

PBAF objective and organisational structure

1. The Partnership Biodiversity Accounting Financials

At the end of 2019, the Partnership for Biodiversity Accounting Financials (PBAF) was established by ASN Bank (part of de Volksbank), ACTIAM, Triple Jump, Triodos, Robeco and FMO. The PBAF initiative aims to follow into the footsteps of the Partnership Carbon Accounting Financials (PCAF), initiated by ASN Bank a few years earlier, an initiative which has now grown into a truly worldwide initiative. PBAF is 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).

2. Objective of PBAF

PBAF is a partnership of financial institutions that work together to explore the opportunities and challenges surrounding the assessment and disclosure of the impacts and dependencies on biodiversity associated with their loans and investments. Through discussions, the exchange of experiences and practical case studies, PBAF partners cooperate in the development of the ‘PBAF Standard’. With this Standard, 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.

These principles will feed into the assessment methodologies offered in the market, thereby contributing to the development of a harmonised biodiversity accounting approach in the financial sector. In this way, PBAF will contribute to halting global biodiversity loss and bending the curve for nature in the next decades.

3. Organisational structure PBAF

The organisational structure of PBAF (see figure 1) is set up with the aim to provide a solid and scalable platform fit for growth and suited to accomplishing the partnership’s objectives. An independent, not for profit foundation under Dutch law has been established for PBAF.



Figure 1: Organisational structure of PBAF
PBAF Programme director

Partners and supporters

Participation in PBAF is open to financial institutions (banks, insurers, pension funds, asset managers, impact investors, impact funds and biodiversity project developers). Financial institutions can participate by becoming a 'partner' or a 'supporter':

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

Core partners and PBAF Program chair

PBAF partners can decide to join a group of 'core partners' which, together with PBAF Program Chair (a representative of ASN Bank), will focus on:

- writing and/or contributing to the annual working plan and strategic direction setting;
- expanding interest in PBAF by acting as PBAF ambassadors.

The PBAF Program Chair will be responsible for organizing the PBAF Program annual meeting, the communication between PBAF partners and the board, external communication and contacts with external stakeholders.

Workplan

A yearly workplan is developed by the group of Core partners and the chair of the PBAF Program, using the input from all PBAF partners, and is sent for approval to the board. The board of the foundation will advise and ultimately decide on the workplan and the financing of the proposed activities. While the partners do not have formal decision power over the work plan, the PBAF initiative fully depends on the input of the partners to the workplan.

Working groups, process and decision-making

The development of 'common ground principles' on specific impact and dependency assessment topics takes place in working groups. These working groups operate as follows:

- Each working group will show a level of self-organization, and will start with writing a workplan-agenda for the working group. A consultant, approved by the PBAF Program Chair, will lead the working group, assist in the discussions, in the writing of the workplan, in the preparation of the meetings and the reporting of the results.
- Experts and NGOs can be invited on an ad-hoc basis to participate in working group meetings after agreement by all working group members (experts will stay non-members).
- PBAF partners are free to join the working groups of their interest, contributing to the discussions and decisions on impact assessment principles (definitions, requirements and recommendations). Decisions on these principles can only be made by the partners participating in the working group.

- Decisions by PBAF partners in the working groups are preferably taken by consensus, or with a qualified majority.
- In 2021, first working groups have been initiated, based on the topics brought forward by the PBAF partners. Active participation of PBAF partners is expected.

Sounding board

The sounding board is made up of experts on biodiversity impact assessment and representatives of initiatives and networks active on finance and biodiversity. Participation can be on behalf of an organisation/initiative or in a personal capacity. The PBAF sounding board does not necessarily meet, but is invited to provide feedback on the draft principles developed by the working groups, included in the draft PBAF Standard. This feedback is processed by the PBAF Program Chair and PBAF Program manager, in cooperation with the PBAF Partners. The PBAF board decides on the members of the sounding board.

Communication

- PBAF will share the results of its efforts at an international level and will engage in constructive dialogue with international initiatives/institutions.
- If there is a need for external communication this will run via the chair of PBAF Program.
- PBAF publications on impact and dependency assessment principles will be made public.
- PBAF partners and supporters agree to coordinate the communication of key milestones in the development of the work (if applicable).
- A PBAF website has been developed to promote and share the work of PBAF.

PBAF builds on impact assessment principles already developed

Joining PBAF means joining an initiative which has already left the harbor. In 2019-2021, the PBAF partners developed a first set of impact assessment principles, included in the publication 'Paving the way towards a harmonised biodiversity accounting approach for the financial sector', and a revised draft PBAF Standard 2022. This publication and the definitions, requirements and recommendations described, serve as a starting point for financial institutions joining PBAF. This does not mean that these definitions, requirements and recommendations are not subject to change. As the experience with biodiversity impact and dependency assessment grows, new insights will emerge and definitions and principles will develop in order to address the footprinting challenges encountered. Moreover, definitions, requirements and recommendations may change when the context of biodiversity footprinting changes. For example, when the availability of impact and dependency data from investees changes and/or related initiatives, like the EU Taxonomy, TNFD, Finance for Biodiversity Pledge, Align and the Product Environmental Footprint (PEF), call for alignment.