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| Reply form on the Consultation Paper on technical standards on the European Green Bonds Regulation |
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**Responding to this paper**

ESMA invites comments on all matters in this consultation paper and in particular on the specific questions. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **14 June 2024.**

**Instructions**

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**);
3. Please do not remove tags of the type <ESMA\_QUESTION \_EUGB\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
5. When you have drafted your response, name your response form according to the following convention: ESMA\_EUGB\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_EUGB\_ABCD\_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA’s website (www.esma.europa.eu under the heading “Your input – Open Consultations” -> Consultation Paper on technical standards on the European Green Bonds Regulation”).

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

**Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading [Legal Notice](http://www.esma.europa.eu/legal-notice).

**Who should read this paper**

# All interested stakeholders are invited to respond to this consultation paper. In particular, ESMA invites entities that intend to apply for registration as external reviewers, second party opinion providers, issuers, issuer associations and financial market participants who have or intend to issue or invest in green bonds or sustainability-linked bonds.

**General information about respondent**

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| Name of the company / organisation | ERM Certification and Verification Services Limited |
| Activity | Audit/Legal/Individual |
| Are you representing an association? |[ ]
| Country/Region | UK |

**Questions**

1. **Do you agree with ESMA’s proposals to specify the criteria to assess the sufficiently good repute, skill, professional qualifications and experience of senior management and members of the board of an external reviewer?**

<ESMA\_QUESTION\_EUGB\_1>

We agree that assessing competency and skill is highly important.

However, regarding:

“As such, the draft RTS envisages the submission of an individual assessment of skill for each member of senior management and the board”

We believe this is perhaps ‘going too far’. The skills and experience of board members will be different from that of the technical teams and Senior Managers supporting and overseeing them. Manging Directors, and other board members may not be experts in the technical discipline, as their expertise will be geared towards business management.

We feel assessment of skill should be limited to the people that are involved in the technical work, up to a senior management level. Evidence of board members competency should be limited to submission of a CV. We do not feel it is appropriate to request board members to complete an assessment of skill.

<ESMA\_QUESTION\_EUGB\_1>

1. **Do you agree with ESMA’s proposals to specify the criteria to assess the sufficiency of the number of analysts, employees and persons directly involved in the assessment activities and of their level of knowledge, experience and training?**

<ESMA\_QUESTION\_ EUGB\_2>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_2>

1. **Do you agree with ESMA’s proposals to specify the criteria to assess the sound and prudent management of the external reviewer?**

<ESMA\_QUESTION\_ EUGB\_3>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_3>

1. **Do you agree with ESMA’s proposals to specify the criteria to assess that any actual or potential conflicts of interest are properly identified, eliminated or managed, and disclosed in a transparent manner by the external reviewer?**

<ESMA\_QUESTION\_ EUGB\_4>

Yes, we agree it is essential that conflicts of interest are well managed and the criteria appear to cover this robustly.

<ESMA\_QUESTION\_ EUGB\_4>

1. **Do you agree with ESMA’s proposals to specify the criteria for assessing the appropriateness of the knowledge, experience and training of the persons referred to in Article 28(1)?**

<ESMA\_QUESTION\_ EUGB\_5>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_5>

1. **Do you agree with ESMA’s proposals to specify the criteria for assessing the reliability and capacity of a third-party service provider?**

<ESMA\_QUESTION\_ EUGB\_6>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_6>

1. **Do you agree with ESMA’s proposals to specify the criteria for assessing that the internal control of an external reviewer is not materially impaired and ESMA’s ability to supervise is not limited?**

<ESMA\_QUESTION\_ EUGB\_7>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_7>

1. **Do you agree with the practicality and efficiency of ESMA’s proposals to specify the standard forms, templates and procedures for the provision of the information for an application for registration as an external reviewer?**

<ESMA\_QUESTION\_ EUGB\_8>

Yes we agree.

<ESMA\_QUESTION\_ EUGB\_8>

1. **Do you have any views or comments on the relevance of the information contained in Annex I to VII of the draft ITS?**

<ESMA\_QUESTION\_ EUGB\_9>

It all appears relevant and reasonable

<ESMA\_QUESTION\_ EUGB\_9>

1. **Do you have any comments on the CBA or impact assessments outlined under the preferred option?**

<ESMA\_QUESTION\_ EUGB\_10>

We do not consider that this would add any significant cost to our business, other than in the initial time required to apply. Ongoing assessments happen anyway within our business, so this would not impact.

<ESMA\_QUESTION\_ EUGB\_10>

1. **Do you have any quantitative information to provide on the estimated costs of the options considered and proposed by ESMA that would benefit the analysis?**

<ESMA\_QUESTION\_ EUGB\_11>

Nothing to add

<ESMA\_QUESTION\_ EUGB\_11>