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RESEARCH ARTICLE

Shaping the climate transition: Multistakeholder networks, elites, and sustainable finance policy in Europe

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Abstract

As sustainable finance has entered the mainstream, it has become an area of contestation among civil society, political and business. In response, policy makers seek to resolve stalemates and enhance legitimacy by utilising multistakeholder, consensus-driven approaches to policymaking. In this paper, we examine these emergent 'cooperative' structures from a network analytic perspective. Our structural analysis is based on six national and three EU policy spaces. We conduct compositional analyses to explore the makeup of the network(s) and use a range of centrality measures to capture emerging elites. We find an increase in civil society participation in these policy spaces over time; however, financial firms and pro-business voices remain dominant players. We also find a small cluster of elite actors from a range of stakeholder groups. We conclude that the increasing structural balance of stakeholder interests, however, does not translate into power for civil society to alter the direction of policymaking, but appears to serve enhancing the legitimacy of a policy process that departs from the priority and aspirations of civil society organisations.

Keywords: critical finance studies; financialisation; sustainable finance; multistakeholder governance; policy networks

Introduction

The growth of sustainable finance over the past decade has not only gained political and economic mileage, but also created a political need and an opportunity for establishing a more inclusive multistakeholder governance regime. Traditionally a domain of (multi-) national development banks and niche ethical banks, this space has been progressively populated by mainstream private interests (mainly corporations and commercial finance) that have been increasingly active in financing climate change adaptation and mitigation (Adhikari and Safaee Chalkasra, 2021): of the $632bn raised in this sector between 2019 and 2020, approximately half ($310bn) came from private sources (Buchner et al., 2021). Sustainable finance is no longer a niche market nor a prerogative of environmental social movements but has become integral to meet the key global policy goal of fighting climate change (Intergovernmental Panel on Climate Change [IPCC] 5, 2014).

Set against a narrative that public sustainable finance alone is deemed insufficient to meet the goals set by the Paris Agreement, this process has been facilitated by the normalisation of the idea that there is a financing gap in the fight against climate change that must be filled by mainstream private capital (Conference of the Parties [COP] 26, 2021a). Political attention is accordingly given to finding the best way to leverage private climate finance to combat climate change (Kawabata, 2019). Yet, and not surprisingly, rather than using command and control regulatory approaches enacted by the state(s) to mandate change, sustainable finance has been firmly rooted in neoliberal ideology: a newly created market for sustainable finance is seen as the most efficient way to allocate resources to combat climate change (Bracking and Leffel, 2021). A traditional regulatory approach enforced in top-down fashion by the state is considered to be no longer suitable amidst an increasing enmeshment of public and private interests where partnerships and collaboration are deemed essential (Braithwaite, Coglianese, and Levi-Faur, 2007). It should come as no surprise, therefore, that governance and regulatory frameworks for sustainable finance are set up in ways that seek to 'balance' the complimentary and competing interests via public-private policy initiatives (Hessevik, 2022). Multistakeholder policy initiatives in particular have for some time provided such an alternative to top-down approaches, not least because they are widely seen to enhance accountability and legitimacy of actors (Monciardini and Conaldi, 2019) by facilitating not just the rule making process itself, but also by promoting, enforcing and monitoring rules (Bres et al., 2019).

Europe is arguably at the forefront of the process to create a market(s) for sustainable finance in terms of financing, governance and regulatory interventions. It also positions itself as a leading actor in the green transition and in the convergence of public and private interests towards a common goal (Vela Almeida et al., 2023). To give few examples, the European Union has launched a number of policy programmes – the European Union Green Deal (EUGD), the EU Green Taxonomy, the EU Green Bond Standard, and the Sustainable Europe Investment Plan (SEIP) – that are rooted in and expand the recourse to sustainable finance (European Commission, 2020a). These policies are premised on the indispensable participation of private finance in addressing the climate emergency, the need for the state to create the best conditions for that to happen, and the aspiration of the European Union and some of its member states to position themselves at the core of the 'new' global market for green and sustainable finance (Y-Zen, 2021: 2). This is not happening by accident: it is the outcome of decades of high-level negotiations and top-down interventions, bottom-up pressure exercised by environmental organisations and institutional investors, and the political convergence between civil society, policy makers, corporations, and the global financial sector (Monciardini, 2017).

