



भारत 2023 INDIA

Assessing and Reporting Nature-and-Biodiversity-related Risks & Opportunities Stocktaking Analysis of Standards and Initiatives

G20 Sustainable Finance Working Group
2023 Priority 2: Enabling finance for the Sustainable Development Goals

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ONE EARTH • ONE FAMILY • ONE FUTURE

Approach

- **The 2023 SFWG work programme** includes a stocktaking analysis of the measures taken so far to assess and report on nature- and biodiversity-related risks and opportunities.
- **Objective:** Based on the stocktaking analysis, the G20 SFWG will make recommendations to the stakeholders on how to improve data and reporting on nature-related information in the future, keeping in mind country-specific circumstances
- This slide deck consolidates information on certain frameworks and standards for assessing & reporting on nature- and biodiversity-related risks and opportunities.



Acknowledgments

This draft stocktaking analysis was possible thanks to the direct inputs received from:

STANDARDS



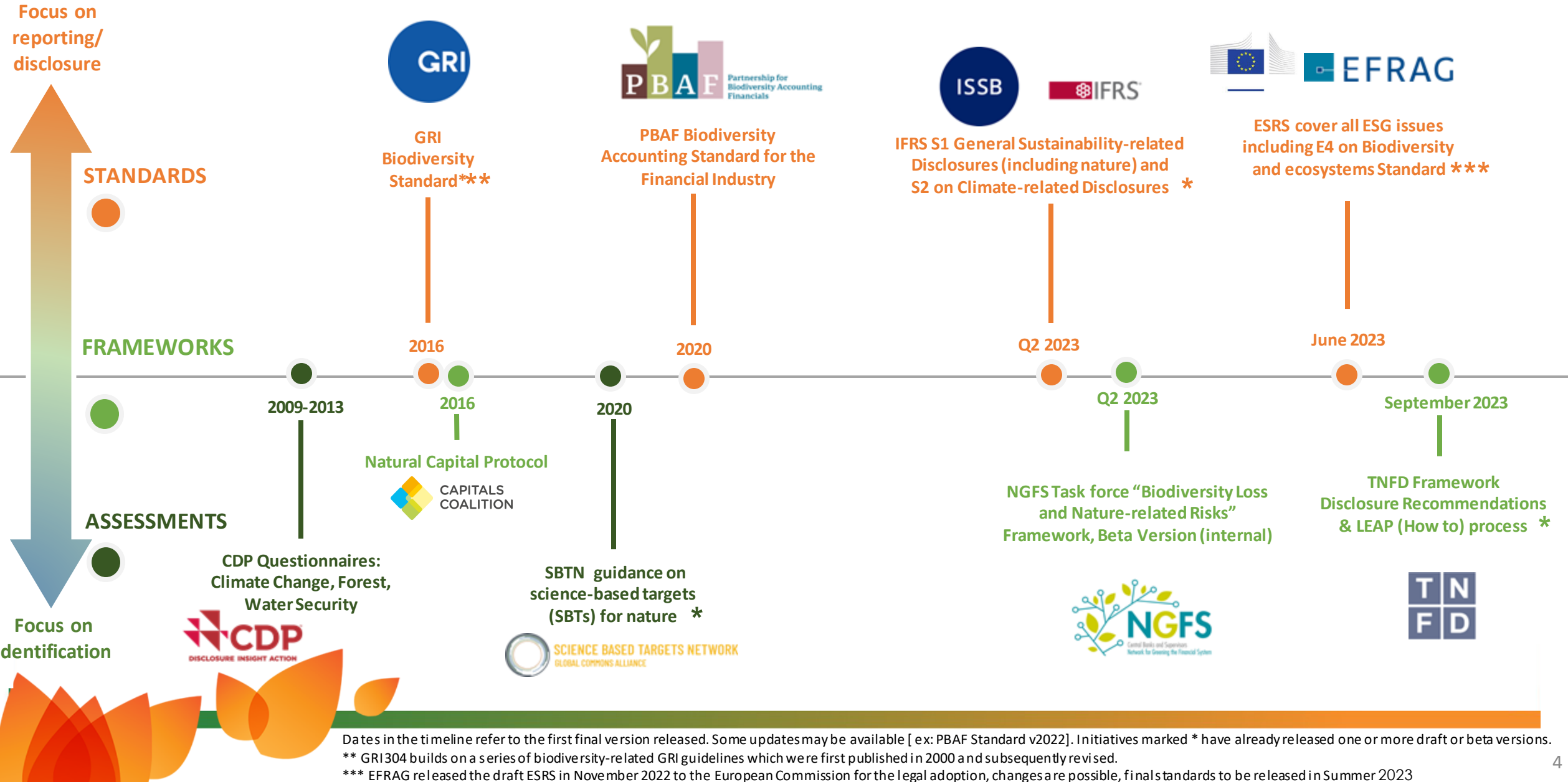
FRAMEWORKS



ASSESSMENTS & DATA COLLECTION



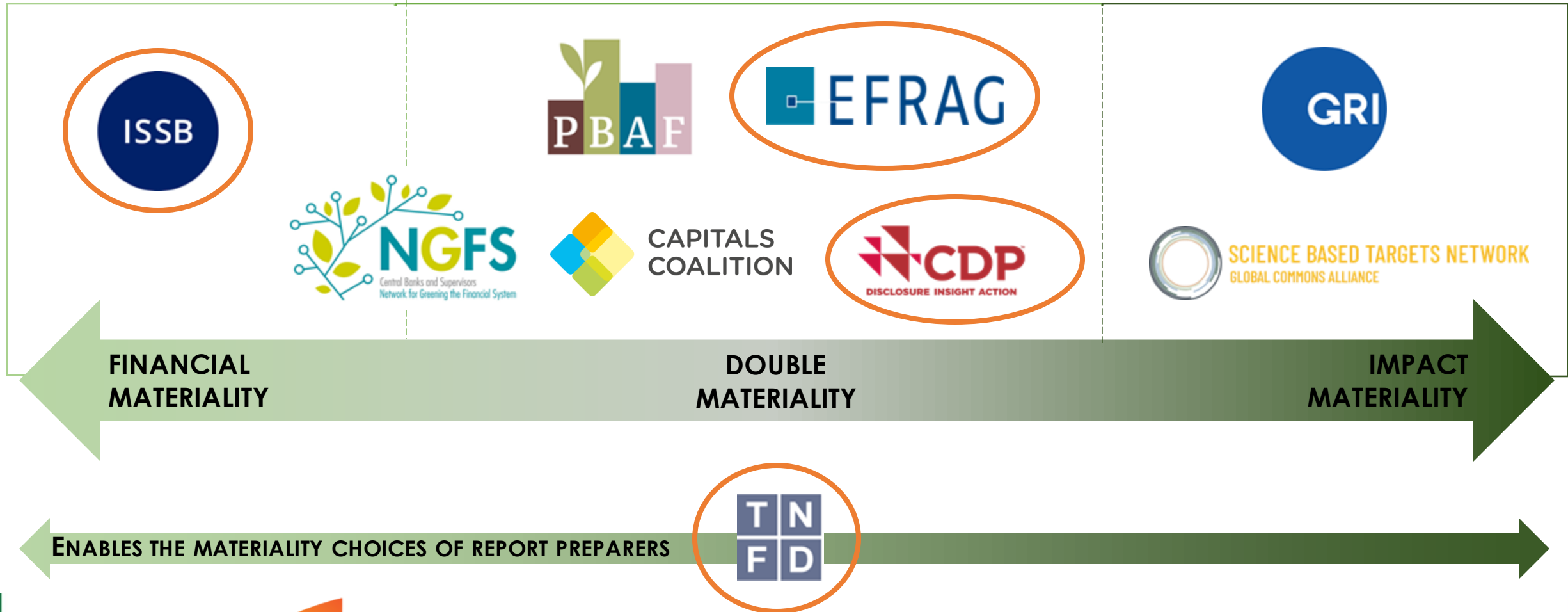
Timeline (first releases)



Prevailing Approach to Materiality












Additional focus:
OPPORTUNITIES



Note: (i) Logos are indicative of the nature/biodiversity-related standards, frameworks and assessments noted on slide 4
(ii) While this slide reflects main approaches to materiality, it is recognized that most approaches include nuances. Readers are encouraged to refer to each entity's inputs.

Institution usage

*

	All companies	Financial institutions	Central Banks & Supervisors
	X [*]	X	
	X [*]	X	
	X	X	
		X	
	X	X	
			X
 Taskforce on Nature-related Financial Disclosures	X	X	
 DISCLOSURE INSIGHT ACTION	X [*]	X	
 SCIENCE BASED TARGETS NETWORK GLOBAL COMMONS ALLIANCE	X [*]	X	

Specific guidance or options for SMEs: GRI, CDP, EFRAG, SBTN (planned)

Note: Logos are indicative of the nature/biodiversity-related standards, frameworks and assessments noted on slide 4

- All initiatives **are applicable regardless of geography** and most of them are catering for geography-specificity issues.
- ESRS E4 Biodiversity and ecosystems Standard applies applies to entities in scope of CSRD, i.e., **all large EU companies** and **all EU & non-EU companies** listed in European regulated markets (except listed micro-companies).



