KEY TAKEAWAYS FROM THE G20 SFWG PILOT GROUP WEBINAR

Reflecting on the SFIA framework

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The G20 Sustainable Finance Working Group (SFWG) convened a technical webinar under its Pilot Group on Self-Evaluation of Sustainable Finance Policy Effectiveness. The session enabled members to reflect on the G20 Sustainable Finance Independent Accountability (G20-SFIA) project presented by:

- Diana Cardenas Monar, Research Fellow, Institute for Climate Economics (I4CE)
- Michael König, Senior Project Manager, Frankfurt School of Finance and Management (FS)

Introduction

The G20-SFIA project began in 2024, separate from official G20 initiatives. The project aims to establish a comprehensive methodological framework and independent accountability infrastructure to track progress, inform stakeholders and support further action by G20 countries on sustainable finance. It responds to the expressed interest over the course of previous G20 SFWG meetings in having more detailed ways to track progress on the Roadmap.

SFIA project and framework presentation by I4CE & FS

Project rationale and added value

The presenters highlighted that the project aims to safeguard progress amid growing geopolitical challenges. It recognizes the central role of G20 countries in global emissions and financial flows, while acknowledging that progress to date has been uneven and fragmented, despite initiatives like the Roadmap.

Its added value lies in providing independent oversight, enabling better coordination across the ecosystem of actors, and establishing a collaborative accountability mechanism. The ultimate goal is to empower governments and civil society to track efforts, highlight gaps, share solutions, and encourage alignment with sustainable, resilient, and low- emission development pathways.

Phases and current work

Phase one, concluded in April 2025, delivered a methodological framework with indicators across fiscal, monetary, and financial regulation domains. The current transitional phase focuses on publishing a working paper with an evidence- based and locally led approach, conducting pilot studies in five countries—France, Germany, South Africa, Brazil, and Indonesia.

The aim of the country pilots, led by in-country partners, is to provide a proof of concept and a blueprint for implementation. A timeline is in place to deliver the working paper ahead of the G20 South Africa, followed by country pilot drafts and final versions by Q1 2026, supported by workshops, a peer review process, and consultations with relevant stakeholders.

Methodology and scope

The framework has been developed through extensive desk research of existing frameworks and trackers, expert interviews, and workshops. Taking the Roadmap as a starting point, reflections of the development of the framework started with the definition of the scope. Aspects analysed included the geographical scope (initially G20 countries), accountable actors (primarily public authorities with decision-making powers), targeted actors (both public and private), action areas (fiscal, monetary, financial, overall strategy), action targets (SDGs, climate, nature, and disaster risk reduction), and action dimensions.

Action dimensions or areas where indicators have been identified include commitments, operationalization, implementation, and outcomes, with a stronger focus given to implementation –that refers to actual policies, regulations and other tools in place. The framework initially covered climate indicators, with a modular design that allows expansion into areas such as biodiversity, just transition, and social dimensions. The framework emphasizes qualitative indicators, supplemented by outcome-level quantitative data where available.

Framework structure

The framework adopts a broad definition of 'sustainable finance policies', as action by government actors / authorities that contribute to the alignment and mobilisation of (public and private) financial flows towards sustainable transition pathways. The framework is organized into four pillars—fiscal, monetary, financial, plus an overarching pillar, each with action and sub-action areas with one or more indicators.

Indicators are constructed as statements with cascading components in the form of questions, typically scored on a binary (yes/no) or partial basis. This layered approach captures both the existence of policies and their level of ambition or enforcement. Outcome indicators, such as levels of green bond issuance or green budgets, are included to complement implementation-level assessments, though attribution challenges remain.

Country pilots

Pilot studies are currently being conducted to test the methodology in selected contexts. Early experiences in European countries highlighted complexities related to supranational regulatory layers, while pilots in emerging economies are expected to present different challenges.

To ensure fairness, the framework may apply "not applicable" designations to account for contextual differences, avoiding penalizing countries for policies that are not feasible or relevant in their circumstances. The pilots also aim to provide lessons learned, identify good practices, and refine the methodology for broader use.

Discussion and feedback

Participants raised questions on whether the methodology would be open source, on treatment of international commitment and how the framework would balance comparability with respect for national contexts. The speakers expressed that the aim is for outputs to be publicly available, that international commitments refer mainly to how a country translate them in national level strategies and plans, and that the framework would consider diverging levels of development to balance results.

Concerns were noted about relying too heavily on binary indicators and the need to integrate quantitative measures where possible. The project team highlighted that the binary approach is used for scoring only, while the indicator components go beyond the simple existence of a policy to assess its ambition with qualitative questions, and the framework also includes a set of quantitative outcome level indicators. Suggestions included building on existing data from international organizations to reduce reporting burdens, ensuring differentiation between developed and developing contexts, and considering relative benchmarking approaches. The importance of flexibility, transparency, and synergies with existing trackers was emphasized as the approach taken by the project from the start.

Next steps

The project team will pursue engagement with stakeholders through workshops, consultations, and peer reviews. They are keen to engage with G20 SFWG focal points, particularly of selected country pilots –France, Germany, South Africa, Brazil and Indonesia, to have specific discussions on pilot implementation. Feedback from this meeting and future engagement milestones will inform refinements to the framework and the pilots