

***The Green Technical Advisory Group has been established to provide advice to government.
Its views, and the content of this document, do not represent government policy.***

Green Technical Advisory Group (GTAG)

Meeting 6: 18th May 2022

Meeting Notes

Participants:

Attendee	Organisation	Attendee	Organisation
Ingrid Holmes (Chair)	GFI	Paul Fisher	CISL
Faith Ward	IIGCC	Nick Robins	Grantham Institute/LSE
James Alexander	UKSIF	Theodor Cojoianu	University of Edinburgh
Elizabeth Gillam	IRSG	Rhian-Mari Thomas	TNFD
Nick Molho	Aldersgate Group	Kate Levick	E3G
Rain Newton-Smith	CBI	Karen Ellis	WWF
Margarita Pirovska	PRI	Ryan Jude	GFI
Anna Creed	Climate Bonds Initiative	Charlotte Love	GFI
Lily Dai	FTSE Russell/LSEG	Adam Standage	GFI
Nadia Humphreys	Bloomberg	Jonathan Heybrock	GFI
Katie Spooner	Environment Agency		

Government observers from HMT, BEIS, FCA, DEFRA, BoE and DWP

Apologies: Ben Caldecott (CGFI) and Mike Thompson (CCC)

1. Welcome and introduction to the day

The Chair welcomed members to the meeting, provided apologies for members unable to attend the meeting and introduced a new member of GTAG: Anna Creed (Climate Bonds Initiative), replacing Prashant Vaze. The Chair provided an overview of the day's agenda and thanked GTAG members and government observers for attending.

2. GTAG Updates

GFI provided an update on the international taxonomy landscape and noted the International Sustainability Standards Board (ISSB) consultation on two proposed standards for disclosures. GFI also highlighted recent advice papers produced by the Platform on Sustainable Finance with relevance to GTAG. GFI reminded GTAG of the timelines for delivery of the research papers, gave a brief overview of the workplan for the remainder of 2022, and provided a short communications update.

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3. Plenary 1: HMT Updates

HMG noted that the consultation had been delayed due to complicated cross-government work in relation to the Ukraine crisis, and the pre-election purdah period. The consultation will be published in the coming months and HMG reiterated their interest in receiving feedback from GTAG members and their respective organisations on the proposals.

Wider work relevant to GTAG members was flagged including: the Transition Plan Taskforce call for evidence, the focus on transition finance for the G20 Sustainable Finance Working Group, the FCA's work on investment labels, and the call for evidence for the Green Finance Strategy.

4. Plenary 1: FCA: Taxonomy interaction with disclosures and labels regime

The FCA provided an overview of their draft proposals for the Sustainability Disclosure Requirements (SDR) and their interaction with the UK taxonomy. GTAG members provided feedback on the proposals and expressed interest in continued dialogue as the proposals develop ahead of the FCA consultation on this.

5. Plenary 2: WS2: Do No Significant Harm (DNSH)

The group discussed the options and recommendations that the working group has developed for improving DNSH. Specific issues highlighted included: low taxonomy alignment when DNSH is incorporated, usability of requirements, potential legislative challenges, and the purpose and ambition level for DNSH.

6. Breakout Room Discussion: WS1: Addressing UK-specific Needs – taxonomy coverage

The draft recommendations were presented, and several topics discussed, such as the role of enabling activities and problems with existing KPIs within the EU taxonomy, such as the Green Asset Ratio (GAR). The role of mandatory and voluntary reporting, and costs associated to reporting were also covered.

7. Breakout Room Discussion: WS3: Policy links – policy areas for consideration

Much of the conversation focussed on timeframes for applying the taxonomy to various policy areas. GTAG members considered how the potential value cases aligned with existing government policies and the role of the taxonomy in transition more generally. The Green Finance Strategy was noted as an important signalling opportunity for government to incorporate some of the recommendations once finalised by GTAG.

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8. Plenary 3: WS5: International Interoperability – approaches to international interoperability

The group discussed the draft recommendations and potential approaches to taxonomy international interoperability developed by the working group. Topics covered included: the role of metrics and international standards, the challenge of disclosures for international companies with activities in several taxonomy countries, and the role of the Common Ground Taxonomy (and similar international initiatives).

9. Plenary 4: BEIS Updates

BEIS provided a short overview of how GTAG work and advice crosses over with ongoing government work to develop the framework for taxonomy disclosures. Some issues will likely be explored in more detail in future GTAG discussions.

10. Final Plenary: Roundup

The GTAG Chair provided a brief summary of the day, including the next steps for each GTAG workstream and collaboration with government departments.