Industry Coverage & Sector Guidance Spotlights

STANDARDS

FINANCIAL SECTOR SPECIFIC



All types of financial institutions, both private and public.

REAL ECONOMY



Sector specific standards plans for June 2024 (TBC)



Sector Standards. Ex: Aquaculture and fishing



In line with SASB industry-specific standards



CAPITALS
COALITION

Supplementary guidance on Forest Products, Food and Beverage, Finance and Apparel



Sector specific guidance as per SASB classifications



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Sector-specific limitations and conditions



Specific modules for some industries

FRAMEWORKS

ASSESSMENTS & DATA COLLECTION

Note: Logos are indicative of the nature/biodiversity-related standards, frameworks and assessments noted on slide 4

Ecosystem's components & types

ABIOTIC

Focus on non-living components within ecosystems like: water, soil and atmosphere

EFRAG



CAPITALS COALITION



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

BIOTIC

Focus on living components within ecosystems like: plants, animals, and bacteria

The following frameworks and assessments provide additional guidance on specific components and/or types of ecosystems:



Taskforce on Nature-related
Financial Disclosures

Tropical forests, rivers and streams, intensively used land, and marine shelf



Climate, CDSB
biodiversity and water
Application guidance



Climate change, pollution,
water and marine resources,
biodiversity circular economy
& resource use



Ex: Water and
effluents, soil
health



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Climate, ocean,
freshwater, land, and
the biodiversity



Specific ecosystems &
forest conservation










Target 15 on Disclosures

Take legal, administrative or policy measures to encourage and enable business, and in particular to ensure that large and transnational companies and financial institutions:

- (a) Regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity, including with requirements for all large as well as transnational companies and financial institutions **along their operations, supply and value chains and portfolios**;
- (b) Provide information needed to consumers to promote sustainable consumption patterns;
- (c) Report on compliance with access and benefit-sharing regulations and measures, as applicable; **in order to progressively reduce negative impacts on biodiversity, increase positive impacts, reduce biodiversity-related risks to business and financial institutions, and promote actions to ensure sustainable patterns of production.**







Alignment to the Global Biodiversity Framework

		Impacts on Nature	Dependencies on Nature	Risks to organization	Opportunities to organization
STANDARDS	GBF (CoP15)				
					
					
					
FRAMEWORKS					
					
					
					
ASSESSMENTS & DATA COLLECTION					
					

Note: Logos are indicative of the nature/biodiversity-related standards, frameworks and assessments noted on slide 4

Collaborations

					OTHERS
EFRAG		X	X	X	
ISSB	X*		X*	X	CDSB biodiversity and water Application guidance
GRI	X	X		X	IMP, Business for Nature
PBAF	X		X	X	SBTN, ALIGN, ESVD
Capital Coalition	X	X	X	X	IMP, SBTN, WBCSD, Business for Nature (ACT-D framework), WEF
NGFS				X	
CDP	X	X	X	X	SBTN
SBTN				X	Capitals coalition

Note: * Source of guidance companies may consider, in the absence of a specific ISSB standard

Logos & institution names are indicative of collaborations around the nature/biodiversity-related standards, frameworks and assessments noted on slide 4

Key Upcoming Milestones

- Draft/Beta/Pilot
- Final/Launch

Q1/Q2 2023

Q3/Q4 2023

2024

2025



Adoption of a first set of standards covering all ESG issues



Consultation on agenda priority including nature (May)

Issuance of IFRS S1 and S2



Consultation on SASB methodology

IFRS S1 and S2 become effective



V2023 updated Biodiversity Accounting Standard

Release of revised GRI Biodiversity Standard



CAPITALS COALITION

Technical consultation of the draft integrated Capitals Protocol

Release and piloting of the Beta version

Launch of final integrate Capitals Protocol



Beta Version: Biodiversity Loss & Nature-related Risks' Framework (internal)

Beta Version II: Biodiversity Loss & Nature-related Risks' Framework (Publication TBD)



Taskforce on Nature-related Financial Disclosures

Final beta Framework consultation & conclusion of 150+ pilot tests

TNFD Framework Launch

First TNFD reporting by some companies



New Guidance Released: Climate Change, Forest, Water Security

Pilot testing for integration of disclosure on plastics

Integration of IFRS S2 (TBA)



SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

Release v1 guidance on SBTs for nature

Full target-setting methods

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This stocktake has been prepared in April 2023 by UNDP, on behalf of India's G20 Presidency, as a contribution to the SFWG but has not been endorsed by it nor does it represent the official views or position of the Group or any of its members.

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