

2024-2025 Taskforce Green enabling projects Terms of Reference

Taskforce Coordinators:

- BNP Paribas	- Natixis
---------------	-----------

Introduction

In June 2024, the Executive Committee of the Principles published the Green Enabling Projects Guidance¹, a document that seeks to provide guidance for Green Enabling Projects that are not themselves explicitly considered green but remain critical to the value chain of these eligible Green Projects.

The Guidance encompasses both the induced and avoided emissions dimensions of these Green Enabling Projects, as well as the management of related environmental and social (E&S) risks. This includes identifying the role that Green Enabling Projects play in catalysing and scaling the transition to a low-carbon economy in line with the goals of the Paris Agreement while recognising the complexities of value chains and challenges of multiple end-uses.

This guidance was formulated based on existing definitions, promote issuer transparency and protect market integrity.

Overall Objective

The intention of the taskforce is to build upon the Guidance Document to progressively provide greater clarity on its application to a number of sectors, including those mentioned in the Guidance Document.

The taskforce will also monitor the use of the Green Enabling Guidance Document in sustainable bonds transactions, as well as potential feedback received, and evaluate if updated guidance or additional Q&A is needed.

Objectives for 2024-2025

1. Provide sectorial market guidance / toolkits

- Develop a checklist to provide concrete sector-specific examples and counter-examples on the application of the Green Enabling Projects Guidance, highlighting the core and recommended criteria of the Guidance.
- Develop a registry of usable resources and literature for a number of key sectors.
- Identify additional sectors not yet covered by the Guidance Document, where relevant. Indicative sectors identified in the Guidance Document are: mining & metals, building & construction, chemicals and specialty chemicals, ICT and telecommunication networks, manufacturing of industrial parts and components.

¹ <https://www.icmagroup.org/assets/documents/Sustainable-finance/2024-updates/Green-Enabling-Projects-Guidance-document-June-2024.pdf>

2. Maintain and broadcast the existing Guidance, and provide additional guidance and/or Q&A as needed

- Identify potential clarifications or improvements that could be addressed via a Q&A or an update to the Guidance, based on recently structured bonds transactions and/or specific feedback.
- Work on marketing / teach in media to familiarize the market with the concept of green enabler

3. Explore the potential integration of such guidance within the GBP

4. Coordination with other working groups and/or initiatives of other market associations

- Coordination with the SLB working group to explore the opportunity to extend the SLB KPI registry to specifically address the full impact (induced and avoided) of these activities.
- Coordination with the impact reporting working group aiming at further guidance on avoided emissions calculations and monitor market initiatives and developments as to methodologies applied.
- Exploration of a live coordination with the LMA/LSTA/AP-LMA to ensure consistency and articulation on the matter between bonds and loans

Membership

The taskforce is open to all Members & Observers (including NGOs, rating agencies, technical advisors or consultants).

Active contributors should be limited to **15/20 institutions**, ensuring a balanced representation of issuers, underwriters and investors, but also organisations involved in Net Zero alignment assessments. Technical and sector expertise should cover, for example: **carbon accounting/LCA, climate scenario, mining & metals, chemicals and specialty chemicals, equipment / capital goods, ICT, building & construction.**

Taskforce Members:

Access Bank	Dentons	Morningstar Sustainalytics
Africa Finance Corporation	Deutsche Bank	MUFG Securities
Air Liquide	Emirates NBD Capital	National Australia Bank
Allen Overy Shearman Sterling	Eurex Repo GmbH	National Bank Financial
Amundi	Euronext	Natwest
Arcelormittal	Ferrovie dello Stato Italiane	NIB
AXA IM	Goldman Sachs	Nomura Asset Management
Banco BTG Pactual S.A.	Goldman Sachs AM	Nomura International
Banco Santander	HSBC	OP Corporate Bank
Bank of America	IADB	Ørsted A/S
Bank of Nova Scotia	IEA	Pinsent Masons
Banque Lombard Odier	IFC	Raiffeisen Bank International
Barclays	IGES	RBC
BBVA	ING	S&P Global Ratings
Bloomberg	J.P. Morgan Securities	Scope SE
BMO	Japan Credit Rating Agency	SEB
BOCI Asia	Latham & Watkins	SEB IM

Bryan Cave Leighton Paisner	LBBW	SMBC Nikko Capital Markets
Cardano Risk Management	Linklaters	Société Générale CIB
CDP Worldwide	Lloyds Bank Corporate Markets	Standard Chartered Bank
CIBC Capital Markets	Loan Market Association	Sustainable Fitch
Citi Bank	London Stock Exchange	TD Securities
Climate Bonds Initiative	Mainstreet Capital Partners	Telefonica
CMS Francis Lefebvre Avocats	Mediobanca	The Carbon Trust
Commerzbank	Ministry of the Environment (Japan)	The Weir Group
Crédit Agricole - CIB	Mirova	UBS
Crédit Industriel et Commercial	Mizuho International	Westpac
Dagong Low-Carbon Solutions	Moody's Investors Service	World Bank
Daiwa	Morgan Stanley	Zurich Insurance