Climate Risk and Sustainable Finance Forum

Terms of Reference – June 2022 (Updated June 2026)

1. Introduction

These Terms of Reference govern the work of the Climate Risk and Sustainable Finance Forum (hereafter 'the Climate Forum'), which was formally established on 29 June 2022. The Terms of Reference will be updated if and when the scope or purpose of the Climate Forum changes.

2. Purpose and Scope

The Climate Forum is a consultative forum, the main aim of which is to build and accelerate a shared approach between the financial sector and the Central Bank to the understanding and management of the financial risks and opportunities posed by climate change.

The Climate Forum will focus discussion on high-priority issues where cross-sectoral input would be valuable. The top-down priorities and direction of the forum will be prepared by a Steering Group and approved by the Forum. An Expert Network will be maintained by the Climate Forum to serve as both a resource pool for Forum deliverables, and a place for sharing knowledge and good practice. This Network will be composed of experts from across industry, policy and the scientific community.

On this basis, the Climate Forum proposes to address the following broad topics:

(i) Build a shared knowledge and understanding of the implications of climate change for the Irish economy and financial system.

(ii) Share/publish best practices on climate-risk assessment and modelling.

(iii) Build a shared understanding of data gaps and how to address them.

(iv) Share/publish examples of good practice on embedding climate-related risk assessment and sustainable finance considerations within firms' operations.

3. Composition of Forum and Participant Responsibilities

Participants at the Climate Forum include the Chair, Secretariat, Members, Observers and Climate Experts. Each participant at the Climate Forum (and its Expert Network) will be responsible for complying with the legal obligations in respect of their position within their own firm/organisation. Each participant will also be responsible for complying with their obligations under all applicable competition laws.

3.1 Chair

The Forum will be chaired by the Central Bank of Ireland. The Chair will be responsible for:

(i) Setting the Forum agenda, in consultation with the Steering Group;
(ii) Hosting Forum meetings and leading/facilitating Forum discussions;
(iii) Reviewing and determining membership of the Forum, Steering Group and Expert Network;
(iv) Inviting observers and guests to attend when deemed appropriate;
(v) Establishing an Expert Network, appointing a Chair(s) to the Expert Network and determining its membership;
(vi) Proposing and securing agreement, as appropriate, from members on output;
(vii) Approving any documentation to be published by the Forum.

The Forum Chair will be a deputy governor, or alternate, from the Central Bank of Ireland.

3.2 Secretariat

The Central Bank of Ireland will provide secretariat support to the Climate Forum and will be responsible for:

(i) Organising Forum meetings;
(ii) Drafting Forum agendas, minutes and supporting documentation for meetings, as required;
(iii) Disseminating documentation among members in advance of Forum meetings;
(iv) Liaising with Forum members, as necessary, to facilitate coordination and communication on Forum related issues.
(v) Supporting the Steering Group in the development and maintenance of the Forum workplan.

(vi) Attending the Expert Network in an observer capacity.

The secretariat duties for the Expert Network and any subsequent deliverables of the Network that are established by the Climate Forum will, unless agreed otherwise, be provided by members other than the Central Bank of Ireland.

3.3 Steering Group

The Steering Group will provide strategic direction and oversight to the Climate Forum. The Steering Group will comprise of a small group of Climate Forum members.

Composition and Terms:

- Steering Group membership will be agreed by the Forum Chair and reviewed biennially to ensure balanced representation across the Irish financial sector.

The Steering Group will be responsible for:

(i) Developing and proposing to the Forum a strategic workplan for the Climate Forum that sets out priorities over an 24 month period;
(ii) Ensuring that the workplan reflects the Forum's purpose and scope and aligns with the Central Bank's broader climate and sustainable finance objectives;
(iii) Supporting the Forum in maintaining alignment between Expert Network deliverables and agreed priorities;
(iv) Proposing topics for discussion at the Forum aligned with the Strategic Workplan.

3.4 Members

In addition to the Chair and the Secretariat, the Central Bank of Ireland members will include, when appropriate, staff from relevant business areas of the Central Bank.

Members from outside the Central Bank of Ireland will comprise a group of senior-level representatives from across the Irish financial sector, to include representative bodies from the banking, insurance, credit unions, asset management and markets sectors, in addition to a select number of financial firms and climate risk and sustainable finance expert bodies. It is expected that these participants will be at a suitably senior decision-making level within their organisations.

Forum members will be expected to:

(i) Participate in the design and approval of the Forum's strategic workplan;

(ii) Actively participate in and contribute to Forum meetings;

(iii) Contribute resource to Forum activities and Expert Network teams that may be established, where relative contributions across members should be proportionate to the size of member firms / organisations.

It is envisaged that Forum membership will be reviewed on a biennial basis to ensure representativeness of the Irish financial sector.

