023). Effective for annual reporting periods beginning on or after 1 January 2024 and endorsed by the International Organization of Securities Commissions, the standards are designed to function as a global baseline of investor-focused disclosure that national regulators can adopt and that can interoperate with broader, impact-oriented frameworks such as the GRI. It is this baseline that Ghana, through the accountancy profession, has elected to adopt.

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2.4 Theoretical Perspectives

Research on why organisations disclose sustainability information, and on the social functions such disclosure performs, draws on a cluster of complementary theoretical perspectives. Three are especially salient for the Ghanaian context, with signalling theory providing a fourth, supporting lens.

2.4.1 Legitimacy Theory

Legitimacy theory conceives of the organisation as operating under an implicit "social contract" with the society that grants it the right to exist, and holds that organisations seek to ensure their activities are perceived as legitimate—that is, as congruent with prevailing social values and expectations (Suchman, 1995; Deegan, 2002). When a gap opens between corporate conduct and societal expectations—a "legitimacy gap"—disclosure becomes a strategic instrument through which firms seek to repair, maintain or enhance their legitimacy. The seminal evidence that firms increase environmental disclosure in the aftermath of adverse events and public scrutiny is consistent with this account (Patten, 1992; Cho & Patten, 2007). Legitimacy theory is particularly germane to a setting such as Ghana, where high-visibility environmental controversies in mining and the extractives create reputational pressures that disclosure may be deployed to manage.

2.4.2 Stakeholder Theory

Stakeholder theory shifts the analytical focus from society in the aggregate to the specific groups that affect, or are affected by, the achievement of the organisation's objectives—employees, customers, suppliers, communities, regulators, lenders and others (Freeman, 1984). In its managerial variant, the theory predicts that firms will direct disclosure toward the stakeholders who control resources critical to the organisation's success, using sustainability information to manage relationships and demonstrate responsiveness to stakeholder claims. In its normative variant, it grounds a moral obligation of accountability to those whose interests are at stake. For Ghanaian firms dependent on international financiers, development partners and local communities alike, stakeholder considerations supply a powerful rationale for sustainability reporting.

2.4.3 Institutional Theory

Institutional theory offers perhaps the most direct purchase on Ghana's recent experience. It holds that organisations adopt structures and practices not only for reasons of technical efficiency but to secure legitimacy within their institutional field, and that they consequently come to resemble one another through processes of isomorphism (DiMaggio & Powell, 1983). Coercive isomorphism arises from regulatory and resource-dependence pressures; mimetic isomorphism from the imitation of peers under conditions of uncertainty; and normative isomorphism from professionalisation and shared norms diffused through professional bodies and education. Ghana's trajectory exhibits all three mechanisms: regulators such as the Bank of Ghana and the Ghana

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Stock Exchange exert coercive pressure; the accountancy profession, through the Institute of Chartered Accountants, Ghana, and the major audit firms, exerts normative pressure; and firms increasingly mimic the disclosure practices of regional and global peers as ESG expectations harden.

2.4.4 Signalling and Voluntary Disclosure Perspectives

Finally, signalling theory and the broader voluntary-disclosure literature interpret sustainability reporting as a means by which better-performing firms credibly distinguish themselves from poorer performers in conditions of information asymmetry, thereby reducing their cost of capital and improving access to finance. These perspectives are not rivals to the foregoing theories but complements: in practice, a given disclosure may simultaneously manage legitimacy, address stakeholder claims, conform to institutional pressures and signal underlying quality. Empirical reviews of the determinants of sustainability reporting confirm that no single theory fully accounts for observed behaviour, and that explanatory power is greatest when these lenses are combined (Hahn & Kühnen, 2013).

3. Review Approach

This paper adopts an integrative, narrative review approach appropriate to a field that is conceptually heterogeneous and, in the Ghanaian case, undergoing rapid regulatory change. The analysis proceeds along two complementary lines. The first is a documentary analysis of the primary regulatory and institutional instruments that constitute Ghana's sustainability reporting architecture, including the issuances of the Bank of Ghana, the Ghana Stock Exchange, the Securities and Exchange Commission and the Institute of Chartered Accountants, Ghana, read against the global standards they reference. The second is a synthesis of the scholarly and practitioner literature on sustainability and environmental disclosure in Ghana and, where relevant, the wider Sub-Saharan African region.