This public-private interaction has led to a structural shift in the perception and policy approach to regulating sustainable and sustainable finance: whereas demand and processes used to be private and contractual, recent years have been characterised by an increasingly complex ecology of actors participating in the making of sustainable finance policy (Djelic and Quack, 2018; Eberlein et al., 2012). The ambitious European project to create 'gold standard' regulation for sustainable finance through its EU Green Taxonomy, for example, has since its inception taken an inclusive governance approach which seeks to bring a broad range of stakeholder voices to the table. Since the establishment of the High-level Expert Group on Sustainable Finance (HLEG) in 2016, whose work has been continued by the Technical Expert Group (TEG) and enhanced by the EU Platform on Sustainable Finance (PoSF), the EU-level (and to a lesser degree European states') approach to sustainable finance has been resolutely based on the creation of multistakeholder policy spaces[1] – open to the participation of a range of expert actors from civil society, financial and non-financial firms, and others – to 'design *appropriate* and *proportionate* financial policies' (European Commission, 2016a; emphasis added).

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In this article, we follow McKeon's (2017) critical reflections on multistakeholder governance and Henriksen and Seabrooke's (2017a) call for an empirically driven analysis of policy networks to engage with the current unfolding of the European sustainable finance as a complex network of actors, ideas, and relationships. We claim that what may seem inevitable and 'natural' is the outcome of a shift from government regulation to marketised governance rules (Djelic and Sahlin-Andersson, 2006) led by a (mainly Western European) financial elite that triggers a sort of self-fulfilling prophecy. Once public authorities entrust private elites with the task of co-defining the way to privately finance the green transition, these actors shape the policy and rhetorical conditions for the consolidation of the role of private financial actors (i.e., themselves), for the making of new financial products and markets, and for the alignment of national and transnational policymaking under the guidance of industry and its vision.

Rather than focusing on the content of the current regulatory regime or the legislative process that has led to its establishment, we pursue here a broader structural understanding of multistakeholder policy networks by examining the individual and inter-organisational networks that have been established and have populated European policy space since 2015. With the support of a unique dataset that we built through public data listing participants in 'platforms', 'observatories' and 'expert groups', we seek to explore the structures underpinning these policy networks. We utilise a network analytical approach to explore, first, the composition of these networks *vis-à-vis* their stakeholder membership; second, the interconnections between different policy spaces at national and EU level; and third, the emergence of elite actors who hold central positions within the broader sustainable finance policy network.

The article is organised as follows. The first section offers some introductory remarks on the ongoing normalisation of private climate finance and the convergence between public policy and financial markets. The next introduces our framing of this study based on the literature on multistakeholderism and policy networks. After this we discuss the methodologies used for the collection of the data and their elaboration into personal and organisational networks. We then present our main findings in terms of compositions of networks, network interconnectedness, and the emergence of elite actors. Finally, we conclude by offering some critical considerations for future academic research and policy engagement.

From sustainable finance to the normalisation of a publicly sustained private climate finance project

Green (or sustainable) finance can date its origin back to the social and environmental movements of the 1970s but for a long time it lacked visibility beyond niche markets (Tischer and Remer, 2017). The 1990s saw a significant shift towards mainstreaming sustainable finance with the emergence of sustainability indices (Jeucken and Bouma, 2001), sustainability mutual funds as well as the institution of global initiatives such as the United Nations Environment Programme (UNEP) in 1992, followed by the Global Reporting Initiative (GRI) in 2002 and the UN Principles for Responsible Investment (UNPRI) in 2005 (Weber and El Alfy, 2019). These developments provided impetus for a host of actions, such as the adoption of environmental, social, and governance (ESG) principles in investment decision making by banks and institutional investors, which now count over 3500 signatories with over $120 trillion assets under management (PRI, 2022) and are in essence a private response from the financial sector to meet changing market demands from investors and to develop new market opportunities.

More recently there has also been a change *vis-à-vis* the origin of the demand for financial products with a green or climate connotation. Current developments are driven

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by new market opportunities emerging from the public need to finance climate change mitigation and adaptation following the ratification of the COP 21 Paris Agreement in 2015. Notwithstanding the fact that financing needs were already recognised at earlier stages – COP 15 and COP 16 charted explicit commitments to mobilise $100 bn annually by 2020 – the Paris Agreement ultimately shifted the goal post. On the one hand, it did not represent a breakthrough compared to previous negotiations and the implementation of the financial commitment is still facing both procedural gaps (i.e., the lack of enforceable measures) and incompliance (Roberts and Weikmans, 2017; Clark, Reed and Sunderland, 2018), nor did it expand the volume of annual financing needs; it simply shifted the timeframe to 2025 (Viñuales et al., 2017). On the other hand, COP 21 in Paris did represent a turning point in the sense that it led to the consolidation of the relationship between the public and financial capital in the fight against climate change adaptation and mitigation.

