

NZ Taxonomy Technical Expert Group (TEG) meeting #1 summary minutes

7.00pm-9.00pm NZT, Thursday 21 November 2024

Via Microsoft Teams

Thematic focus areas per TEG meeting agenda:

- Introduction
- Governance arrangements
- Purpose and function of taxonomies
- ITAG recommendations
- Confirmation of Minister's direction for the NZ Taxonomy
- Alignment with the 1.5-degree pathway
- Key learnings from Australia
- TEG workplan

Attendees:

TEG co-Chairs

1. Andy Reisinger, Independent Climate Change Expert
2. Pip Best, Partner – Climate Change & Sustainability Services, EY Oceania

TEG members

3. Adam Coxhead, Head of Sustainable Finance, Bank of New Zealand
4. Caroline Poujol, Director – Sustainable Finance (NZ), ANZ
5. David Hall, Policy Director, Toha Network
6. David Woods, Independent
7. Feng Hu, International Specialist, United Nations Environment Programme Finance Initiative (UNEP FI); Founder and Director, silkroad.earth
8. Fonteyn Moses-Te Kani, Pou Tiaki – Director Māori Strategy & Indigenous Inclusion, Westpac New Zealand
9. Greg Munford, Senior Investment Strategist – Sustainable Investment, New Zealand Superannuation Fund
10. James Paterson, Head of Sustainable Finance, ASB
11. Jeremie Madamour, Principal Advisor – Climate Change & Sustainability Reporting, External Reporting Board (XRB)
12. Joanna Silver, Head of Sustainable Finance, Westpac New Zealand
13. Jono Broome, Associate Director – Client Advisory APAC, Morningstar Sustainalytics
14. Jorge Waayman, Manager – ESG Research, Harbour Asset Management
15. Julia Langley, Managing Director – Switzerland & New Zealand, Green Wave Advisory
16. June McCabe, Independent Director; Pou Tahua Representative, National Iwi Chairs Forum (NICF)
17. Stefan Gray, Manager – Strategic Climate Initiatives, Reserve Bank of New Zealand (RBNZ)



Ministry for the Environment

18. Isobel Bruun-Kiaer, Senior Policy Advisor – Sector Policy & Finance
19. Rebecca Clements, Manager – Sector Policy & Finance

Technical delivery partners

20. Matteo Bigoni, Head of Taxonomies, Climate Bonds Initiative
21. Pip Band, Director, Band Consulting

CSF

22. Jessica Desmond, Project Manager
23. Renzhu Zhang, Analyst

Apologies:

1. Sean Fullan, Resilience & Recovery Manager, Insurance Council of New Zealand (ICNZ)

Summary minutes

Opening karakia

Welcome and introduction of TEG Co-Chairs

- Discussion protocol: Members were reminded to adhere to the [TEG Discussion Protocol](#)
- TEG purpose and objectives: Reiterated to the group as per the [TEG Terms of Reference](#)

Introduction of TEG members

Overview of meeting agenda and role of CSF & CBI

Overview of TAG members and interaction with TEG

Overview of governance structure of NZ Taxonomy development

Purpose and function of taxonomies

What is a taxonomy

- A classification system designed to identify economic activities aligned with green criteria and green-/climate-oriented performance goals



- Serves as a tool for investors, green bond issuers, and policymakers to:
 - Identify green activities and their underlying projects/assets
 - Guide investment decisions toward a Paris-aligned 2050 future

Underlying principles

- Positive contribution: Focuses on defining substantial contributions to environmental objectives
- Avoiding negative contribution: Ensures no significant harm through the do no significant harm (DNSH) criteria
- Dynamic: Taxonomies are not static; they evolve in response to technological advancements, market developments, and evolving climate science, requiring regular updates to remain relevant and effective
- Good governance and transparency: Taxonomies serve the wider public, not just capital markets; they are designed to be inclusive and transparent in their design and development, and are supported by a robust governance structure to ensure effective implementation and market adoption
- Science-based: Taxonomies should be robust and credible
- Address transition: Accounts for the transition to green activities while ensuring a fair transition that considers all parts of society, leaving no one behind

Purpose of the NZ Taxonomy

- Enable market participants to mobilise and direct capital flows towards:
 - Building a low-emissions, Paris-aligned future
 - Restoring nature
 - Upholding the rights and interests of Indigenous Peoples of the land

ITAG recommendations

- [Report](#) published July 2024, covering ten topics and 18 recommendations

Confirmation of Minister's direction for the NZ Taxonomy

- June 2024: ITAG recommendations shared with the Government
- June – July 2024: Ministerial decisions made following officials' advice, with funding allocated to support the NZ Taxonomy development phase
- July 2024: 2+2 Ministerial meeting in Australia with announcement to progress NZ Taxonomy development, beginning with Agriculture and Forestry

Discussed considerations of being aligned with the 1.5-degree pathway and informed by science

CBI shared key learnings from Australian Taxonomy development

Reviewed TEG workplan and key dates



Closing karakia

Level 12
Jarden House
21 Queen Street
Auckland Central, Auckland 1010

Confirmed as a true and correct record by TEG Co-Chairs