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## *Climate Data Steering Committee - Governance Principles*

### **Introduction**

Recognizing that a lack of climate data is impeding progress against climate commitments and the transition to a net-zero economy, the establishment of a Climate Data Steering Committee (**CDSC**) is intended to bring together individuals of international organizations, global standard setters and bodies, policymakers and private data providers to support the creation and adoption of a Net-Zero Data Public Utility (NZDPU or Utility) that accelerates progress in addressing climate data gaps for real economy firms and financial institutions.

The utility will provide access to data which will support efforts to hold firms accountable for their commitments.

In order to begin the work to build the NZDPU as quickly as possible, an initial governance model will be operative through the design, build and pilot phase of the project (**Phase One**). Ultimately, the Utility will reside within the UNFCCC's Global Climate Action Portal and decisions about governance at that time will reside with the UNFCCC (**Phase Two**).

To deliver on Phase One, the CDSC intentionally brings together a diverse set of stakeholders with a shared interest in addressing core climate data gaps in entity level information for firms and financial institutions. Recognizing the differences in their mandates, the CDSC will be bifurcated from a governance standpoint. The CDSC public sector participants (**CDSC Public Policy Members**) will have clear responsibilities, which are consistent with their respective mandates, and differentiated from those of the data provider members (**CDSC Service Providers**). The CDSC will convene an **NGO Advisory Group** to help advise on the development of the NZDPU.

This document sets forth the governance principles for the CDSC as a whole, as well as the respective responsibilities of the CDSC Public Policy Members and CDSC Service Providers.

### **CDSC High-Level Principles**

The CDSC will operate under the following principles:

- **Collaboration:** Working in an inclusive, transparent and collaborative manner including through broad outreach to those seeking to make progress on climate data, and by consulting on key features of the design and future development of the Utility.
- **Open access:** Acknowledging the importance of "open data" to ensure access and minimal restrictions on use, recognizing that core climate data is foundational for both public and private sectors.
- **Reporting:** Fostering acceleration in reporting by real economy firms and private financial institutions in line with emerging common standards and best practices.

- **Quality:** Prioritizing quality of data delivered by the Utility, with reference to relevant common standards and best practice definitions where appropriate, but also recognizing that climate data is nascent and will be improved and scaled through time.
- **Transparency:** Ensuring sufficient transparency around the way in which data is calculated and that data users can reach their own informed decisions about its quality.
- **Interoperability:** Encouraging interoperability consistent with other relevant climate initiatives and that the Utility's data can be used by a wide set of public and private parties to meet their priorities.

In its work, the CDSC will act in compliance with relevant laws and regulations, including antitrust laws. No member organization or individual member representative of the CDSC will be deemed to have responsibility for the successful development of the Utility or any associated costs. Each member will bear its own costs in connection with meetings and participation in the CDSC.

### **Twin track Governance Mechanism for Phase One**

The governance model for Phase One - which constitutes the design, build and pilot phase of the project - will consist of two committees:

- **Public Policy Members:** Following agreement by the CDSC of the recommendations set out in the NZDPU white paper, the CDSC Public Policy Members will, consistent with their respective mandates, provide guidance throughout Phase One for the Service Provider Members to draft recommendations for the building of the Utility. In so doing, the Public Policy Members will, amongst other things, seek to ensure the data is consistent with emerging common standards and best practices and that during the pilot, the population and use of the Utility are fostered. The Public Policy Members will strive to reach consensus before providing their guidance.
- **Service Provider Members:** Following agreement by the CDSC of the recommendations set out in the NZDPU white paper, the CDSC Service Providers will be responsible for the design, build and operation of the pilot as specified by the NZDPU White Paper. The Service Provider Members will provide regular updates to the Public Policy Members, take into account their guidance at important junctures, and otherwise bring to bear their own relevant data and technical expertise to support delivery of the Utility. The Service Provider Members will work to engage a third party to develop the NZDPU.

Work carried out in Phase One by the CDSC Service Providers will be on a pro bono basis drawing on the convening resources and secretariat services of GFANZ. It is not intended that any of the CDSC Service Providers will incur any direct financial benefits from the work of

assisting in the development of the NZDPU, but all parties - public and private - will benefit from the greater open data it will generate.

Prior to the engagement of a third party to build the NZDPU, a new entity will be formed to fund and manage the creation of the Utility. After the pilot Utility has been built, it will be transferred to the UNFCCC or a UN affiliate for the ultimate benefit of the UNFCCC, with the CDSC continuing to offer support as appropriate.