



The Partnership for Biodiversity Accounting Financials - PBAF

Introduction

There is a growing awareness among financial institutions that impacts and dependencies on biodiversity play an important role, both from a risk and from an opportunity perspective. Economic sectors invested in impact on biodiversity and depend on the ecosystem services nature provides. These services are increasingly at risk as a result of the loss of biodiversity. Through their investments, financial institutions can play an important role in the conservation and sustainable use of biodiversity, contributing not only to the biodiversity targets of the Convention on Biological Diversity (CBD¹), but also to the reduction of investment risks. For financial institutions to take up this role, the availability of science based, reliable data on the impacts on biodiversity is an important precondition.

The PBAF Standard

The Partnership for Biodiversity Accounting Financials (PBAF)² develops the 'PBAF Standard'.

The PBAF Standard enables financial institutions to assess and disclose impact and dependencies on biodiversity of loans and investments.

PBAF provides **practical guidance** to financial institutions on biodiversity impact and dependency assessment and **defines** what is needed in order for these assessments (either or not conducted by data providers), to deliver the right information to financial institutions. With this information financial institutions can **effectively manage and report on biodiversity related risks and opportunities** and contribute to the conservation and sustainable use of biodiversity.

The development of the Standard started in 2019 and is led and supported by a group of PBAF-partners and supporters, now totalling 26 financial institutions from 6 countries (October 2021). PBAF aligns and closely cooperates with other biodiversity related initiatives in the financial sector, like the European Align project, the Taskforce for Nature related Financial Disclosures (TNFD) and the Finance for Biodiversity Pledge.

1 <https://www.cbd.int/convention/>

2 PBAF is an independent foundation based in the Netherlands.

A first version of the PBAF Standard was presented in the 2020 publication *'Paving the way towards a harmonised biodiversity footprinting approach for the financial sector'*.

Building on this first publication, PBAF partners are cooperating in three working groups (**Asset management, Agriculture and Positive impacts**), to develop further **guidance, definitions, principles and requirements** for the 2022 version of the PBAF Standard, expected to be published at the beginning of 2022.

Walking in the footsteps of the Partnership for Carbon Accounting Financials (PCAF)

The PBAF initiative aims to follow into the footsteps of the Partnership for Carbon Accounting Financials (PCAF)³, initiated by ASN Bank and a group of founding partners a few years earlier, an initiative which has now grown into a truly worldwide initiative. PCAF and PBAF are actively supported by the Dutch government, strengthening the initiative's linkages to the international policy level (EC, CBD) and related initiatives in the financial sector, like the Taskforce on Nature related Financial Disclosure (TNFD).

Financial institutions can join PBAF as a 'partner' or as a 'supporter':

- **Partners** actively contribute to the development of the PBAF Standard, decide on the plans of action of PBAF (like the selection of topics for Working Groups) and receive active support on biodiversity impact and dependency assessment (like training and support in case studies). A small financial contribution is requested from partners.
- **Supporters** support the objective of PBAF, and will receive regular updates on new developments in the area of biodiversity impact and dependency assessment in the financial sector. Supporters are not expected to actively join PBAF Working Groups. No financial contribution is requested from supporters.

Supporters can decide to become a partner, for example if they want to be involved in one or more of the working groups, are interested in active support or simply because they have more time available to become active as a partner.

What does PBAF offer?

PBAF partners receive the following benefits:

- Introduction to biodiversity impact and dependency assessment in the financial sector through (individual) online training for their organisation.
- Support in taking the first steps in biodiversity footprinting.
- Participation in the development of impact and dependency assessment principles. Development of these principles will be based on the output of *PBAF Working Groups* focusing on specific topics, supported by experts. Topics are decided on by the PBAF partners.
- Participation in (on-line) meetings to share practical experiences regarding biodiversity impact and dependency assessment by financial institutions (case studies).
- Regular online updates on the ins and outs of other initiatives relevant to biodiversity accounting in the financial sector, like the work of the Taskforce on Nature related Financial Disclosures (TNFD), the EU Taxonomy, the work of the UNEP-Finance Initiative on biodiversity targets, ENCORE and initiatives following the Finance for Biodiversity Pledge.

More information

For more information have a look at the PBAF website: www.pbafglobal.com

Or contact for an introduction call:

Roel Nozeman, ASN Bank, roel.nozeman@asnbank.nl

Wijnand Broer, CREM, w.broer@crem.nl