

## Workstream Supervision

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### A. Objective of The Workstream

The objective of The Workstream is to **foster progress among NGFS members towards incorporating climate-related and nature-related risks within their supervisory frameworks and practices**. The Workstream will identify and share good practices in supervision and prudential regulation, thus contributing to the uptake of consistent practices across jurisdictions and within the financial sector. To support these objectives, The Workstream will undertake relevant analytical studies and closely coordinate with standard-setting bodies and relevant international organizations and networks. The Workstream's activities focus primarily on the micro-prudential supervision of the banking and insurance sectors.

### B. Relevance to the work of the NGFS

This Workstream will contribute to the three strategic priorities of the NGFS:

- Technical incubator: The Workstream will provide technical support for the development of climate and nature risk supervision practices — whether in terms of micro-prudential risk assessment, deployment of supervisory tools or setting supervisory expectations.
- Scenario expertise: The Workstream can support the sharing of observed practices and insights on how supervisors, as well as banks and insurers, apply scenario analysis for risk management purposes.
- Capacity builder: The Workstream will facilitate members' understanding of current supervisory practices, as well as NGFS materials and reports, and will support the uptake of WS Supervision publications.

### C. Tasks for 2026-2028

1. **Provide technical support to facilitate the integration of climate and nature-related risk assessment into supervisory frameworks.**

The Workstream will strive to develop in-depth technical analyses on topics of common interest to supervisors, such as the assessment of physical risks, adaptation measures and their impacts on financial institutions. Work on the quantification of financial risks could also be undertaken to support the development of forward-looking risk indicators, to enhance assessment of risk materiality by supervised financial institutions.

## **2. Encourage knowledge sharing and build capacity amongst the supervisory community.**

The NGFS will support capacity building and the mapping of supervisory practices through an updated [Guide for Supervisors](#), which will present different approaches to supervise climate- and nature-related risks. Capacity-building sessions may be established, drawing on this Guide to ensure the dissemination of the key messages of this work, including in relation to the new topics covered (such as in the areas of transition plans, climate-related litigation risks and adaptation).

More generally, The Workstream will explore ways (such as the organisation of webinars or workshops) to encourage knowledge sharing and the sharing of good practices amongst the supervisory community, thereby fostering a collective progress across the community towards incorporating climate and nature-related risks within their supervisory frameworks.