Two limitations should be acknowledged at the outset. First, as a qualitative synthesis rather than a systematic meta-analysis, the review does not claim exhaustive coverage of the empirical literature, and its conclusions are interpretive. Second, because several of the governing instruments are recent and their mandatory phases lie in the near future, much of the assessment of their effects is necessarily prospective. These limitations notwithstanding, an integrative review is well suited to consolidating a dispersed body of knowledge and to framing an agenda for the empirical work that the new regime will make both possible and necessary.

4. The Institutional and Regulatory Architecture in Ghana

Ghana's framework for sustainability accounting has been assembled by several institutions acting in their respective domains, producing a layered architecture that spans the banking system, the capital market, the insurance sector and the accountancy profession. Table 1 summarises the principal instruments before they are discussed in turn.

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Table 1. Key sustainability and ESG reporting instruments in Ghana

Instrument / framework	Lead body	Year	Scope and current status
Sustainable Banking Principles and Sector Guidance Notes	Bank of Ghana	2019	Seven principles and five sector guidance notes for banks; ESG reporting template via the ORASS platform from 2021. Largely voluntary / supervisory.
Corporate Governance Code for Listed Companies	Securities and Exchange Commission	2020	Governance code for listed firms incorporating ESG dimensions; complements GSE disclosure guidance.
ESG Disclosures Guidance Manual	Ghana Stock Exchange	2022	GRI-aligned guidance for listed companies with mandatory and optional ESG topics and tiered reporting by size and readiness.
Sustainable Financing Framework; Green Finance Taxonomy	Ministry of Finance; Government of Ghana	2021; 2023	Enabling framework for green and sustainability-linked financing and classification of environmentally sustainable activities.
IFRS S1 and S2 adoption roadmap	Institute of Chartered Accountants, Ghana	2024	Voluntary application 2024–2026; mandatory for significant public-interest entities from Jan 2027 and for other companies from Jan 2028.
Climate-Related Financial Risk Directive	Bank of Ghana	2024	Requires regulated financial institutions to disclose climate-related risks; aligned with Basel guidance and IFRS S2; took effect for banks in January 2026.

Source: Compiled by the author from the cited regulatory instruments.

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4.1 The Accountancy Profession and The IFRS Sustainability Disclosure Standards

The most consequential development is the decision of the Institute of Chartered Accountants, Ghana (ICAG)—which holds the statutory mandate for setting and enforcing financial and, now, sustainability reporting standards in the country—to adopt the IFRS Sustainability Disclosure Standards. Under the roadmap approved in 2024, application of IFRS S1 and S2 is voluntary during a transitional period from 2024 to 2026, becomes mandatory for significant public-interest entities for annual reporting periods beginning in January 2027, and extends to other companies incorporated under the Companies Act from January 2028 (Institute of Chartered Accountants, Ghana, 2024). This roadmap is decisive because it converts sustainability disclosure from a discretionary, framework-of-choice exercise into an enforceable obligation backed by the profession's standard-setting and disciplinary authority, and because it aligns Ghana with a small but growing group of African jurisdictions—including Nigeria, Kenya and Tanzania—moving to embed the ISSB baseline in national requirements.

