



Going Green in Finance - Bridging Data Gaps for Enhanced Financial Risk and Opportunities Assessment

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Outline of the Presentation



The Growing Demand for Climate Finance Data: Importance and Challenges

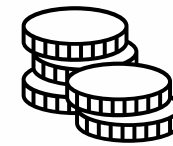
- Increase in demand for sustainable finance statistics with the Paris agreement.
- Systematic and strategic integration of climate change into the IMF's activities



**Surveillance and
Analytical Work**



**Capacity
Development and
Data**



Lending

- Data gaps: a major issue

Link to the climate strategy document: [Here](#)

IMF's Climate Change Indicators Dashboard (CID)

- ✓ The CID addresses the growing need for climate-related data used in macroeconomic and financial stability analysis by identifying and developing a range of distinctive indicators, including experimental ones.

IMF | CLIMATE CHANGE DASHBOARD | INDICATORS | COUNTRIES | ACCESS DATA | TOOLS | LEARN MORE

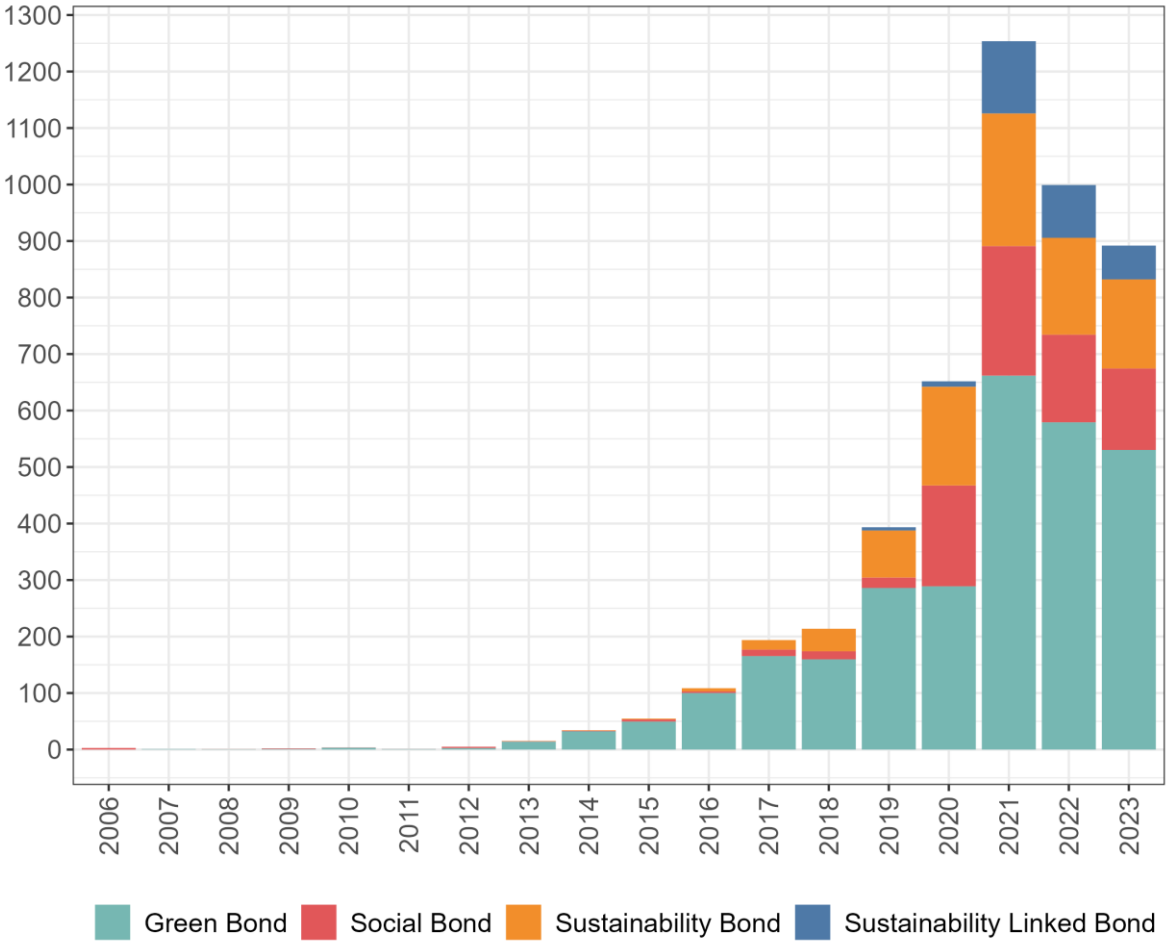
Climate Change Indicators Dashboard

Bridging the data gap on climate change for evidence-based economic decision-making

