

Brussels, 13 September 2022

Civil Society experts leaving the EU Platform on Sustainable Finance

Dear Commissioner McGuinness,

We are writing to you as EU Platform experts who lead the delegations for BEUC (The European Consumer Organisation), Birdlife Europe and Central Asia, ECOS (Environmental Coalition on Standards), Transport & Environment, and WWF European Policy Office to inform you of our decision not to apply to the new Platform and to resign following tomorrow's Platform Plenary meeting.

Unsatisfactory governance of the Commission's relationship with the Platform

The governance of the Commission's relationship with the Platform has been very unsatisfactory. The Commission has interfered politically in the Platform's work several times. In addition, it has repeatedly ignored the recommendations of its expert group, in particular on forestry, bioenergy, gas-fired power and nuclear power, without providing any sound scientific justification for these decisions. This is despite the explicit requirement in Art. 19 of the Taxonomy regulation for criteria based on 'conclusive scientific evidence'.

Concerns over the independence of the future Platform

We understand the Commission plans to restrict the Platform's mandate by requiring it to focus principally on the implementation of the current criteria. This could eliminate any opportunity for the Platform to follow up on its independent recommendations on expanding the taxonomy beyond sustainable activities or to cover social issues.

The Commission also plans to shrink the Platform's membership and engage in further impromptu additions of experts. We fear that the Commission will transform the Platform from a balanced group of experts representing different positions - a requirement of Article 15 of the Taxonomy regulation - into a more politicised group that reflects the preferences of different Directorates-General in the Commission. Problematically, the Commission could select these experts to crowd out any independent views, as we have already experienced in the current Platform's work on a number of politically sensitive sectors. We therefore have no confidence that the new version of the Platform will be capable of, or allowed to, work independently and devise scientific criteria for the Taxonomy.

Damage to the Taxonomy's credibility

The Complementary Delegated Act (CDA) on gas and nuclear power, in particular, which the Platform unequivocally rejected, has heavily damaged the Taxonomy's credibility. It is also having disastrous international repercussions by incentivising other countries to stimulate investments in these activities on the grounds that even the EU has given them its seal of approval. With the CDA, the Taxonomy has been transformed from a gold standard into an instrument of institutional greenwashing and it now lags behind other taxonomies in China, Colombia, South Africa, and Bangladesh, amongst others.

We have made repeated attempts to resolve these problems, not least by suspending our participation in the Platform in the Spring of 2021 while asking the Commission to ensure the Platform's independence and restore a sound working relationship. The Commission subsequently made assurances to the Platform which it has repeatedly breached.

As Platform members we have lost trust in the Commission's ability to govern its relationship with this expert group properly. Nonetheless, we will continue independently to support a green transition that is led by scientific evidence and to work to ensure the EU adopts regulations based on robust and science-based advice, not sectoral interests.

Sincerely,

BEUC, The European Consumer Organisation, Monique Goyens, Director General

Birdlife Europe and Central Asia, Ariel Brunner, Deputy Director and Head of Policy

ECOS, Mathilde Crêpy, Head of Environmental Transparency

Transport & Environment, Luca Bonaccorsi, Director of Sustainable Finance

WWF European Policy Office, Sebastien Godinot, Head of Sustainable Finance