Press release

Focus on biodiversity and natural capital datasets: FoSDA publishes a paper as COP15 kicks off in Montreal

Future of Sustainable Data Alliance (FoSDA) presents its special paper on biodiversity and natural capital datasets as the UN Biodiversity Conference (COP15) kicks off in Montreal, Canada.

Sherry Madera, FoSDA Chair, said: "COP15 is a crucial milestone on the path to a nature-positive and zero-emissions world, and the financial community is considering its role in halting and reversing biodiversity loss. Integrating biodiversity into financial decision-making is more relevant than ever. This requires clear definitions of the data in this space. In 2021 FoSDA identified biodiversity data as an example of a data 'hole' and this 2022 FoSDA paper takes a closer look at the availability of data on biodiversity and natural capital."

The special paper is the first publication of its kind, covering challenges in biodiversity, relevant regulations, risk and reporting frameworks, the nature data supply chain, gaps and holes, and other relevant topics. The publication features the results of an exclusive survey of FoSDA members, which sheds light on particular areas of data gaps pertaining to the relevant company-reported data.

The paper was prepared by the FoSDA Biodiversity workstream chaired this year by Christian O'Dwyer (Bloomberg). Valuable comments and inputs were received from FoSDA Biodiversity workstream members, including: Clarity AI, CDP, Climate Bonds Initiative, Greenomy, LSEG (London Stock Exchange Group), SIX Group, and S&P Global.

To better understand current gaps and holes in company reporting and data collection, FoSDA has undertaken a study among members to understand the extent to which data is available for certain biodiversity and natural capital impact drivers and for specific indicators for each of those drivers. This builds on the work

of the FoSDA ESG Data Gaps and Holes workstream which has already identified this area as one of the gaps in its publications.

According to the study, the only driver where data is widely collected and of high coverage and quality is "GHG Emissions". At the same time, "Disturbances", "Marine Ecosystem Use", "Other Resource Use", "Soil Pollutants" and "Terrestrial Ecosystem Use" make up the drivers where very little data is collected and coverage and availability are perceived as poor. The paper also goes into a more granular analysis of individual indicators aligned to the Taskforce on Nature-related Financial Disclosures (TNFD) V0.2 Annex 2.

Christian O'Dwyer, Chair of FoSDA Biodiversity and Nature Workstream, Sustainable Finance Solutions Product Manager at Bloomberg LP, said: "The financial industry increasingly seeks to measure the impact of investments on biodiversity. However, the role that the sector can play in valuing natural capital is dependent on high quality data to inform decision making. This paper provides an outline of current data availability and of gaps that should be addressed with future data requirements."

*About FoSDA:

The Future of Sustainable Data Alliance (FoSDA) is a multi-member alliance seeking to identify and accelerate reliable ESG data needed to deploy global capital sustainably and in line with the requirements of regulators, citizens and the market now and in the future. FoSDA was formed in Davos in January 2020, spearheaded by Refinitiv and the World Economic Forum. FoSDA's membership includes S&P Global, Moody's, London Stock Exchange Group (LSEG), Bloomberg, SIX Group, ESG Book, Clarity AI, CDP, Climate Bond Initiative, OMFIF and ASIFMA. Website: https://futureofsustainabledata.com/

As part of COP27, the Future of Sustainable Data Alliance (FoSDA) launched its review of the corporate and sovereign ESG datasets that are the most critical for improving sustainability disclosure and analysis, and produced recommendations on topical trends and issues for policymakers and the financial industry in order to improve the availability of sustainability data, as well as data access, comparability and usage across different asset classes. Download the reports here.