- Greenhouse Gas (GHG) Emissions**
 - GHG Emissions Accounts
 - National Inventories and Targets
 - CO₂ Emissions Intensities and Multipliers
 - Carbon Footprints from Economic Activity
- Mitigation**
 - Environmental Taxes
 - Environmental Protection Expenditures
 - Fossil Fuel Subsidies
 - Renewable Energy
 - Trade in Low Carbon Technology
- Adaptation**
 - Climate-related Disasters Frequency
 - Climate-driven INFORM Risk
- Transition to a Low-Carbon Economy**
 - NEW** NGFS Transition Pathways
 - NEW** NGFS GDP Losses and Benefits
 - Forward-Looking Risks
 - Trade in Low Carbon Technology
- Climate Finance**
 - Green Debt
 - Carbon Footprint of Bank Loans
- Climate and Weather**
 - Surface Temperature Change
 - Atmospheric CO₂ Concentrations
 - Change in Mean Sea Levels
 - Land Cover Accounts

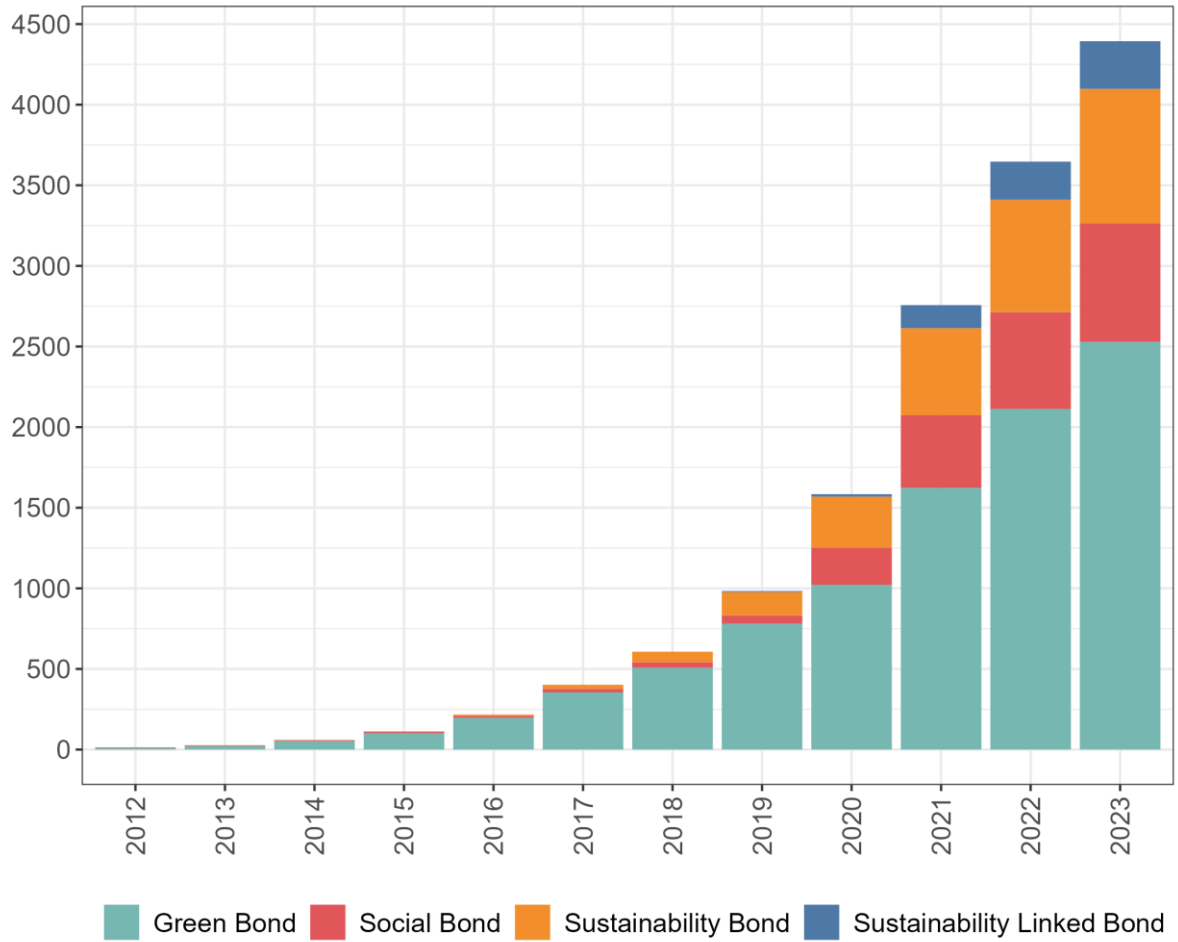
ESG Debt Issuances Continue to Fall short of Meeting Financing Needs

Global Sustainable Instrument Issuance by Instrument
(Billions of U.S. dollars)



Sources: Refinitiv; IMF Staff Calculations.

