

# Introduction to Sustainable Finance Taxonomies: Syllabus



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# 1. Contents

- 1. Contents \_\_\_\_\_ 1
- 2. About the course \_\_\_\_\_ 2
- 3. The course at a glance \_\_\_\_\_ 3
- 4. Learning objectives and structure \_\_\_\_\_ 4
  - Module 1. An overview of sustainable finance taxonomies \_\_\_\_\_ 4
  - Module 2. Taxonomies in practice: the EU and China \_\_\_\_\_ 5
  - Module 3. Principles of taxonomy development \_\_\_\_\_ 5
  - Module 4. Taxonomy development principles in practice: South Africa and Colombia \_\_\_\_\_ 5
- 5. Methodology \_\_\_\_\_ 6
- 6. Evaluation \_\_\_\_\_ 6
- 7. Technical requirements \_\_\_\_\_ 6
- 8. Acknowledgements \_\_\_\_\_ 6

## 2. About the course

**In recent years, the systematic integration of sustainability in financial decision making has gained considerable momentum.** By improving how sustainability risks are managed, sustainable finance not only creates more resilient financial systems, but also helps to close the funding gap to implement the Sustainable Development Goals (SDGs) and the Paris Climate Agreement.

However, channelling capital into sustainability-aligned investments requires a clear definition and common understanding of what qualifies as “sustainable”, as this establishes a level playing field, avoids greenwashing and builds trust. Given the proliferation of definitions around the world, sustainable finance taxonomies are emerging as a powerful policy instrument and provide much-needed guidance for the market.

**Sustainable finance taxonomies provide a clear definition and classification of sustainable economic activities.** They help to assess whether, or to what extent, an economic activity contributes to a sustainability goal and fosters market transparency, accountability and integrity. They facilitate the scaling up of sustainable finance and have the potential to play a significant role in aligning investment trajectories with global development goals.

**In developing and emerging economies, there is strong and growing demand for guidance and hands-on support to develop and implement taxonomies tailored to regional or national contexts.** Many countries and regions have already developed taxonomies or are in the process of developing them.

This interactive and practical course, “Introduction to Sustainable Finance Taxonomies”, provides you with an overview of sustainable finance taxonomies, their relevance, purpose and different use cases. It explains the core elements of taxonomies and introduces principles and good practices for their development. You will learn how theory is applied in practice through in-depth case studies and real-world examples from China, Colombia, the EU, and South Africa.

The course is aimed primarily at policymakers, including key ministerial staff, regulators, central bankers, capital market authorities and their advisors, who are interested in learning how to set up and develop sustainable finance taxonomies. By outlining the core elements and use cases of taxonomies, the course also provides important information for the real economy, including financial and non-financial companies that may need to report on the taxonomy alignment of their business activities in future.

We hope that this course creates a clear understanding of sustainable finance taxonomies and aids in their development worldwide. Please note that this area is dynamic and continuously evolving, and this content is current as of December 2022.

### 3. The course at a glance



**Length:**  
Four modules



**Effort:**  
3.5-4hrs



**Price:**  
Free



**Subject:**  
Sustainable finance taxonomies



**Level:**  
Introductory



**Languages:**  
English, Spanish and French



**Platform:**  
UN CC:Learn



**Assessment:**  
Quizzes



**Certification:**  
Yes

## 4. Learning objectives and structure

This e-learning course provides technical knowledge that will help you understand what sustainable finance taxonomies are, how they can mobilise capital for sustainability-aligned economic activities, and good development practices that can help ensure they are locally applicable and globally interoperable.

This course achieves the following objectives:

- Explains sustainable finance taxonomies and their purpose,
- Shows the real-life application of taxonomies in the EU and China,
- Illustrates the key principles of taxonomy development and good practices, and
- Demonstrates how international good practices combined with national priorities have been used in the development of taxonomies in South Africa and Colombia.

The course is divided into four modules:

- Module 1: An overview of sustainable finance taxonomies
- Module 2: Taxonomies in practice: the EU and China
- Module 3: Principles of taxonomy development
- Module 4: Taxonomy development principles in practice: South Africa and Colombia

Each module contains several lessons and concludes with a quiz.

### Module 1. An overview of sustainable finance taxonomies

This module looks at taxonomies as a unique sustainable finance policy instrument for channelling capital into sustainability-aligned economic activities. It details the purpose of taxonomies, their core components and how they work with other sustainable finance policy instruments. You will also learn about different types of taxonomies that are suited to particular country contexts and taxonomy objectives.

By the end of this module, you should be able to:

- Describe what sustainable finance taxonomies are,
- Explain the core elements of sustainable finance taxonomies,
- Recognise the purpose and benefits of sustainable finance taxonomies,
- Identify different use cases of sustainable finance taxonomies,
- Describe how sustainable finance taxonomies interact with other sustainable finance policy instruments, and
- Describe different types of sustainable finance taxonomies.

## Introduction to Sustainable Finance Taxonomies: Syllabus

### Module 2. Taxonomies in practice: the EU and China

This module applies the theoretical concepts presented in Module 1 to real-life applications in the EU and China. Two in-depth case studies feature the core components, differences, and similarities of the EU Taxonomy and Chinese Taxonomy, including the selection of objectives, sectors, economic activities, and determinants of taxonomy alignment.

By the end of this module, you should be able to:

- Describe the objectives, determinants of taxonomy alignment, and scope of the EU Taxonomy and Chinese Taxonomy,
- Explain the application of technical screening criteria (TSC), whitelists, and the “do no significant harm” (DNSH) principle,
- Compare how the EU and Chinese taxonomies are linked to sustainable finance policies in their respective jurisdictions, and
- Compare the key differences and similarities of the EU Taxonomy and Chinese Taxonomy.

