**INTRODUCTION**

The PRI’s signatories and partners are its greatest strength. Advisory committees and working groups provide opportunities for key stakeholders to convene, share knowledge and collaborate for change and impact. Through work with these groups, the PRI Executive (‘Executive’) aims to deliver practical, action-oriented research, tools, events and support to investors globally.

This document is a terms of reference for the PRI’s Sub-sovereign Advisory Committee (SSDAC). The Executive establishes the advisory committee to oversee each its work and each of its projects. Similar to other PRI advisory committees, SSDAC will be made up of representatives from PRI signatories.

The broad objectives of the SSDAC are to:

- Advise PRI on its program to identify how ESG factors are considered when investors allocate capital to sub-sovereign debt.
- Promote more systematic and transparent incorporation of ESG factors in investment decisions in sub-sovereign debt.
- Work with various expert working groups PRI may set up to address ESG consideration in sub-sovereign debt.
- Review and advise on material to be published as part of this workstream.
- Support outreach and awareness raising efforts for this workstream.

**ROLE OF THE ADVISORY COMMITTEE**

All the workstream’s objectives should be specific, measurable, achievable, relevant, and time bounded. Suggested objectives for the first strategic phase of the workstream include:

- Improve understanding of different approaches to integrating ESG factors in sub-sovereign debt investing and, where these are scarce, identify barriers.
- The role of engagement with issuer and non-issuer representatives.
- Identify and share examples of best practice and thought leadership on ESG integration and ESG engagement on sub-sovereign debt.
- Engage with other key stakeholders including regulators, banks and benchmark providers to raise awareness of the importance of ESG factors in the assessment of sub-sovereign debt.
NOTES ON MEMBERSHIP

Target composition and tenure

- Target composition is a 15-20 member SSDAC.
- The SSDAC should comprise PRI signatories who are expert on sub-sovereign debt.
- The terms for the SSDAC will be for one-year life of this project. If the project then continues beyond the year, PRI will review the standard terms as well as the SSDAC composition.
- Members have the option to step down at the end of each year.
- Members may be replaced by an appropriate colleague at the PRI’s discretion.
- PRI will select a signatory to chair the SSDAC once members have been selected.

Appointing members

- The Executive will publicise new membership opportunities, if they arise, including the criteria for appointment of new members and timelines. This will be done via updates in the PRI monthly newsletters.
- With regards to composition, the Executive will aim at participants with relevant skills in this field, as well as ensuring reasonable diversity in terms of the scale and region of their member organisations. Compatibly with the above criteria, the Executive will also aim at diversity of representation between the SSDAC and other PRI advisory committees.
- Representatives should hold relatively senior positions within their organisation.
- Member organisations will be selected on the strength and engagement of their representative. They will ideally have demonstrated proactive interest/a history of activity in sub-sovereign debt investing and leadership in responsible investment (including connections with FI associations and other relevant industry associations).

RESPONSIBILITIES

The PRI Executive commits to:

- convening, administering and facilitating SSDAC meetings and activities;
- keeping SSDAC members updated on project activities between meetings;
- providing expertise from either internal or external sources, convening, facilitating and co-creating with members;
- supporting SSDAC members by providing background material for outreach and research activities;
- managing and delivering project outputs including reports and webinars;
- setting out the guidelines for the operations of a project, including the establishment of a dedicated working group if required;
- coordinating communication on the activities of the sub-sovereign workstream to signatories;
- making SSDAC minutes available, if requested, once approved by the SSDAC;
- keeping all references to SSDAC membership updated on the PRI signatory portal;
- managing communication flow with sub-committees, if any, and PRI regional networks on the activity of the workstream; and
- overseeing SSDAC composition: reviewing commitment and tenure, managing the application process for open positions.
The SSDAC chair\(^1\) commits to:

- designating enough time to fulfil project goals (estimated at an average of five hours per month);
- working with the Executive to provide leadership to the SSDAC, as needed;
- attending one-hour meetings with the PRI Executive (in person or by phone, minimum every six weeks) to discuss progress and prepare for SSDAC meetings;
- providing the Executive with guidance on overarching project strategy; and
- attending and chairing SSDAC meetings.

SSDAC members commit to:

SSDAC members are expected to act in an advisory role to the PRI Executive. Members agree to commit sufficient time to promoting and participating in the work stream/local network. Estimated time commitments for SSDAC members are at least two hours per month plus at least six two-hour conference calls per year.

Typical responsibilities may include, but are not limited to:

- Regular guidance/feedback to the Executive on relevant issues. This may include providing advice/feedback on outputs such as publications and toolkits.
- A minimum of six conference calls/meetings per year, between one and two hours duration.
- Appointing and informing the Executive of a suitable substitute, in case a member is unable to attend a meeting, or reach out by phone or email to the Executive to get an update, after reading the meeting’s minutes.
- Executing any action point following the SSDAC meeting in a timely fashion, including providing written feedback, when required, by answering ad hoc surveys.
- Speaking commitments (voluntary) on behalf of the PRI. The Executive can provide support in the form of background research and presentation slides.
- Outreach and engagement with peers on work related to the sub-sovereign debt workstream on behalf of the PRI. The Executive can provide support in the form of background research and pitching material.
- All SSDAC members are welcome to undertake additional work, for example, drafting documents and participating in working groups if their schedules enable them to do so.

**ACTION PLAN AND TIMELINE**

An action plan with suggested time frames and milestones will be established at the first advisory committee meeting of each year. The plan will be evaluated during the last meeting of each year.

**CODE OF CONDUCT, CONFIDENTIALITY AND PUBLIC COMMUNICATIONS PROTOCOL**

- SSDAC meetings should proceed only if a majority of members can attend (in person and/or on the phone). Due to regional time differences, separate calls may on occasion be held with members unable to join the meetings.
- The proactive involvement of signatories is important to the success of the group. The Executive may cancel individual signatories’ participation and invite other interested signatories to participate if the required level of commitment is not demonstrated.

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\(^1\) Two people can share the chairing role.
- Signatories must refrain from using these forums for explicit commercial purposes and should focus on furthering the goals and objectives of the project. Failure to meet these requirements may also lead the Executive to cancel member participation.
- SSDAC members are welcome to advertise their participation in other forums such as LinkedIn.

**CONTACT**

If you would like to learn more about the SSDAC, please contact anna.georgieva@unpri.org.

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