



UNEP FI Sustainable Blue Economy Finance Initiative – Reporting Framework

Context

After the launch of the [Initiative](#) and [Sustainable Blue Economy Finance Principles](#), there is a need to ensure Members and Signatories are working towards implementation of the Principles and are supporting a transition to a Sustainable Blue Economy over time. The suggested reporting framework, which enables Members and Signatories to report on their progress annually to the UNEP FI SBE Secretariat, is an initial attempt at capturing this progress and work in a transparent and useful manner, while not presenting a burden for the diverse membership of the Initiative. This reporting framework may be reviewed and adapted over time as necessary to keep up with the fast-moving field of the blue economy.

Requirements

- **Signatories**
 - We expect Signatories to **publicly report** annually on how their organisation is implementing the Principles. These annual updates are designed to ensure our Signatories continue to make positive changes within their activities.
- **Members**
 - We expect Members to **update the Secretariat** annually on how their organisation is progressing on supporting the uptake of the Principles and sustainable blue finance practices. These annual updates are designed to ensure our Members continue to make positive changes within their activities.

Reporting framework

I. Why report?

Transparency is an integral form of accountability to the public, particularly in a voluntary and aspirational framework. Public disclosure of progress is important to the credibility of an organisation that has publicly adopted the Principles, which are meant to be implemented. This, in turn, can be important to the overall credibility of the Principles. Public disclosure will enable the public to better understand how signatories are managing ESG and ocean health issues in their business as part of their implementation of the Principles.

Transparency and public reporting are motivators for continuous improvement and follow Principle 7: *“We will make information available on our investments and their social, environmental and economic impacts (positive and negative), with due respect to confidentiality. We will endeavour to report on progress in terms of implementation of these Principles.”*

This framework does NOT require Signatories and Members to produce an additional report. Rather, it is designed for Signatories and Members to provide references/links to where in their existing reporting/public domains the required information can be found. The aim is to keep additional reporting burden to a minimum while ensuring transparency and accountability as set out in Sustainable Blue Economy Finance Principle 7.

II. What to report?

a. Signatories

In general, the aim is to report on the steps that Signatories have taken and are taking to move towards a sustainable blue economy. However, the content and extent of the disclosure is up to the Signatory.

Disclosure could include mentioning aspirations and targets relating to the Principles or [Guidance](#), using the following guiding questions:

- i. How does the Signatory plan to achieve the adoption and implementation of the Sustainable Blue Economy Finance Principles?
- ii. What steps has the Signatory already taken, across their financial activities, (i.e. lending, investing, insuring), towards implementing the Principles? This is intended to show progress.
- iii. Providing practical example(s)

Signatories may choose to include all of the recommended guiding questions above and may use the Principles as support for approach and thinking around the topic.

Signatories may also choose to align or cross-reference their disclosure with current reporting (e.g. annual report, sustainability report, relevant disclosure or reporting frameworks like the PRI, PRB or PSI) – or they may choose not to.

Signatories may have different starting points and operate in different contexts and therefore may not be able to provide comprehensive information on ocean-related impact and dependencies the first time they report. That is fine.

As a minimum requirement, Signatories should address guiding question (i) above on how they plan to achieve the adoption and implementation of the Principles, referencing the UNEP FI SBE Initiative or its output (e.g. Guidance) in their disclosure on progress towards a Sustainable Blue Economy.

b. Members

Members are required to update the UNEP FI SBE Secretariat annually on how their organisation is progressing on supporting blue economy finance. These annual updates are designed to ensure our Members continue to make positive changes within their activities.

Public reporting is not required for Members of the Initiative. However, the Secretariat encourages transparent and public updates and disclosure on Members' progress, particularly for financial institutions, who have initially joined the Initiative as Members.

As a guide, Members may utilise the suggestions for Signatory disclosure outlined above but this is not mandatory.

c. **Note**

The Secretariat may update the reporting framework in the future, as appropriate. For example, over time it may be recommended that Members and Signatories harmonise their reporting with overarching initiatives and frameworks, as appropriate (e.g. EU taxonomy, TNFD). Members and Signatories will be made aware of any such changes well in advance.

III. How, how often and when?

a. How?

- i. Signatories can send the UNEP FI SBE secretariat a hyperlink that directs to their disclosure (e.g. specific text on their website, or a specific document posted on their website)¹.
- ii. Signatories can also send the Secretariat an electronic document representing their disclosure. In this case, we recommend that the document be sent in PDF file format. A hyperlink will be generated by the Secretariat to make this document accessible on the UNEP FI SBE website.
- iii. Members are encouraged to make disclosures public and allow them to be publicly available on the UNEP FI SBE [website](#).

b. How often?

- i. Annually

c. When?

- i. Signatories and Members are free to decide when their disclosure is completed each year.
 1. For any Signatory and Member already on board at launch of the reporting framework, the first annual report is expected before the 1st May 2022².
 2. For any other Signatory or Member joining after 1st May 2021, the disclosure is expected within one year of joining, i.e. the deadline for their first disclosure is one year from the date the Secretariat e-mailed the organisation to confirm their status as a Signatory or Member, respectively.
 3. After the first disclosure, Signatories and Members may choose to align their disclosure with their financial year or the calendar year.
 4. There is no need to wait for deadlines and it is recommended that Signatories and Members send their disclosure at least two (2) weeks before the deadline to give ample time for posting or in case of any technical issues.
 5. Arrangements longer than one year can be made via communicating reasonable circumstances to the Secretariat early on e.g. if a report is forthcoming that brings the timing to 14-15 months.

IV. What happens if Signatories and Members do not disclose?

- a. If any Member or Signatory does not participate in the annual public disclosure process, the secretariat will notify and discuss the matter with the relevant Signatory or Member. Thereafter, if the Signatory or Members still does not participate in the annual disclosure process, the UNEP FI SBE secretariat reserves the right, as the sole sanction envisaged by the SBE Initiative and the Principles, to delist any organisation.

¹ For consistency, this hyperlink will be made generic on the UNEP FI SBE website.

² It is understood that it may take longer in the first year to provide any substantive outcomes but Signatories are required thereafter to undertake annual reporting. However, the minimum requirements outlined under II a above are nonetheless expected.