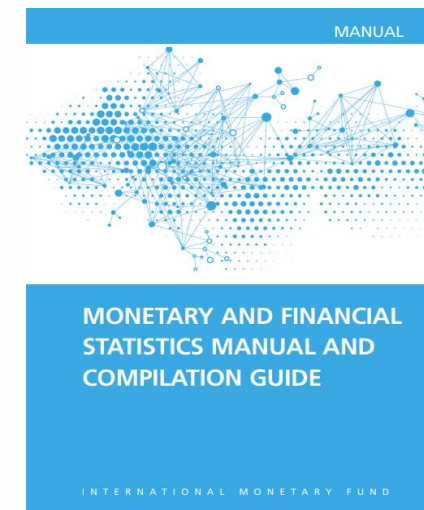
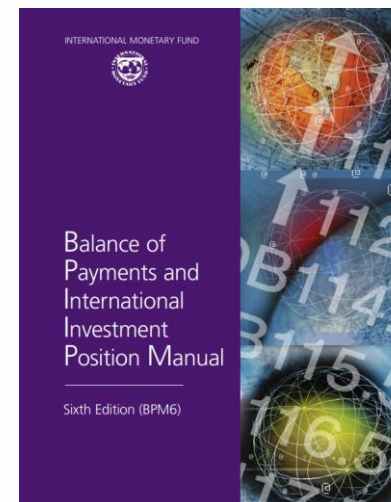
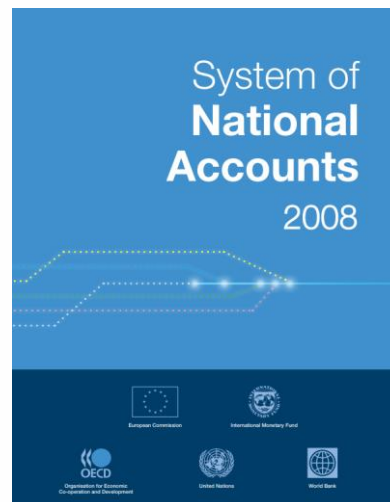
Global Sustainable Instrument Amount Outstanding by Instrument
(Billions of U.S. dollars)



Sources: Refinitiv; IMF Staff Calculations.

Updates to Statistical Methodologies

- Introducing Climate Finance in Statistical Methodology



Proposed Structure for ESG and Green Financial Instruments for the 2025 SNA

| | |
|--------------|--------------------------------------------------------|
| AF.1 | Monetary gold and SDRs |
| AF.2 | Currency and deposits |
| AF.3 | Debt securities |
| | <i>Of which: ESG debt securities</i> |
| | <i>Of which: Social debt securities</i> |
| | <i>Of which: Green debt securities</i> |
| | <i>Of which: Sustainability debt securities</i> |
| | <i>Of which: Sustainability-linked debt securities</i> |
| | <i>Of which: Other ESG debt securities</i> |
| AF.4 | Loans |
| | <i>Of which: ESG loans</i> |
| | <i>Of which: Green loans</i> |
| AF.5 | Equity and investment fund shares |
| AF.51 | Equity |
| | <i>Of which: ESG equity</i> |
| | <i>Of which: Green equity</i> |
| AF.52 | <i>Investment fund shares</i> |
| | <i>Of which: ESG investment fund shares</i> |
| | <i>Of which: Green investment fund shares</i> |
| AF.6 | Insurance, pension and standardized guarantee schemes |
| AF.7 | Financial derivatives and employee stock options |
| AF.8 | Other accounts payable/receivable |

Proposed Definitions for ESG and Green Financial Instruments

ESG debt securities are debt securities where the use of proceeds is restricted to financing or refinancing activities or projects or where the issuer agrees to achieve performance objectives that improve the condition of the environment or society or governance practices. These include green debt securities, social debt securities, sustainability debt securities, sustainability-linked debt securities, and other ESG debt securities.

Social debt securities are debt securities where the use of proceeds is restricted to financing or refinancing activities or projects that improve the condition of society.

Green debt securities are debt securities where the use of proceeds is restricted to financing or refinancing activities or projects that improve the condition of the environment.