3.4 Observers and Climate Experts

At the Chair's discretion, the Forum may also include a number of observers and climate experts who will not be expected to contribute to the setting of the Forum's agenda nor to participate in delivery of Forum outputs. This does not preclude observers and experts, however, from making representations to the Chair concerning the Forum's activities. These observers / experts may be invited to attend the Forum on an ongoing basis, or, in certain cases, they may be invited to attend only a select number of meetings. Forum members can suggest potential observers / experts to the Chair.

4. Forum Activities

4.1 Meetings

The Climate Forum will meet twice a year. The Steering Group and Expert Network will meet at frequencies commensurate with the needs of the group, which is envisaged to be more frequent. Progress updates from the Steering Group and Expert Network will be delivered at the biannual Climate Forum meetings.

Materials for Forum meetings will be shared with members in advance of each meeting.

The minutes from Forum meetings will be published on the Central Bank of Ireland website within four weeks after each Forum meeting.

4.2 Outputs

Outputs may be produced for broad dissemination as part of the Forum or its Expert Network. These outputs could include, for example, information documents or practical tools to advance the understanding, measurement and management of climate related risks within firms. Outputs could also emerge from events such as conferences or round tables that may be organised through the Forum to advance the Forum's objectives. Where practicable, outputs will be published in an appropriate outlet, to be agreed by Forum members, with the aim of sharing broadly among financial sector participants and other stakeholders. This may include, but is not limited to, the Central Bank of Ireland's website.

5. Governance

The Climate Forum will be chaired by the Central Bank of Ireland.

The Steering Group will develop a strategic workplan for consideration by the Forum setting out the Forum's priorities over an 24 month period.

Proposals will be approved by the Forum when they are supported by a majority of Forum members.

While the agenda for Forum meetings will be set by the Central Bank of Ireland in consultation with the Steering Group, Forum members and observers can make requests or suggestions about the content of agendas by communicating with the Forum secretariat in advance of Forum meetings. Any such request should be communicated no less than two weeks before the meeting to which the agenda relates. The final content of any Forum meeting agenda will be decided by the Forum Chair.

The Forum secretariat will share with Forum members drafts of minutes (anonymised) from Forum meetings to be published within four weeks after each Forum meeting. Forum members should communicate any comments or edits to the Forum secretariat within one week of receiving the draft. The final content of the minutes will be decided by the Forum Chair.

No one Forum member will have veto power over Forum or Expert Network decisions.

6. Transparency

The Climate Forum is committed to publicly disseminating as much information as possible from the Forum's work programme and discussions. The purpose, scope, membership and Terms of Reference of the Climate Forum will be published on the website of the Central Bank of Ireland. The agenda and minutes of each Forum meeting will also be published on the Central Bank of Ireland website, and this publication will take place within four weeks after a Forum meeting has occurred.

Key decisions and actions taken by the Climate Forum will also be published, once agreed, provided they do not disclose confidential information that was shared during Forum proceedings.

The key outputs that are produced for the Climate Forum or its Expert Network will be published through an appropriate means, which may be the website of the Central Bank of Ireland, to ensure broad dissemination among financial market participants and other stakeholders.

Other Climate Forum communications may be published if agreed by the majority of Forum members in addition to the Central Bank of Ireland. Non-public information or opinions that are disclosed during Forum or Expert Network proceedings will be treated as confidential. Climate Forum members can opt for the public release of same under the majority opinion rule (and with the specific consent of individual members that are party to the confidential information). Where there is no clear majority (but consent has been provided by individual members that are party to the confidential information), the Forum Chair can make the final decision with a combined vote.

Climate Forum participants may discuss their participation in the Forum or its Expert Network externally, but they must neither claim that they speak for the Climate Forum nor make specific reference to any non-public information without prior approval by the Forum (as per previous paragraph).

7. Intellectual Property

It is expected that outputs produced for the Climate Forum or its Expert Network will be published for broad consumption. Climate Forum participants accept that they will not gain any ownership rights to such outputs or to any intellectual property that is created through the Climate Forum or its Expert Network. This will not affect pre-existing intellectual property rights on material that is brought by participants to the Climate Forum or its Expert Network. It is the responsibility of Climate Forum participants to make clear any pre-existing intellectual property rights relating to information or material shared through the Climate Forum or its Expert Network.

8. Disclaimer

The Central Bank of Ireland and its staff or representatives (including, but not limited to Forum Chair, Members and Observers) will not be responsible for any views or statements expressed by other Climate Forum participants.

The views expressed in outputs produced by the Climate Forum may not necessarily reflect the views of the Central Bank of Ireland or of the European System of Central Banks.

Discussions at the Climate Forum and outputs produced by the Forum or its Expert Network should not be taken as an indication of future policy by the Central Bank of Ireland or by the European System of Central Banks.

9. Review of Terms of Reference

The scope, obligations and membership of the Climate Forum may change over time and these Terms of Reference will be reviewed and updated when necessary. Any changes will be approved by the Chair and communicated to Forum members and an amended version of the Terms of Reference will be published on the website of the Central Bank of Ireland.