4.2 The Banking System: Sustainable Banking Principles and the Climate-Related Financial Risk Directive

The Bank of Ghana has been an early and active mover. Building on a process initiated with the Sustainable Banking Committee in 2015, the central bank launched the Ghana Sustainable Banking Principles in November 2019 in collaboration with the Ghana Association of Banks, the Environmental Protection Agency and the International Finance Corporation (Bank of Ghana, 2019). The Principles comprise seven commitments—covering environmental and social risk management; internal ESG practices in banks' own operations; corporate governance and ethical standards; gender equality; financial inclusion; resource efficiency and sustainable production and consumption; and reporting—supplemented by five sector guidance notes for agriculture and forestry; mining and oil and gas; construction and real estate; power and energy; and manufacturing. To operationalise the seventh principle, the Bank introduced a standardised ESG reporting template in 2021, through which banks report progress via its regulatory analytics and surveillance platform. The central bank has since moved from principles toward binding requirements in the climate domain. Its Climate-Related Financial Risk Directive, issued in 2024 and effective for banks from January 2026, requires regulated financial institutions to identify, manage and disclose climate-related financial risks, places explicit responsibility on boards and senior management, and is expressly aligned with the Basel Committee's guidance and with IFRS S2 (Bank of Ghana, 2024). The Directive represents a significant hardening of expectations, signalling a shift from discretionary, capacity-building-oriented engagement toward formal regulatory obligation in the financial sector.

4.3 The Capital Market: The Ghana Stock Exchange ESG Disclosures Guidance Manual

For listed companies, the central instrument is the ESG Disclosures Guidance Manual launched by the Ghana Stock Exchange in November 2022, developed with technical support from the

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Global Reporting Initiative and partners including the Swiss State Secretariat for Economic Affairs and the African Securities Exchanges Association (Ghana Stock Exchange, 2022). Aligned with the GRI Standards, the manual specifies a set of mandatory ESG topics that listed companies are expected to disclose alongside optional topics, proposes a common set of metrics to facilitate comparability across issuers, and adopts a tiered approach calibrated to company size and readiness. The manual complements the Securities and Exchange Commission's Corporate Governance Code for Listed Companies (2020), which incorporates ESG dimensions, and positions the Exchange among the global community of stock exchanges that provide ESG reporting guidance.

4.4 Supporting Instruments and Underpinning Legislation

These flagship frameworks sit atop a wider supporting architecture. The National Insurance Commission has issued ESG guidelines for the insurance industry; the Government has published a Sustainable Financing Framework (2021) to channel green and social financing and has launched a Green Finance Taxonomy (2023) to classify environmentally sustainable activities. Underpinning legislation provides the statutory backdrop: the Companies Act, 2019 (Act 992) governs corporate disclosure and governance; the Minerals and Mining Act, 2006 (Act 703) contains environmental and community provisions material to the extractive sector; the Labour Act, 2003 (Act 651) addresses social and labour protections; and the environmental impact assessment regime administered by the Environmental Protection Agency governs environmental disclosure in project development.

4.5 The Coherence Challenge

The breadth of this architecture is a strength, but it also poses a challenge of coherence. Multiple regulators—the central bank, the securities regulator, the stock exchange, the insurance commission and the accountancy profession—operate within overlapping domains, and the effectiveness of the overall system depends on the alignment of their requirements. The guidance issued by the Exchange must cohere with the standards enforced by ICAG; the climate disclosures required of banks must be consistent with the frameworks adopted across the capital market; and internationally derived norms must be adapted to Ghanaian institutional realities. Recent collaboration between ICAG and the Global Reporting Initiative, aimed at harmonising the revision of listed-company ESG guidance with the profession's adoption of the ISSB standards, illustrates both the recognition of this challenge and an emerging effort to address it.

5. The State of Sustainability Accounting Practice

5.1 Listed Companies

Notwithstanding the recent architecture, the historical baseline of practice among Ghanaian firms is modest. In the most cited empirical study of the subject, a content analysis of seventeen companies listed on the Ghana Stock Exchange over the period 2003 to 2012, benchmarked against

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the GRI index, found that listed firms did disclose some environmentally related information but that the overall level of disclosure was low and skewed toward product- and service-related information rather than the fuller range of environmental impacts (Welbeck et al., 2017). The study further established that environmentally sensitive firms disclosed more than their less sensitive counterparts, and that firm size, industry type and firm age were the principal determinants of disclosure—findings consistent with both legitimacy and institutional accounts and with the broader international evidence.

Practitioner surveys conducted since the introduction of the Exchange's guidance manual suggest gradual improvement from this low base but continuing shortfalls against expectations, with limited adoption of independent assurance over the ESG information that is disclosed (KPMG Ghana, 2024). The pattern that emerges is one of disclosure that is expanding in incidence but remains variable in completeness, comparability and credibility.

