



MEMBER STATES EXPERT GROUP ON SUSTAINABLE FINANCE

INFORMAL COMMISSION EXPERT GROUP

TERMS OF REFERENCE

(E03603)

1. BACKGROUND

The European Commission adopted its “Action Plan on Financing Sustainable Growth” on 8 March 2018. The plan proposed concrete actions that will help achieve the Sustainable Development Goals and the objectives set in the Paris Agreement on Climate Change drawing on the recommendations of the High-Level Expert Group on Sustainable Finance. In its Action Plan, the European Commission has called on other players, such as EU Member States, to support implementing sustainable finance actions and promote the transformation in their territories. For this purpose, the European Commission has created a dedicated EU Member States expert group on sustainable finance in April 2018. The group is also established under the provisions of Regulation (EU) 2020/852 (‘Taxonomy Regulation’).¹

2. TASKS

The group’s tasks shall be:

1. to assist Directorate-General for Financial Stability, Financial Services and Capital Markets Union (‘DG FISMA’) in relation to the implementation of existing Union legislation, programmes and policies in the area of sustainable finance.
2. to assist DG FISMA in the preparation of delegated acts in the field of finance and sustainability.
3. to assist DG FISMA in the preparation of legislative proposals and policy initiatives touching upon sustainable finance.
4. to coordinate with Member States exchange of views.

3. MEMBERSHIP

1. Members shall be Member States’ authorities.
2. Member States’ authorities shall each nominate two representatives, with expertise in the area of finance and sustainability.
3. Member States’ authorities shall be responsible for ensuring that their representatives provide a high level of expertise.

¹ Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (OJ L 198, 22.6.2020, p. 13).

4. CHAIR

The group shall be chaired by a representative of the Commission, in principle from DG FISMA.

5. OPERATION

1. The group shall act at the request of its Chair with the agreement of DG FISMA, in compliance with the horizontal rules².
2. Meetings of the group shall, in principle, be held on Commission premises or virtually, depending on the circumstances.
3. DG FISMA shall provide secretarial services. Commission officials from other departments with an interest in the proceedings may attend meetings of the group.
4. In agreement with the Chair, the group may, by simple majority of its members, decide that deliberations shall be public.
5. Minutes on the discussion on each point on the agenda and on the opinions delivered by the group shall be meaningful and complete. Minutes shall be drafted by the secretariat under the responsibility of the Chair.
6. As far as possible, the group shall adopt its opinions, recommendations or reports by consensus.
7. In the event of a vote, the outcome of the vote shall be decided by simple majority of the members. Members who have voted against or abstained shall have the right to have a document summarising the reasons for their position annexed to the opinions, recommendations or reports.

6. SUB-GROUPS

1. DG FISMA may set up sub-groups for the purpose of examining specific questions under the group's mandate, on the basis of terms of reference defined by DG FISMA.
2. Sub-groups shall operate in compliance with the Commission's horizontal rules on expert groups³ and shall report to the group. They shall be dissolved as soon as their mandate is fulfilled.
3. Only members of the group can be members of sub-groups. Observers can participate in the sub-group in accordance with Point 8.

7. INVITED EXPERTS

DG FISMA may invite experts with specific expertise related to a subject matter on the agenda to take part in the work of the group or sub-groups on an ad-hoc basis.

8. OBSERVERS

Public entities other than Member States' authorities may be granted observer status by the Chair. Observers may be permitted to take part in the discussions of the group and provide

² Commission Decision of 30.5.2016 establishing horizontal rules on the creation and operation of Commission expert groups, C(2016) 3301, Article 13.1.

³ Commission Decision of 30.5.2016 establishing horizontal rules on the creation and operation of Commission expert groups, C(2016) 3301, Articles 10 and 14.2.

expertise. However, they shall not have voting rights and shall not participate in the formulation of recommendations or advice of the group.

9. RULES OF PROCEDURE

On a proposal by and in agreement with DG FISMA the group adopted its rules of procedure by simple majority of its members, on the basis of the standard rules of procedure for expert groups and in compliance with the horizontal rules⁴. Sub-groups shall operate in compliance with the group's rules of procedure.

10. PROFESSIONAL SECRECY AND HANDLING OF CLASSIFIED INFORMATION

The members of the group, as well as invited experts and observers are subject to the obligation of professional secrecy, which by virtue of the Treaties and the rules implementing them applies to all members of the institutions and their staff, as well as to the Commission's rules on security regarding the protection of Union classified information, laid down in Commission Decisions (EU, Euratom) 2015/443⁵ and 2015/444⁶. Should they fail to respect these obligations, the Commission may take all appropriate measures.

11. TRANSPARENCY

1. The group shall be registered on the Register of Commission expert groups.⁷
2. As concerns the group's composition, the following data shall be published on the Register of Commission Expert Groups:
 - (a) Member States authorities;
 - (b) the name of observers.
3. DG FISMA shall make available relevant final documents, as well as the agendas and minutes, either on the Register of Commission Expert Groups or via a link from the Register to a dedicated website, where this information can be found. Access to dedicated websites shall not be submitted to user registration or any other restriction. In particular, DG FISMA shall publish the agenda and other relevant background documents in due time ahead of the meeting, followed by timely publication of minutes. Exceptions to publication shall only be foreseen where it is deemed that disclosure of a document would undermine the protection of a public or private interest as defined in Article 4 of Regulation (EC) No 1049/2001.⁸

12. MEETING EXPENSES

1. Participants in the activities of the group shall not be remunerated for the services they offer.

⁴ Commission Decision of 30.5.2016 establishing horizontal rules on the creation and operation of Commission expert groups, C(2016) 3301, Article 17.

⁵ Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

⁶ Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

⁷ Register of Commission Expert Groups, E03603 published on 27 April 2018.

⁸ Regulation (EC) No 1049/2001 of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.05.2001, p. 43). These exceptions are intended to protect public security, military affairs, international relations, financial, monetary or economic policy, privacy and integrity of the individual, commercial interests, court proceedings and legal advice, inspections/investigations/audits and the institution's decision making process.

2. Travel and subsistence expenses incurred by participants in the activities of the group shall be reimbursed by the Commission. Reimbursement shall be made in accordance with the provisions in force within the Commission and within the limits of the available appropriations allocated to the Commission departments under the annual procedure for the allocation of resources.

Done in Brussels, on 22/04/2022