Climate Risk Disclosure and Greenwashing

Accurate reporting is crucial to mobilize green and climate finance to address climate change, recover from the COVID-19 pandemic, and achieve both climate and sustainable development goals. Financial market efficiency relies on timely and accurate information regarding risk exposures. Increasingly climate risks influence the decisions of asset managers, banks, insurance companies, and financial regulators globally. Financial markets, regulators, and civil society are increasingly demanding information about how climate risks are managed and insisting on transparent disclosure of these risks.

There is a growing acknowledgment of the need to promote climate risk disclosure and to prevent greenwashing.

Greenwashing is when a party misrepresents the extent to which their practices are environmentally friendly and sustainable or implying that an investment or project is more environmentally friendly than it actually is and, in doing so, misleads customers and the market.

There is an urgent need for the region to accelerate climate disclosure to reach net-zero.

Climate Risk Reporting Frameworks

Although there are different disclosure frameworks the principles are generally consistent and are designed to clarify the linkages between sustainability and climate change risks.

The different frameworks reflect the diverse needs of various stakeholders that increasingly need to engage with climate risks and the need to incorporate these prospects into decision making and financial reporting.
ESCAP and GGGI are working together to support the Asia-Pacific region in reaching its climate targets. Together we believe that NDCs need to be drastically enhanced to achieve carbon neutrality by 2050, however, these commitments need to be accommodated by policy action and financing to support investment in a green future.

Partner with ESCAP and GGGI in the following areas:

- **Financial Support**
- **Innovative Climate Finance Solutions**
- **Research and Analysis**
- **Advocacy**
- **Policy and Regulatory Support**

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