5.2 The Banking Sector

In the banking sector, the Sustainable Banking Principles have catalysed measurable institutional change: banks have endorsed the Principles, reported progress through the central bank's standardised template, and participated in successive rounds of capacity building. At the same time, the central bank itself has acknowledged that implementation is constrained by inadequate awareness, uneven institutional commitment, limited internal capacity and budgetary pressures on the supervisor (KPMG Ghana, 2025). The shift to binding climate-risk disclosure under the 2024 Directive will test whether the foundations laid by the voluntary Principles can support a regime of formal, audited obligation.

5.3 The Extractive Sector

The extractive industries occupy a distinctive position. As the most environmentally and socially visible sector of the economy, and the one most exposed to the legitimacy pressures generated by mining-related environmental controversies, the extractives tend to exhibit comparatively higher levels of environmental and social disclosure, reinforced by the environmental and community provisions of the Minerals and Mining Act and by the expectations of international parent companies and financiers. Disclosure in the sector is nonetheless uneven in quality and is frequently oriented toward the management of reputation and community relations rather than toward the comprehensive, decision-useful accounting that the emerging standards envisage.

5.4 Overall Assessment

Taken together, the evidence supports a clear characterisation of the prevailing state of sustainability accounting in Ghana. Practice has been predominantly voluntary, narrative rather than quantitative, and oriented toward legitimacy and stakeholder management more than toward investor-grade, comparable disclosure. It is concentrated among large, listed and environmentally sensitive firms; it is thinly assured; and it exhibits limited comparability across entities and over

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time. This profile is broadly consistent with the wider Sub-Saharan African experience, and it defines precisely the deficit that the transition to the IFRS Sustainability Disclosure Standards is intended to remedy.

6. Drivers and Determinants

The factors propelling the expansion of sustainability accounting in Ghana can be grouped into institutional, market and firm-level drivers. Institutionally, the dominant force is the coercive pressure now exerted by regulators and by the accountancy profession, whose successive issuances have progressively raised the floor of expected disclosure and which culminate in the mandatory IFRS S1 and S2 regime. Normative pressure operates alongside it, transmitted through ICAG and the major international audit firms, whose professional standards, training and advisory activity diffuse sustainability reporting norms throughout the corporate sector.

At the market level, the decisive driver is access to capital. Ghanaian firms and financial institutions seeking funding from international investors, development finance institutions and lenders increasingly encounter ESG disclosure as a condition of access, and the growing exclusion of non-compliant entities from global ESG-oriented portfolios sharpens the incentive to report credibly. Reputation and the management of legitimacy, particularly in the extractive and financial sectors, provide a further market-facing impetus. At the firm level, the empirical literature identifies a familiar set of determinants: firm size, which proxies for visibility and resource capacity; industry membership, with environmentally sensitive sectors disclosing more; firm age and maturity; profitability and leverage; foreign ownership and cross-listing, which import external disclosure expectations; and governance characteristics such as board composition and the identity of the external auditor (Welbeck et al., 2017; Hahn & Kühnen, 2013). Mimetic dynamics compound these effects, as firms emulate the disclosure practices of visible domestic and regional peers under conditions of regulatory and competitive uncertainty.

7. Challenges and Barriers

Against these drivers stand formidable barriers that will shape the pace and quality of the transition. The most fundamental is a capacity and skills deficit. The IFRS Sustainability Disclosure Standards demand competencies—in greenhouse-gas accounting, climate scenario analysis, materiality assessment and the integration of sustainability and financial information—that are scarce among both preparers and the assurance profession in Ghana, and building them at scale will require sustained investment in training and education.

A second barrier concerns data and systems. Credible sustainability disclosure rests on reliable, traceable data on emissions, energy, water, waste and social metrics, much of which originates outside conventional financial systems and is not currently captured with the rigour expected of audited information. Many firms lack the data-governance arrangements and information systems

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needed to produce assurance-ready disclosures, and the absence of such foundations risks reducing reporting to description rather than decision-useful measurement.

