

Australia advances sustainable finance agenda but more work to be done

24 September, 2024, Canberra: [The Australian Sustainable Finance Institute](#) (ASFI) has today released its fourth annual [Progress Tracker](#) on the implementation of the Australian Sustainable Finance Roadmap. The report highlights important progress in the last year to develop sustainable finance architecture and increase capital flows for sustainable activities.

A significant development in 2024 was the release of the Australian Government's own Sustainable Finance Roadmap, which sets out a pathway for policy and regulatory reform to support the transparency and credibility of sustainable finance markets in Australia and help investors and companies to manage sustainability related risks.

Key areas of progress in the past 12 months include the establishment of Australia's mandatory climate-related disclosure regime, continued development of Australia's sustainable finance taxonomy, and the issuance of Australia's first sovereign green bond.

Despite these gains, the average score across all 37 Roadmap Recommendations is 2.8 out of 5.0 – an increase of just 0.2 from 2023. Sustainable finance flows in Australia in 2024 are tracking at least on par with 2023, consistent with global trends. However, sustainable finance still represents a small portion of overall financial activity.

ASFI CEO, Kristy Graham said: "Australia has advanced its sustainable finance landscape, especially with the release of the Government's Sustainable Finance Roadmap. But there is more work needed to ensure significant progress continues over the next year.

"We need strong implementation of existing reforms over the next 12 months, and further efforts to address climate change, biodiversity loss, First Nations inclusion, and broader community resilience.

"The tracker identifies several priority areas, including: strong net zero targets and plans for government and corporates; accelerating household electrification and energy efficiency; increasing investment for climate adaptation and resilience; integrating nature-related into financial decision-making; digitalisation of financial reporting to help make use of information from climate disclosures; and equitable partnerships with First Nations communities.

"These action areas can be progressed through further aligning regulation with sustainability objectives; leadership and capability uplift within financial institutions; and deeper international engagement on sustainable finance policy – leveraging the rapid progress Australia has made in recent years on domestic frameworks such as the taxonomy and climate disclosures."

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To find the full report visit www.asfi.org.au/progress-tracker-2024

NOTES TO EDITORS:

The Australian Sustainable Finance Progress Tracker reports on progress towards implementing the 37 recommendations of the Australian Sustainable Finance Roadmap, which was established in 2020 following extensive cross-sector collaboration. The Roadmap sets out a pathway to realign the Australian financial system for a sustainable, resilient and inclusive Australia.

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About the Australian Sustainable Finance Institute

The Australian Sustainable Finance Institute (ASFI) is committed to realigning the finance sector to create a sustainable and resilient financial system by directing capital to support greater social, environmental and economic outcomes consistent with the Australian Sustainable Finance Roadmap. ASFI's members include leading banks, insurers, investors and financial services companies.