Specifically, the Paris Agreement was animated by the vocabulary of 'partnership' – the same as Sustainable Development Goal 17 – and set the scene for a future climate policy action characterised by the recasting of public interventions and private finance as allies in leveraging the funds urgently needed for the transition (Timperley, 2021; Clark et al., 2018). This shift, the formal inclusion of private finance as a solution to mitigate climate change and transition to a green(er) economy, was endorsed by the IPCC's fifth Assessment Report via the first-time inclusion of a 'chapter dedicated to investment and finance' (IPCC, 2014: 1210). In other words, IPCC 5 provided policy makers with a soft-law, 'science-based' justification for involving private finance at the core of the debate on how to finance the green transition which implies a 'blurring of boundaries between regulators and regulated' (cf. Djelic and Quack, 2018: 129). Of course, political ideology and continued pressure exercised by financial actors and associations hoping to open up new opportunities for investment also played an important role in building this narrative (Bracking, 2015; Shove and Walker, 2009). But fundamentally, the identification of sustainable and climate finance as foundational pillars of the 'green transition' has been promoted as a non-radical step, rather than a moment of rupture with the past leading to the adoption of a radical commitment to climate justice (Roberts and Parks, 2009). It was felt that a less radical policy agenda would still adequately address the sense of urgency and immanency that led to the establishment of a 'coalition of the unlikely' (Monciardini, 2017; Cerrato and Ferrando, 2020) between states, civil society organisations, investors, and corporate actors who identify private financial capital as the solution. The environment for green(er) or (a more) sustainable finance has shifted considerably from niche market activity in the twentieth century to a largely political project of instituting and legitimising finance as a green recovery agent that operates hand-in-hand with national and supranational institutions.

Since COP 21, the consensus-driven policy and governance approach to climate finance has to a large extent been normalised (COP 26, 2021b). This is particularly the case of the European Union, a leading proponent of a private finance and market-driven solution to financing transition needs. Through a number of programmes – the European Union Green Deal, the Taxonomy and the Sustainable Europe Investment Plan – it instituted a space to shape and scale private sustainable finance recognising that 'markets will not find the desired direction on their own' (Lamperti et al., 2019: 76). In attempting to produce regulation and legislation that balances private, public and civic interests, the EU sought for a variety of expertise[2] to feed into the process and to reach consensus. The involvement of multiple stakeholders is particularly visible within the different policy spaces working towards an 'EU Taxonomy' on sustainable finance with the remit to define what is and is not permissible as 'green' or 'sustainable' finance. The various groups have been established via a legislative act which empowers the European Commission (EC), with the help of the TEG, to produce a selected list of 'environmentally sustainable' economic activities, establish technical criteria for meeting environmental objectives, and define 'sustainability benchmarks'. What happens at the EU-regional level is reflected at the national scale. In both cases, there has been a proliferation of the idea of multistakeholderism as a more inclusive and democratic form of governance which can support defining the future of financing the transition. The similarities between the EU and Member States are not only procedural, but also substantive. In this research we are, therefore, particularly interested in the composition of the networks, network structures and position of actors participating in the European policy spaces and some selected national contexts.

Transnational policy networks, multistakeholderism, and legitimacy

In our analysis of national and EU-level policy spaces we draw on two sets of complementary concepts. First, we utilise *multistakeholderism* to explore the composition of the networks to highlight connections between the use of multistakeholderism and the attempt to legitimise policymaking for sustainable finance. Second, we use literature on transnational policy networks to frame our relational analysis of network structures and (elite) actor positions within the context of sustainable finance policymaking through private, rather than public, actors.