### Module 3. Principles of taxonomy development

This module outlines common principles and best practices for the development of sustainable finance taxonomies. You will learn the overarching principles of sustainable finance taxonomies, as well as more detailed process and design principles. The module also discusses the importance of balancing local applicability with global interoperability.

By the end of this module, you should be able to:

- Identify some of the overarching principles guiding the development of taxonomies,
- Describe specific process principles and conceptual design principles that should be considered when developing a taxonomy, and
- Explain the importance of balancing the interoperability of taxonomies with applicability in the local context.

### Module 4. Taxonomy development principles in practice: South Africa and Colombia

This module brings the taxonomy development principles covered in Module 3 to life through in-depth case studies and real-life applications in South Africa and Colombia. This module applies theoretical content on overarching principles, process, and design principles to good practices and lessons learned in both countries.

By the end of this module, you should be able to:

- Describe the adopt-and-adapt approach to taxonomy development in South Africa,
- Explain the inclusion of the land-use sector in Colombia and the importance of ensuring taxonomies are applicable in the local context,
- Employ good practices in taxonomy consultation and validation based on the South African experience, and
- Explain the importance of linking taxonomies with existing sustainable finance initiatives, policy and regulation, as in South Africa and Colombia.

## 5. Methodology

The pedagogical approach of the course is tailored to the learning needs of full-time professionals. The course is self-paced, unmoderated and comprised of four modules delivered through UNITAR's online Virtual Learning Environment: [UN CC:Learn](#). To accommodate a variety of learning styles, a multi-modal approach to content design and delivery is applied, including text, audio-visual, reflective, and interactive/applied materials. Subject comprehension and retention are supported with questions throughout the modules and end-of-module quizzes.

### Certificate of Completion

At the end of each module, you will complete a quiz that corresponds to the learning objectives for that module. The quizzes assess your understanding of the key facts and concepts discussed in the module. To receive a Certificate of Completion, you are required to complete four quizzes and achieve a minimum score of 70 percent on each one.

## 6. Evaluation

Once you have completed the course, you will be invited to complete a feedback questionnaire that can be found on your certification page. Completing the course evaluation is encouraged as it will help the course developers improve the content and learning experience.

## 7. Technical requirements

The course is only available online. UNITAR recommends having the following minimum hardware and software to take this e-learning course:

- Platform: any modern version of Windows (7/8/10) or Mac OS X (10.9 Mavericks (2013) or later).
- Browser: any modern version of browsers such as Google Chrome, Mozilla Firefox or Internet Explorer. Java, cookies and pop-ups must be enabled.

## 8. Acknowledgements

Deutsche Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH developed this e-learning course on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ)

## Introduction to Sustainable Finance Taxonomies: Syllabus

and in cooperation with the IFC-facilitated Sustainable Banking and Finance Network (SBFN) to create a knowledge product at the intersection of international cooperation and sustainable development.

The contents contained herein are current as of December 2022 and based on in-depth desk research by GIZ. The content was developed by GIZ staff Angela Saul, Charlotte Waldruff, Ayda Kasiri, and Venugopal Rajamani under the overall guidance of Makaio Witte. Achim Deuchert provided important technical insights. GIZ is grateful to colleagues from the GIZ Programme FINACC, specifically Gabriela Niño Gómez, for supporting the development of the Spanish version of the e-learning and providing a detailed technical review of the course.

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### About BMZ:

Within the federal government, the BMZ is responsible for German development policy. The Sustainable Development Goals (SDGs) of the United Nations and the Paris Climate Agreement form the framework for its actions. BMZ's focus is on fighting poverty and hunger, and a commitment to healthy people in a healthy environment.

The BMZ sees itself as a transformative ministry working to support the worldwide transformation to a sustainable, climate-friendly and nature-friendly way of doing business whilst at the same time strengthening peace, freedom and human rights. To this end, BMZ coordinates bilateral cooperation with partner countries worldwide and promotes strong multilateralism based on the SDGs. In respectful cooperation with one another, BMZ seeks to change structures in those partner countries and globally in ways that make a better life possible for everyone.

### About GIZ:

GIZ is a German public-benefit federal enterprise that works jointly with governments, international organizations, businesses, civil society actors and research institutions worldwide to foster international cooperation for sustainable development. On behalf of the BMZ and other commissioning parties, GIZ supports sustainable development in emerging markets and developing countries.

In the field of sustainable finance, GIZ aims to accelerate the transformation towards sustainable financial systems in partner countries. GIZ's approach is to help create enabling framework conditions through policy and reform processes, support the implementation of ambitious sustainable finance practices in the financial sector, and to raise awareness and capacities through training, research and

## Introduction to Sustainable Finance Taxonomies: Syllabus

peer learning. For further information, please see: <https://www.giz.de/en>. To find out more about GIZ's work and service offering in the area of sustainable finance feel free to reach out to [transforming.finance@giz.de](mailto:transforming.finance@giz.de).

### About SBFN:

Established in 2012, the Sustainable Banking and Finance Network (SBFN) is a voluntary community of financial sector regulators, central banks, ministries of finance, ministries of environment, and industry associations from emerging markets committed to advancing sustainable finance for national development priorities, financial market deepening, and stability. Members' approaches draw on international good practices, reflecting national contexts and priorities. As of May 2023, SBFN represents 63 countries, 79 institutions, and at least USD 43 trillion (86 percent of the total banking assets in emerging markets). IFC, part of the World Bank Group, hosts the Secretariat of SBFN and helps mobilize information, resources, capacity building, and practical support for members to design and implement national initiatives that advance sustainable finance at national, regional, and global levels. For more information, visit [www.sbfnetwork.org](http://www.sbfnetwork.org).