Third, the cost and proportionality of compliance weigh heavily, especially for smaller entities and in an economy in which informal and micro, small and medium-sized enterprises predominate. Without carefully calibrated, proportionate requirements, the burden of standardised disclosure could fall disproportionately on firms least able to bear it, while leaving the large informal sector largely outside the reporting net altogether. Fourth, the fragmentation and overlap of the multiple frameworks described above, if not actively harmonised, threaten to impose duplicative and inconsistent demands on reporting entities.

Finally, questions of enforcement and credibility remain open. Enforcement capacity across the regulatory bodies is still developing, and the historical reliance on voluntary, narrative disclosure has left the system exposed to the risk of selective reporting and "greenwashing." The assurance market that would lend credibility to sustainability information is nascent, and the tension between the investor-focused, financial-materiality orientation of the ISSB standards and the broader, impact-oriented, double-materiality perspective associated with frameworks such as the GRI will need to be navigated as Ghana defines the scope of its regime.

8. Implications and the Way Forward

The transition now under way carries distinct implications for each set of actors in Ghana's reporting ecosystem. For regulators and policymakers, the priority is coherence and proportionality. The requirements of the Exchange, the central bank, the securities regulator and the accountancy profession should be actively harmonised to avoid duplication and contradiction; implementation should be phased and proportionate, with simplified pathways for smaller entities; and investment in enforcement and in the domestic assurance market should accompany the introduction of mandatory standards. Completion of the green finance taxonomy and the provision of clear incentives for credible reporting would reinforce the regime.

For firms, the imperative is to begin early and to treat sustainability reporting not as a compliance afterthought but as an extension of core financial reporting. This entails establishing cross-functional data-governance arrangements that bring together finance, risk, operations and sustainability functions; investing in the systems needed to generate assurance-ready data; and integrating sustainability considerations into strategy, governance and decision-making. Firms that build these capabilities ahead of the mandatory deadlines stand to secure advantages in access to finance and reputation, while late movers face the prospect of a costly compliance scramble.

For the accountancy profession, the adoption of the ISSB standards is both an opportunity and an obligation. ICAG and the audit firms will need to lead in building preparer and assurer competence through training, certification and the incorporation of sustainability reporting into professional

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and university curricula, so that the standards are supported by a credible base of expertise rather than imposed upon a profession unready to apply them.

For researchers, the new regime opens a rich and timely agenda. The dominance of cross-sectional studies of the extent and determinants of disclosure should give way to work on the quality, comparability and assurance of sustainability information; on its value relevance and decision usefulness for investors and lenders; on the real environmental and social effects of disclosure regimes; and on the experience of small and informal enterprises that lie at the margins of the formal reporting system. Longitudinal studies tracking practice across the transition from voluntary to mandatory disclosure will be especially valuable, and Ghana—as an early African adopter of the ISSB baseline—offers a particularly instructive setting in which to conduct them.

9. Conclusion

Sustainability accounting in Ghana stands at an inflection point. Within a short span the country has assembled a comparatively advanced architecture of sustainability and ESG reporting—spanning the banking system, the capital market, the insurance sector and the accountancy profession—and has committed, through the adoption of the IFRS Sustainability Disclosure Standards, to a decisive move from voluntary, discretionary practice toward mandatory, standardised, investor-focused disclosure. Viewed through the lenses of legitimacy, stakeholder and institutional theory, this trajectory reflects the interplay of regulatory coercion, professional normalisation, mimetic adaptation and the imperatives of capital access that are reshaping corporate reporting across the world.

Yet the gap between architecture and substance remains wide. The inherited baseline of practice is one of low, uneven, narrative and thinly assured disclosure, concentrated among large and environmentally sensitive firms, and the transition to a mandatory regime confronts serious constraints of capacity, data, cost, coherence and enforcement. Whether Ghana realises the promise of its new framework will depend on the coordinated efforts of regulators, firms, the accountancy profession and the research community to close these gaps. If those efforts succeed, sustainability accounting may serve not only to enhance the competitiveness and transparency of Ghanaian enterprise but also to advance the environmental and developmental objectives that make the subject so consequential for a resource-dependent economy.

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