Diversity versus elite approaches to policymaking

The consideration of multiple stakeholders, rather than sole reliance on technocratic elites or 'scientific experts', along with their involvement in policymaking processes, is key to the EU's sustainable finance policymaking. From the very inception and establishment of EU policy spaces on the topic, both the European Parliament and the Commission embraced the goal to develop sustainable finance legislation anchored in multistakeholderism (European Commission, 2016b; European Parliament, 2020). For example, the call for the HLEG invited 'senior experts coming from civil society, the business community and other non-public sector institutions' (EC, 2016a) and adopted a broad understanding of 'experts' as actors in the sector that was going to be regulated or governed. These multistakeholder platforms are now regularly used within the European Union and global settings (Moog et al., 2015; Winickoff and Mondou, 2016) to provide governance mechanisms that are seen to be inclusive and democratically accountable (Gleckman, 2018) and to attain legitimising advantages vis-à-vis democratic policymaking (Bres et al., 2019). In essence, multistakeholder-led policymaking thrives in situations where a public issue cannot be easily solved through existing forms of governance (Gleckman, 2018) due to its complexity, controversy and a perceived need to render outcomes as democratically legitimate (Antonova, 2011; Scherer and Palazzo, 2007).

Building on earlier work on multilateralism elaborated by Ruggie (1992), Raymond and DeNardis (2015) develop the concept of multistakeholderism as an inchoate institutional form of common governance of a public good by at least two classes of actors. Whilst multistakeholder initiatives have been praised for their capacity to enrich policymaking by improving democratic accountability, they are equally contested and often fall short of expectations (Moog et al., 2015; Raymond and DeNardis, 2015). Authority relations and rules are commonly understood by actors (Raymond and DeNardis, 2015: 573), however, the power vested in or assumed by actors may vary between and within different classes of stakeholders. In situations in which interests are fragmented and power is unevenly distributed, consensus building may prove difficult to achieve (Fougere and Solitander, 2020) and the continued aspiration to generate convergence and alignment may ultimately lead to the stigmatisation, and even exclusion, of (more radical) third sector organisations,

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whilst failing to exclude bad faith (corporate) actors (Giamporcaro et al., 2023; Transnational Institute, 2019). Multistakeholder policy initiatives have also been contested because they may limit political contestation and reinforce private economic interests (Donders et al., 2018; Raymond and DeNardis, 2015; McKeon, 2017).

To consider the broader networked nature of participating actors within and across different policy spaces, we also draw on literature on transnational policy networks. In following what Emirbayer (1997) termed the 'relational turn' in social sciences, it shifts our analytic focus towards relations between actors and/or organisation around specific policy issues (Seabrooke and Henriksen, 2017; Seabrooke and Stenstroem, 2023). Driven by changes to policymaking approaches which are no longer solely the domain of state actors as monolithic entities, an increasingly heterogeneous set of actors – international and non-governmental organisations, firms and other private actors – become involved in the elaboration, coordination and implementation of policy proposals (Henriksen and Seabrooke, 2017b; Klijn and Koppenjan, 2014). The inclusion of private actors in policymaking recasts collaborative and competitive action between nation states as one between diverse private interests who seek to benefit from policy outcomes, which may result in potential contestation. Issue-specific policy networks may also bridge transnational and national influence-taking by corporate elites, leading to a proliferation of corporate-friendly environments (Adam and Krisi, 2007). A key concern of policy networks is, therefore, the public-private nature of policymaking, especially within professional fields with considerable interests and resources to influence public policy on specific issues (Hessevik, 2022).

Legitimising policy outcomes through diverse participation

As policymaking is no longer the sole remit of states and nonstate actors participate more actively, questions arise with respect to the legitimacy of the policy space and the proposed outcomes. Whilst proponents note that multistakeholder-led policymaking enhances legitimacy as policy outcomes are more democratic and effective than traditional approaches, opponents raise concerns around elite capture, amateurism and inefficiency (Jongen and Scholte, 2021). The presence of various stakeholder groups alone may not legitimise a policy initiative, but rather, stakeholders must be in a position to effectively participate in the deliberation of, and accept the decisions reached by, actors participating in the policymaking process (Giamporcaro et al., 2023).

Multistakeholderism is based on the understanding of horizontality and equality among different actors and interests. However, the emergence and proliferation of a global corporate and private elites may impact the legitimacy of multistakeholder initiatives because of the disproportionate influence elites can exercise (Henriksen and Seabrooke, 2021). Corporate actors may gain elite status via simultaneous involvement in multiple policy networks (Carroll and Carson, 2003), allowing them to assume the power to coordinate, and thus influence, policymaking across policy issues and geographic domains (Dahan et al., 2006). Within this broader approach the recent emergence of literature on professional networks (Seabrooke and Henriksen, 2017) is insightful for our analysis because it recognises the limits of participation within these networks and the reliance on professional experts who switch between public, private and third sector organisations (Christensen, 2021; Seabrooke and Tsingou, 2021).

