



लेखामान बोर्ड

ACCOUNTING STANDARDS BOARD

(Formed by the Government of Nepal under the Nepal Chartered Accountants Act, 1997)



Terms of Reference (TOR)

**Consulting Assignment Related to the Development of
Nepal Sustainability Reporting Standards (NSRS)**

March 2025

Contents

1. Background.....	3
2. Objectives.....	3
3. Scope of Work	3
4. Deliverables.....	4
5. Duration and Timeline	4
6. Qualification and Experience of Consultant.....	4
7. Reporting and Supervision	4
8. Application Process	4
9. Submission Deadline	4



1. Background

Accounting Standards Board (ASB or the Board) Nepal was formed by the Government of Nepal on July 08, 2002 (2059 Ashad 24) with an amendment to the Nepal Chartered Accountants Act, 1997 (first amendment, 2002) 15ka incorporating the provision for its establishment and operation. The ASB Nepal has been formed with the responsibility to formulate accounting standards for the preparation and presentation of financial statements in Nepal. ASB Nepal is primarily responsible for setting accounting standards for business enterprises in line with the International Financial Reporting Standards (IFRSs). The Board is also responsible for issuing interpretations of NFRSs.

The Accounting Standards Board (ASB) Nepal is in the process of developing **Nepal Sustainability Reporting Standards (NSRS)**. The NSRS must be aligned with **IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures)**, issued by the **International Sustainability Standards Board (ISSB)**. To assess the applicability of these standards in Nepal, ASB Nepal seeks a consultant to conduct a GAP Analysis of IFRS S1 and IFRS S2, evaluating the country's readiness and the necessary support mechanisms for their implementation. Based on the findings, the consultant will provide recommendations on aligning NSRS with IFRS S1 and S2 while addressing local context and challenges.

2. Objectives

The primary objectives of this consulting assignment are:

1. To conduct a **GAP Analysis** of IFRS S1 and IFRS S2 in the context of Nepal.
2. To identify **challenges and practical implementation issues** related to adopting IFRS S1 and S2.
3. To provide **recommendations** on how ASB Nepal can **develop and align NSRS** with IFRS S1 and IFRS S2 without significant departures.

3. Scope of Work

The consultant shall undertake the following tasks:

1. **Review IFRS S1 and IFRS S2** to identify key disclosure and reporting requirements.
2. **Conduct a GAP Analysis** to compare IFRS S1 and S2 requirements with Nepal's existing reporting frameworks, legal requirements, and market readiness.
3. **Engage with stakeholders**, including corporate preparers, regulators, and auditors, to assess challenges in applying IFRS S1 and S2 in Nepal.
4. **Identify key gaps, limitations, and implementation barriers** for Nepalese companies.
5. **Provide recommendations** for aligning NSRS with IFRS S1 and IFRS S2 while ensuring practical applicability.



4. Deliverables

The consultant is expected to deliver the following:

1. **Inception Report** – Outlining the methodology, timeline, and key focus areas (within 1 week of contract signing).
2. **Draft GAP Analysis Report** – Identifying key gaps and implementation challenges (within 6 weeks of contract signing).
3. **Final Report with Recommendations** – A detailed document providing the GAP Analysis, implementation challenges, Stakeholder Consultation Summary and recommendations for NSRS development (within 8 weeks).
4. **Presentation to ASB Nepal** – Summarizing key findings and recommendations.

5. Duration and Timeline

The assignment is expected to be completed within **8 weeks (2 Months)** from the date of contract signing.

6. Qualification and Experience of Consultant

The consultant (individual) should have:

- Proficiency in IFRS, sustainability reporting, and financial disclosures.
- Understanding of **Nepal's corporate reporting environment**.
- Experience working with **regulators, standard-setting bodies, or corporate entities**

7. Reporting and Supervision

The consultant will report to **ASB Nepal** and work in close coordination with relevant stakeholders.

8. Application Process

Interested consultants are requested to submit:

1. **Expression of Interest (EOI)**
2. **Technical Proposal** – Including approach, methodology, and work plan.
3. **Financial Proposal** – Detailed breakdown of costs.
4. **CVs & Past experience and/or references** in similar assignments.

9. Submission Deadline

Proposals should be by hand delivery to the Secretariat within 15 days of publication of Notice.

