

EDITORIAL: Recent trends in corporate governance and sustainability

Dear readers!

As we present the first issue of the *Corporate Governance and Sustainable Review* for 2024, we are excited to highlight the recent trends in corporate governance and sustainability reflected in our featured articles. These studies offer critical insights into the evolving landscape of mergers and acquisitions, International Financial Reporting Standards (IFRS), sustainable fashion practices, and public procurement bid disputes emphasizing the importance of robust corporate governance mechanisms and sustainability initiatives.

The first article, “*A Study on Domestic vs Cross-Border Acquisitions in the Consumer Cyclical Sector in Asia*” by *Kushagra Goel, Sunny Oswal, and Dhruvin Khandwala*, delves into the comparative impacts of domestic and cross-border acquisitions in the consumer cyclical sector in India. By employing both event study methodology and financial ratio analysis, the authors provide a nuanced understanding of how these acquisitions affect shareholder returns and financial performance. Recent research trends indicate a growing interest in understanding the strategic motives behind cross-border acquisitions, especially in emerging markets, and their long-term impact on firm performance (Rao-Nicholson & Salaber, 2016). Future research is expected to focus on the role of cultural differences, regulatory environments, and integration processes in shaping the success of these acquisitions (Zhu & Zhu, 2016).

In “*IFRS Adoption, Information Asymmetry and Stock Liquidity: Moderating Effects of Corporate Governance Mechanisms*”, *Hela Garrouch and Abdelwahed Omri* explore the influence of International Financial Reporting Standards (IFRS) on stock market liquidity and information asymmetry among French-listed firms. The research underscores the significant role of audit quality and corporate governance in enhancing information transparency and market performance. Interestingly, the study also reveals that independent board members may not always fulfill their oversight roles effectively, highlighting the need for more stringent governance practices. Current trends in this area include examining the impact of IFRS adoption in different institutional contexts and the interplay between financial reporting quality and other corporate governance mechanisms (Leuz & Wysocki, 2016). Future studies are likely to investigate the differential effects of IFRS in developed versus developing markets and the evolving role of technology in financial reporting and audit processes (Ball, 2016).

Prince Owusu-Wiredu's article, “*From a Disposable to a Sustainable Fashion Industry: A Review of the Shameful Trade Flows of Used Textiles and the Need to Address Fast Fashion*”, addresses the environmental and socio-economic impacts of the fast fashion industry. The paper draws attention to the urgent need for regulatory measures to manage the influx of low-quality second-hand clothing in developing regions, where inadequate waste management infrastructure exacerbates environmental degradation. This comprehensive review calls for a paradigm shift towards sustainable fashion practices and enhanced global cooperation to mitigate textile waste. Research trends indicate a rising interest in circular economy models

and sustainable supply chain management in the fashion industry. Future research is expected to focus on consumer behavior towards sustainable fashion, policy interventions to promote circularity, and technological innovations in textile recycling (Fletcher, 2016).

Lastly, the study “*Diversity, Equality, and Inclusion: A Case for Public Procurement Bid Disputes Management in an Emerging Market*” by Paul Mathenge Nyathore, Gituro Wainaina, Zachary Bolo Awino, and James Thuo Kariuki, examines the challenges faced by marginalized groups in Kenya’s public procurement system. The authors highlight systemic biases that disadvantage youth, women, people with disabilities, and micro, small, and medium-sized enterprises (MSMEs) in bid disputes. Their findings suggest the need for policy reforms to ensure a more equitable and inclusive procurement process, aligning with broader social and economic development goals. Current trends in this area include exploring the impact of inclusive procurement policies on social and economic outcomes and the effectiveness of dispute resolution mechanisms in ensuring fair access to procurement opportunities (Ameyaw et al., 2012). Future research is likely to investigate the implementation of digital platforms for procurement and dispute resolution, and the role of international standards in promoting inclusive procurement practices (Organisation for Economic Co-operation and Development [OECD], 2020).

These articles collectively underscore the critical intersection of corporate governance and sustainable development. As we look to the future, it is imperative that both researchers and practitioners continue to explore innovative governance strategies that not only drive economic performance but also promote social equity and environmental stewardship. We hope this issue inspires further research and dialogue on these vital topics.

Enjoy the reading!

*Luis Eugenio De Gárate Pérez, PhD
Professor of Finance and Corporate Governance,
Business School, Tecnológico de Monterrey (ITESM), Mexico
Editorial Board member of Corporate Governance and Sustainability Review*

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