Who participates depends on the empirical context under investigation, but the professional status of actors is often explicitly stated or at least implied (Christensen, 2021; Kortendiek, 2020; Morgan, 2000; Schrama, 2022). But participation is no longer limited to corporate and technical professions and may also include other professionalised stakeholders including non-governmental organisations and academics (Christensen, 2021; Henriksen and Seabrooke, 2021). Still, inclusion criteria may act as a barrier to entrance because defining what constitutes expertise and professionalism is always exclusionary (Gleckman, 2018). Indeed, the 'open' recruitment of experts or invitations to join existing networks may limit access, rendering the selection process ultimately a political choice (McKeon, 2017; Transnational Institute, 2019).

We focus on input legitimacy which is concerned with the design of policy making processes, rather than output legitimacy which is concerned with the effectiveness of process outcomes (Mena and Palazzo, 2012). To explore input legitimacy in a network context we consider the inclusion of a range of stakeholders to be crucial criteria which can render a policymaking initiative legitimate even when participating actors disagree with the policy outcome. Furthermore, power relations between participants must be neutralised to limit one set of (corporate) interests becoming dominant and effectively leaving other stakeholders without a voice (Mena and Palazzo, 2012; see also Rasmussen and Reher, 2022). The structural analyses of networks can provide intriguing insights into actors' influence and legitimacy by, for example, examining their prior experience within policymaking and their network centrality (Seabrooke and Stenstroem, 2023). Our interest here is, therefore, on legitimacy becoming enhanced or undermined by the composition of policy spaces and the emergence of elites across the sustainable finance policy network in Europe.

Data and methodological considerations

How to analyse these policy networks has been open to debate, with some arguing for what is in essence a mixed method approach (see Marin and Mayntz, 1991), whilst others, including Dowding (1995), argue for a stronger focus on formal network analysis as this would provide a better understanding of the underlying properties of policy networks structures, and therefore a more scientific account. Kenis and Schneider (1991: 44) promote network analysis as providing a 'toolbox' capable of examining 'complex structures, relational configurations and actor systems'. Recently, network analysis has been given renewed purchase in Seabrooke and Henriksen's (2017) edited volume arguing for a social network toolbox (similar to those proposed by Kenis and Schneider, 1991) to advance our understanding of the underlying network structures and connectivity of actors involved in policymaking. Furthermore, there are numerous studies that utilise network analytic tools for policy analysis (see, for example, Maggetti, 2009; Christopoulos and Ingold, 2015; Paterson et al., 2017; Perez et al., 2019; Seabrooke and Stenstroem, 2023). We utilise such a formal network analytic approach to provide alternative and crucial insights into the power of actors to influence policymaking.

Our formal analysis of European sustainable finance policy networks expands ongoing reflections on issue-specific policy networks and combines them with a critical approach to multistakeholderism. Network analytic tools are used throughout for three key reasons; first, to examine the composition of individual policy spaces at EU and national levels (with emphasis on multistakeholderism) that have been established to engage with the construction and regulation of sustainable finance; second, to scrutinise the interconnectedness of actors across these spaces; and third, to explore the emergence of elite actors informed by centrality analysis. With the latter in mind, we specifically examine actors involved in multiple issue-specific policy spaces (consecutively or simultaneously) – the sustainable finance legislative agenda where actors may constitute 'elites' in these policy circles due to the repeat interactions between individuals and/or organisations (Lazega et al., 2008). In network terms, these actors are identifiable by different centrality and brokerage scores (Henriksen and Seabrooke, 2017a, 2017b).

Whilst it would have been possible to limit our analysis to EU expert groups only, we also include national policy initiatives because what happens at the European level is often reflected in domestic processes and because of the coordinating role of the European

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Council in defining relevant EU policies with national implications. Our final dataset is derived from six national and three EU policy spaces for which data was publicly available either on websites or through publications issued by these policy spaces (see Table 1 for an overview). These were accurate as of July 2021.[3] Whilst there are some differences in the purpose of these spaces, they generally seek to advise on sustainable finance's opportunities and challenges, technical aspects, and policy direction in sustainable finance. In all but one case the membership of these spaces includes details on the individuals and organisations they represent. For the *Osservatorio Italiano sulla Finanza Sostenibile,*[4] information could only be located at the organisational level, with individuals remaining unnamed. In addition, many of these spaces list national or international public organisations as observers without naming representing individuals.

