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## NGFS publishes a progress report with preliminary findings on climate-related data gaps

Today, the NGFS released a report entitled “[Progress report on bridging data gaps](#)” which forms part of the first phase of the [work programme](#) of the NGFS workstream on bridging the data gaps. This report, in setting out the issues that need to be considered going forward, lays the groundwork for a comprehensive assessment of climate-related data needs and gaps. It was informed by a systematic literature review, outreach to a variety of international organizations and other relevant stakeholders and various closed-door workshops. This progress report also constitutes a valuable input to nourish the work on climate-related data undertaken at the international level by the Financial Stability Board and the G20, notably.

**Reliable and comparable climate-related data are indeed crucial for financial sector stakeholders** to assess financial stability risks, properly price and manage climate-related risks, and take advantage of the opportunities arising from the transition to a low-carbon economy. However, persistent gaps in climate-related data hinder the achievement of these objectives. Stakeholders report the need for more forward-looking data (e.g. targets or emissions pathways) and granular data (e.g. geographical data at entity and asset-levels). They are also calling for assurance about the quality of climate-related through verification and audit mechanisms, as well as improvements in data accessibility.

Frank Elderson, Chair of the NGFS and member of the ECB’s Executive Board: *“The lack of good quality and readily accessible data has been a challenge for central banks, supervisors and financial sector participants alike. The work herein presented lays the groundwork for a comprehensive stock take of the data needs and identifies ways to further bridge gaps.”*

**To ensure the availability of reliable and comparable climate-related data, a mix of policy interventions is needed to catalyse progress. Three building blocks are paramount:** (i) rapid convergence towards a common and consistent set of global disclosure standards, (ii) efforts towards a minimally accepted global taxonomy, and (iii) the development and transparent use of well-defined and decision-useful metrics, certification labels and methodological standards.

Patrick Amis, co-Chair of the NGFS’ “Bridging the data gaps” workstream and Director General of the Directorate General Specialised Institutions and LSIs at the ECB/SSM: *“We will continue engaging with multiple stakeholders to further progress along the three building blocks identified in the report. The provision of climate and environment-related data goes beyond financial sector participants and requires swift progress on disclosures, global taxonomy and transparent and quality-assured metrics.”*

Fabio Natalucci, co-Chair of the NGFS’ “Bridging the data gaps” workstream and Deputy Director of the Monetary and Capital Markets Department at International Monetary Fund: *“There is an urgent need to strengthen the global “climate information architecture”, of which reliable and comparable data are a crucial component. Decision-useful information is essential for the assessment and pricing of climate risks and for the mobilization of private finance necessary to transition to a more climate-sustainable economic model.”*

**The NGFS will continue its evidence-based identification of the most prevalent data gaps** – including by further engaging with other stakeholders such as non-financial corporates, data providers and ratings agencies – and issue recommendations on how to bridge them.

### **Upcoming publications**

The NGFS will continue to leverage the best practices identified within its membership to help central banks and supervisors, as well as the relevant stakeholders, to better assess and mitigate climate-related risks. In particular, some documents relating to the NGFS scenarios will be released shortly.

### **New members/observers**

The NGFS is pleased to announce that one member (Reserve Bank of India) and one observer (Financial Stability Board) have recently joined the Network.

### **About the NGFS**

The NGFS, launched at the Paris One Planet Summit on 12 December 2017, is a group of central banks and supervisors, which on a voluntary basis are willing to share best practices and contribute to the development of environment and climate risk management in the financial sector, and to mobilize mainstream finance to support the transition toward a sustainable economy. The NGFS brings together 90 central banks and supervisors and 14 observers. Together, they represent five continents and around 85% of global greenhouse gas emissions, and are responsible for the supervision of all of the global systemically important banks and two thirds of global systemically important insurers. The NGFS is chaired by Frank Elderson, member of the ECB's Executive Board. The Secretariat, headed by Morgan Després, is provided by Banque de France.

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**For more details, visit the [NGFS website](#) and [Twitter account](#) or contact the NGFS Secretariat at Banque de France [sec.ngfs@banque-france.fr](mailto:sec.ngfs@banque-france.fr)**

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