

Final consultation round for Taxonomy commences

30 October 2024, Canberra: The Australian Sustainable Finance Institute (ASFI) has today released the second and final public consultation paper for the Australian Sustainable Finance Taxonomy (the Taxonomy).

The Taxonomy will be a tool that Australian companies, investors and the wider community can use to confidently assess the green claims of economic activities as well as to confidently invest in and allocate capital to projects that advance net zero.

The taxonomy creates a common language for the market to be able to identify green assets and assess net zero claims that are being made by corporates and financiers. It is designed to tackle green washing and increase investor confidence.

The consultation paper invites feedback from stakeholders on all six priority sectors for the Taxonomy: the buildings sector; minerals, mining and metals; electricity generation and supply; manufacturing and industry; transport; and agriculture and land.

CEO of ASFI, Kristy Graham said: “The Australian Sustainable Finance Taxonomy will unlock favourable global finance to Australia’s key green and transition industries.

“As an OECD country, with a significant transition opportunity, the credibility of Australia’s taxonomy with global capital markets is critical to Australia’s ability to continue to attract international capital to support our transition and increase access to global green capital markets.

“In Europe, several banks are offering price incentives if an activity is aligned to the EU taxonomy. This is game-changing for emerging industries and innovation to reduce the cost of capital and create incentives for investment.

“Australia’s taxonomy will be the first in the world which will look to include mining and critical minerals. There will be significant opportunities to support industries with investments that contribute to a net zero economy and green exports.”

This iteration of the draft taxonomy follows an initial public consultation process in May 2024. The first round of public consultation sought feedback on the draft headline ambitions for the Australian taxonomy’s environmental objectives and the draft climate change mitigation criteria for the first three priority sectors for development.

ENDS

NOTES TO EDITORS

ASFI has taken a rigorous and collaborative approach to the Australian taxonomy's initial development phase, drawing on diverse stakeholder and technical input and views. ASFI and its technical teams, led by the Climate Bonds Initiative, seek targeted advice, input and feedback on initial draft taxonomy products through sector and subject-specific taxonomy advisory groups. For information on the governance of the Australian taxonomy see <https://www.asfi.org.au/taxonomygovernance>

The Australian Taxonomy's initial development phase is being led by ASFI in partnership with the Australian Commonwealth Department of Treasury. For more information on the Taxonomy, visit the ASFI website [here](#).

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About ASFI

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.

<https://www.asfi.org.au/>