



Project Title

Promoting an African voice for the Taskforce on Nature Related Disclosures (TNFD) and nature-related financial risk management



Implementing Partner

Vivid Economics/McKinsey and Company, Oliver Wyman, TNFD, United Nations Economic Commission for Africa



Donor

HMG Department of Environment, Food and Rural Affairs (DEFRA)



Value (in £)

1,675,000



Implementation Period

2021-2023



Countries Covered

SSA



Project Description

CCAF in collaboration with Cambridge Judge Business School Executive Education delivers the Cambridge Fintech and Regulatory Innovation (CFTRI) global executive online programme. The CFTRI programme is designed to enable global executives, financial regulators, supervisors and policymakers to understand the mechanics and applications of key innovative technologies employed in fintech firms, evaluate fintech business models and respective regulatory and policy implications and responses, utilise analytical tools to assess fintech business models aligned with national objectives and capabilities and assess the viability and suitability of an array of regulatory innovation initiatives and responses.



Target Results

- Creating economic opportunity: 23% of Africa GDP is dependent on nature and so in order to preserve economic growth, it is imperative that natural ecosystems be protected.
- Delivering environmental benefits: This is a significant long-term benefit of this project (outside of the project lifecycle).
- Addressing fragility and vulnerability: As per the R&R Pillars mission and approach, this project would be framed around capturing and identifying major risks and obstacles to resilience facing Africa.



Progress

This project has been separated into three main workstreams – first, developing an academic justification for the TNFD and strong action from financial institutions on natural capital protection. Secondly, trialling and piloting the emerging TNFD framework, delivering feedback on the effectiveness of the framework to the TNFD and providing capability building for African-based financial institutions. Finally, the launch and usage of the African Natural Capital Alliance (ANCA) to advocate for longer-term action, policy & regulatory engagement with nature, and the relevance of incorporating natural capital into the sustainable development discourse. All activities should have the intention of establishing an 'African Voice' on nature and making the TNFD fit-for-purpose.

Thus far, we have launched the initial academic justification for the TNFD, collaborating with a team of economists and consultants to, for the first time, quantify the impact of nature on an underlying loan book value. We've tested these results with industry partners, trialling the model across asset classes, sectors and geographies, leading to a significant amount of deeper understanding of how different physical and transition risks may impact aggregate profits.



Contact

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