To explore these policy spaces, we have conducted a social network analysis using UCINet (Borgatti et al., 2002). The purpose of conducting this type of analysis is to gather insights into the structure, composition and interconnectivity of actors belonging to these networks (Beaverstock et al., 2021). For each type of data, we create two-mode 'affiliation' networks containing 'policy_space-by-organisation' and 'policy_space-by-individual' networks to explore egonet structures. We conduct additional analysis of co-membership by converting these networks into one-mode matrices to examine inter-organisational and inter-individual relations. For much of our analysis we focus on 'policy_space-by-organisation' and 'organisation-by-organisation' matrices. The individual network is only briefly discussed towards the end as these individuals tend to represent organisational members, and unlike the organisational dataset, it misses information for individuals representing organisations.

To explore the overall structure of the network(s), along with relations between them and core actors, we used a number of tools available via UCINet. We have conducted a frequency analysis of firm attribute data to examine the type of organisation by sector. We then use the ego-net composition tool in UCINet to break down the sectoral composition for each policy space (Crossley et al., 2015: 97). To analyse tie exclusivity, we removed pendant nodes (nodes that are only connected to one policy space from the network 'policy_space-by-organisation network') to get a degree count for shared ties for each policy space which we deducted from the normal degree count for the network without pendants removed. We also examine how ties are shared between policy spaces as a proportion of all ties to organisations. To do this, we dichotomise the 'policy_space-by-organisation' matrix before turning it into an affiliation matrix containing 'policy_space-by-policy space' ties only. Furthermore, we have conducted an analysis of various centrality measures – degree, closeness, eigenvector and betweenness centralities – and brokerage scores to gain a better understanding of each node's position in the network and to identify potential elites emerging in the network (Borgatti et al., 2013: 164).

Who shapes sustainable finance policy in Europe?

Composition of the European sustainable finance policy network

We begin our discussion by focusing on the multistakeholder membership composition of the European sustainable finance network as the aggregate of the European and national spaces, and the variation between different policy spaces. The composition of membership, observers, and expert contributors is summarised in Table 2 and reveals the distribution of total membership by individuals (573) for each policy space. For some countries, in particular Italy and the UK, public organisations were represented by multiple members. This is most prominently the case for the British Department for Business, Energy, and Industrial Strategy (BEIS) and the Italian *Ministero Della Transizione Ecologica,*[5] as well as UNEP. At national level, we see some variation in the total membership of each space (25 to 141).

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Table 1. Overview of national and EU policy space purpose and composition.

	Name of policy space *(& abbreviation)*	Period	Purpose	Membership
EU initiatives	EU – High-level Expert Group *(EU HLEG)*	Dec 2016 – Jan 2018	To help develop an overarching & comprehensive EU roadmap on sustainable finance.	Individuals representing organisations & observers.
	EU – Technical Expert Group on Sustainable Finance *(EU TEG-SF)*	Jul 2018 – Mar 2020	To assist the EC in developing the EU taxonomy, an EU green bond standard, benchmarks for low carbon investment & disclosure metrics.	Individuals with organisational affiliation, & international/ public entities as observers.
	EU – Platform on Sustainable Finance *(EU PoSF)*	Oct 2020 – now (permanent)	To advice EU on technical aspects of sustainable finance, develop the EU taxonomy & monitor industry developments.	Individuals with organisational affiliations, directly appointed members and observers.
National initiatives	Italy – Dialogo Nazionale sulla Finanza Sostenibile *(IT NDoSF)*	Feb 2016 – Dec 2016	To identify existing practices & key challenges & suggest policy options.	Individuals with organisational affiliation, plus international experts.
	Netherlands – Platform voor Duurzame Financiering *(NL SFP)*	Dec 2016 – now	To increase awareness of sustainable finance & to foster collaboration between the financial sector, regulators & the public sector.	Individuals with organisations named for the main body, plus additional membership for working groups.
	United Kingdom – Green Finance Taskforce *(UK GFT)*	Sep 2017 – Mar 2018	To inform & advance policy development on green finance.	Named individuals & organisations as members, acknowledged contributors & public officials, plus observer.
	Italy – Osservatorio Italiano sulla Finanza Sostenibile *(IT OIsFS)*	Jan 2018 – Dec 2019	Follows from National Dialogue to promote sustainable financial activities & to encourage the role of green finance in support of sustainable re-industrialisation.	Includes organisations only
	Germany – Sustainable Finance Beirat *(DE SFB)*	Jun 2019 – now	To position Germany's finance sector as a key centre for sustainable finance & to support the financing of SDGs.	Individuals representing organisations & observers
	France – La commission Climat et finance durable *(FR CeFD)*	Jul 2019 – now	To bring together stakeholders on the issue of sustainable finance & to assist the AMF in carrying out regulatory & supervisory tasks.	Individuals & organisations plus a representative of the treasury.

