

Sabine Mauderer: The year ahead for the Network for Greening the Financial System

Speech by Dr Sabine Mauderer, Vice-President of the Deutsche Bundesbank, at the Network for Greening the Financial System (NGFS) Outreach Meeting with Plenary Members and Observers from Africa, Kapstadt, 15 January 2025.

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Good afternoon,

Esteemed colleagues and friends,

Before we move on to the final panel of the day, I would like to take this opportunity to thank you for the productive and insightful discussions we have already had throughout the day. Sharing our experiences today has underscored the critical role that central banks and supervisors play in addressing the multifaceted challenges posed by climate change—especially in this part of the world.

And it has highlighted the important role that the NGFS can play. It was great to hear about the progress our global network has made in advancing our understanding of climate-related financial risks and integrating these considerations into our frameworks.

Last year alone, we put out 10 publications across all workstreams. For instance, as you heard from James Talbot, we issued several reports that assessed the macroeconomic impact of climate change and the green transition¹ as well as a Climate macroeconomic modelling handbook.² Integrating climate considerations into central bank macroeconomic modelling frameworks is crucial for informed policy-making. The handbook is useful for central banks at any stage of their climate modelling journey. As climate change-related events are becoming more frequent and more severe, understanding their impact will be even more crucial for central banks.

We also released the fifth vintage of the long-term climate scenarios. They show an updated and unfortunately much greater impact of climate change on GDP than previously estimated. If we continue with current policies, we risk losing up to 15% of GDP by 2050.³ These publications have generated huge attention. For instance, several international media outlets, such as the Guardian, reported on the updated scenarios. Our analyses also generated great interest at the UN Climate Conference, COP29, in Baku.

This is fantastic! It shows how our network has become an analytical powerhouse and an important voice and partner in international discussions on climate change. None of this would have been possible without your strong commitment and dedication! And I hope that you will continue to contribute to the NGFS's ambitious work. I can only encourage you to keep bringing your views and perspectives into our network and enriching its work.

In turn, Fundi Tshazibana, Vice-Chair of the NGFS, the Secretariat and I will continue to make sure all members' voices are heard and that our work caters to different needs. Because as we heard throughout the day, the needs of African central banks and supervisors can differ from those of their Asian or European counterparts. For instance, when we talked about the NGFS climate scenarios earlier, it became clear that applying them in the African context comes with specific challenges that need to be addressed, such as data gaps.

This is why these regional outreach events are a great opportunity

- to facilitate more tailored and focused exchanges among members and observers from the same region.
- to strengthen cooperation and intensify knowledge sharing between members that have a lot in common.
- to understand regional needs.
- to make sure issues that matter to our members are well reflected in our work agenda.

I think today's event made good on these promises and was very successful. We aim to ensure that all our members can benefit from the ample expertise within our global and diverse network. Building capacity is crucial in this process. It is essential to equip and empower all members with the necessary skills and knowledge to address climate and nature-related risks.

The NGFS actively promotes capacity building across its members and beyond. Expanding these efforts is a top priority for me. We need to ensure that all our members can fully participate in and benefit from NGFS activities. The NGFS will work to develop targeted training programmes, and promote collaboration among members to effectively address climate and nature-related risks. I encourage all of you to make use of the existing training platforms and resources. I would be happy to hear your ideas on how we can improve our training resources and tailor them to your needs.

Looking ahead, we really need all hands on deck! Because we have a lot planned for this year. The NGFS aims to explore new frontiers. For instance, early in 2025 we plan to release the first vintage of the short-term scenarios, which will complement the existing long-term scenarios. Our work on adaptation is also progressing very well—thanks also to our colleagues from the National Bank of Rwanda who co-lead the NGFS Task Force on Adaptation. We published a first note at COP29 and are planning to release a more comprehensive analysis for COP30.⁴

Strengthening climate adaptation is essential for building resilient economies and safeguarding the well-being of our communities. Implementing measures to reduce vulnerability to climate impacts is particularly critical in Africa. That's why it is so important to discuss how to scale up adaptation finance in Africa. I found it very interesting to hear about challenges, possible solutions and how central banks and supervisors—and the NGFS—can support the mobilisation of adaptation finance.

In a moment, we will look more broadly at the role of central banks and supervisors in addressing climate-related challenges. Against a backdrop of increasing political fragmentation and polarisation, cooperation and collaboration are more important than ever. Because our planet is heating up fast. Last year was the warmest on record.⁵

The implications of climate change for central banks, monetary policy and financial supervision are profound and multifaceted. Central banks and supervisory authorities around the globe must adapt to and tackle these challenges. As independent institutions, we can best do so by communicating the facts clearly and transparently! Our work can help to ensure that climate risks remain a top priority—in Africa and globally—despite the many headwinds.

Our upcoming, final panel discussion will round off a very productive day. Today's outreach meeting helped us to identify and discuss issues that are particularly relevant to economies in Africa. The NGFS is about sharing knowledge, experiences and best practices. About learning from one another. Personally, I learned a lot today, and I hope you did too.

Before we move on to the panel, I would like to thank Yann Marin and the team at the NGFS secretariat as well as everyone from the SARB for organising the meeting today. Thank you for being great partners in steering our global network. And most importantly, thank you, everyone, for your contributions. I look forward to continuing our exchange and I am sure there will be plenty of opportunities throughout the year.

In fact, tomorrow will already be our next opportunity. I am sure I will see some of you at the meeting of the Basel Committee on Banking Supervision and the Financial Stability Institute where we will also discuss the role of supervisors in addressing climate change.

And beyond that, I will be back soon in the context of the South African G20 presidency. Moreover, I recommend that each and every one of you attend the NGFS Plenary Meeting in Delhi in March, where we will need your perspectives as well. So, let's keep in touch and, together, let's all continue the success story of the NGFS! Thank you.

¹ Network for Greening the Financial System (2024): [Climate change, the macroeconomy and monetary policy](#), 29 October 2024.

² Network for Greening the Financial System (2024): [Climate macroeconomic modelling handbook](#), 24 October 2024.

³ Network for Greening the Financial System (2024): [NGFS Climate Scenarios for central banks and supervisors - Phase V](#), 5 November 2024.

⁴ Network for Greening the Financial System (2024): [NGFS Conceptual Note on Adaptation](#), 13 November 2024.

⁵ [World Meteorological Organization \(2025\): WMO confirms 2024 as warmest year on record at about 1.55°C above pre-industrial level](#), 10 January 2025.