Sustainability debt securities are debt securities where the use of proceeds is restricted to financing or refinancing activities or projects that improve both the condition of the environment **and** society.

Sustainability-linked debt securities are debt securities in which certain characteristics, such as the associated cash payments, are linked to achieving performance objectives that improve the condition of the environment or society.

Other ESG debt securities are any ESG debt securities other than those identified as social debt securities, green debt securities, sustainability debt securities or sustainability-linked debt securities.

ESG Loans are funds lent by creditors to debtors in which 50% or more of the debtor's activities improve the condition of the environment or society or governance practices.

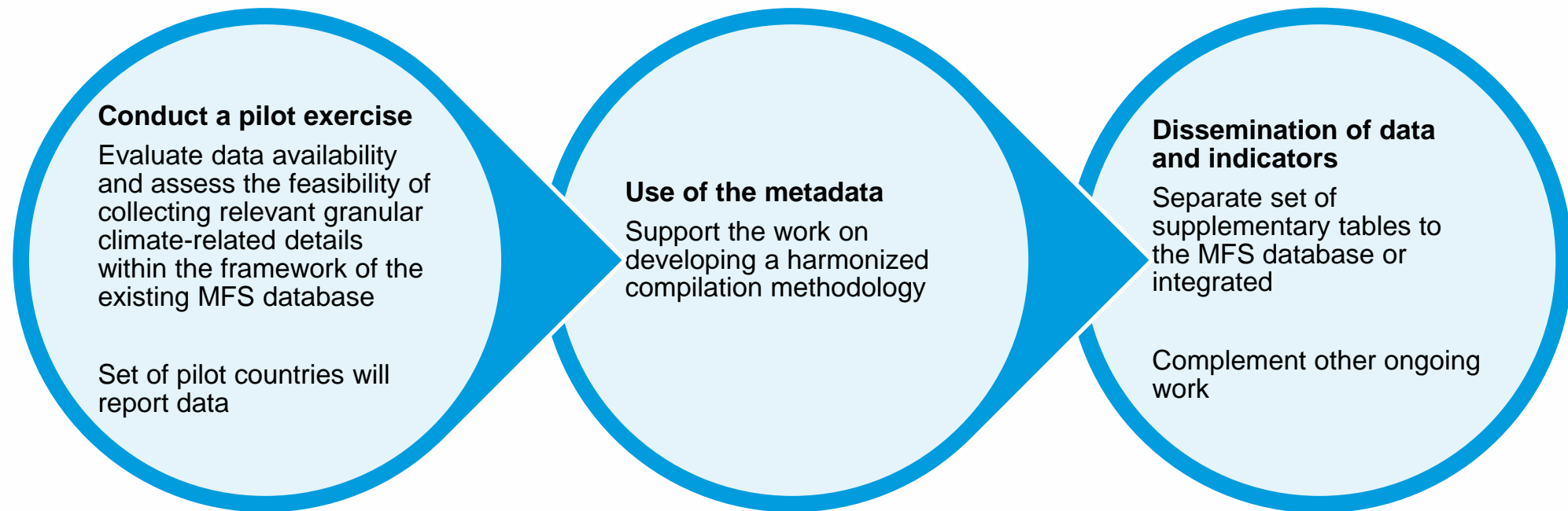
Green Loans are funds lent by creditors to debtors in which 50% or more of the debtor's activities improve the condition of the environment.

Green equity are equity investments by investors to institutional units in which 50% or more of the institutional unit's revenue comes from activities that improve the condition of the environment.

ESG Equity are equity investments by investors to institutional units in which 50% or more of the institutional unit's revenue comes from activities that improve the condition of the environment or society or governance practices.

Climate Finance Data Project for the Financial Sector

Main Objective: Leverage IMF's monetary statistics database to bridge climate-related data gaps for the financial sector



G20 DGI-3 Climate Related Recommendations

Focus of this course



G20 DATA GAPS INITIATIVE 3



DELIVERING INSIGHTS FOR ACTION

Conclusion

- The demand for reliable and comparable climate finance data is only growing, driven by global commitments like the Paris Agreement.
- The IMF's Statistics Department is taking a proactive role in addressing these data gaps through initiatives such as the Climate Indicators Dashboard, updates to statistical methodologies, and pilot projects that explore data availability
- Our efforts are part of a broader global collaboration. By working with international stakeholders, including the G20, we are contributing to a unified approach to climate finance data that will help shape policy and inform investment decisions in the years to come

Link to the climate strategy document: [Here](#)

Thank you!