

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 1: 23rd June 2021

Meeting Notes

Participants:

Attendee	Organisation	Attendee	Organisation
Rhian-Mari Thomas	GFI	Lily Dai	FTSE Russell/LSEG
Ingrid Holmes	GFI	Martin Booth	HMT
Ryan Jude	GFI	Mike Thompson	CCC
Jonathan Heybrock	GFI	Nadia Humphreys	Bloomberg
Alyssa Heath	PRI	Nick Molho	Aldersgate Group
Anna Bond	EA	Nick Robins	Grantham Institute/LSE
Ben Caldecott	CGFI	Paul Fisher	CISL
Elizabeth Gillam	IRSG	Prashant Vaze	CBI (Climate Bonds Initiative)
Faith Ward	IIGCC	Rain Newton-Smith	CBI (Confederation of British Industry)
James Alexander	UKSIF	Sarah Laitung	BEIS
Karen Ellis	WWF	Theodor Cojoianu	Queen's University
Kate Levick	E3G		

Government and regulator observers invited from HMT, BoE, FCA, DEFRA, BEIS and DfT

1. Welcome remarks from the Minister

The Minister set the scene for the work of the GTAG, emphasised the government's commitment to the taxonomy but also the broader green finance agenda and thanked the group for their engagement.

2. Welcome from Chair

The Chair thanked the group for agreeing to join the GTAG, recapped on the nature of the task as set out in the Terms of Reference (ToR).

3. Update on ongoing HMG Taxonomy work

An overview of the work done within Government to date on reviewing and assessing the potential alignment of the EU technical screening criteria (TSCs) was provided. Work is well developed, and the focus has been on both the mitigation and adaptation elements of the taxonomy.

4. GTAG Member introductions

GTAG members introduced themselves and their specific interest and expertise in relation to the taxonomy. 197 years of collective expertise was identified around the table.

5. Discussion on the Terms of Reference and Proposed Workplan

The discussion first focused on the initial key issues identified through informal outreach undertaken by the GFI with market participants and experts ahead of the GTAG being launched, including:

- The need for the taxonomy to be applied in a way that is decision-useful and easy to apply for investors as well as real economy actors.
- The need for the taxonomy to be implemented in a way that captures the transition as well as defining a set of economic activities that are fully environmentally sustainable now.
- A desire for the UK taxonomy to be fitted to the UK economy's needs in terms of both coverage and ambition on climate and environmental action.

Key points emerging from the discussion were the need to be clear around the purpose and the use cases for the taxonomy (stated and possible), setting out how the taxonomy can potentially have a key role in wider government policy making going forward, as well as its endeavours to hit net zero targets, and also what is meant by achieving net zero by 2050.

Terms of Reference: The ToR was agreed, with no amendments proposed.

Proposed Workplan Discussion: The following areas of inquiry were agreed to be priority workstreams for the GTAG:

- **Addressing UK-specific needs.** Focus on providing strategic advice to government on how to overlay the UK-specific transition and adaptation pathways when it assesses the TSCs, highlighting where adjustments would have value. Agreement on the need to be scientific, and rigorous.
- **Usability & data.** Applying a UK screen may mean divergence from the EU approach, which could create a range of issues around multiple reporting requirements and coverage. The focus here will be on potential impacts of deviation, any data gaps and how they might be resolved, including through shared methodological approaches to reporting. In developing this work, it was agreed that being clear on proposed but also potential use cases for the taxonomy would be useful and is an early piece of work for the group to develop.

The following areas of work were also discussed and agreed to be a second-tier priority.

- **Policy links.** Assessing how the taxonomy can be used to support existing and future government policy making in relation to delivery of UK 2030 and 2050 net zero goals.
- **Fully realised taxonomy.** Possible expansion of the taxonomy to include new sectors and also olive/brown thresholds could be considered in due course.
- **International diplomacy.** It was noted there has been a recent proliferation of taxonomies globally. It will be useful to understand likely areas of convergence and divergence for the UK and what role the UK could potentially play in increasing ambition and interoperability on taxonomies globally.