Table 2. Overview of membership of individuals by category for each policy space.

Membership	Core members	Observers/institutions	Others	Total
IT NDoSF	16		75	91
NL SFP	11		65	76
UK GFT	16	28	97	141
IT OIsFS	48			48
DE SFB	37	11		48
FR CeFD	24	(1)		24
EU HLEG	20	9		29
EU TEG-SF	35	10		45
EU PoSF	61	10		71
	268	68	237	573

There is also some variation in how membership is structured, notably by differentiating between members, observers and other named contributors. This is consistent with the aims of the different policy spaces: for example, the Italian *Dialogo Nazionale sulla Finanza Sostenibile*[6] and the British Sustainable Finance Taskforce were established to position a sustainable finance agenda with their respective governments therefore benefited from broad membership to illustrate large-scale support and, therefore, distinguish between members and expert contributors. The Dutch Platform *voor Duurzame Financiering*[7] is chaired by the central bank as a form of technical support to their work with a small core membership whilst most members join via specific working groups. The Italian *Osservatorio Italiano* is effectively the successor to the *Dialogo Nazionale* with a considerably overlap of membership. Together with the German and French networks these networks are smaller in scale as they name policy space 'members' only. The European spaces have been growing in membership since they were originally established and retained their dual structure of core members (organisational representatives or directly appointed members) and observers (multilateral development banks and institutions and supervisory/regulatory institutions).

The categorisation of organisations by sector is based on the stakeholder groups used by the HLEG (EC, 2016b). As neither the Technical Expert Group nor the Platform on Sustainable Finance categorise membership by stakeholder group, we expanded the existing list of categories to reflect the increase in diversity of members in EU policy spaces. We have applied that coding to categorise membership in national policy spaces.

To generate our list of unique organisations for each sector (Table 3) we removed duplicate actors, counted each unique organisation, and attributed them to their sectoral category. The compositional analysis of the overall European network identifies the financial firm sector as the largest representative member group (40% of actors), followed by organisations summarised as representing a pro-business voice, which includes think tanks, consultants and associations or lobbying organisations (28%). The public sector, as well as NGOs and academia make up just over 10% of membership each, followed by non-financial firms as the least represented category at 7%. This breakdown is not surprising given the present and future impact these policy spaces may have on financial interests that are active in the sustainable finance arena and on private financial interests in financing key agendas, including the transition to a green or net-zero economy. At the same time, it is also reflective of the incipient engagement of civil society, academia and NGOs with the topic of sustainable finance, with some large-scale international

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Table 3. Unique organisations by sector across all European policy spaces.

Main category	Subcategory	# of unique organisations
Civil Society Voice		33
	NGOs	16
	Academia	17
Financial Firms		116
	Asset Managers	24
	Banking	37
	Insurance	16
	Finance, other	27
	Pension Funds	12
Non-financial Firms		21
Pro-business Voice		83
	Associations/Lobbyists	47
	Consultants	11
	Think Tanks	25
Public Sector		41
	Total	294

Table 4. Egonet composition of membership for each policy space, ordered by inception and separating national from transnational policy spaces.

	Civil Society Voice	Financial services	Non-financial firms	Pro-business Voice	Public Sector	Hetero-geneity
IT NDoSF	4%	25%	0%	33%	37%	.686
NL SFP	1%	86%	3%	3%	8%	.261
UK GFT	9%	48%	2%	13%	27%	.668
IT OIsFS	10%	19%	4%	48%	19%	.688
DE SFB	15%	48%	13%	19%	6%	.694
FR CeFD	17%	38%	17%	21%	8%	.753
EU HLEG	7%	48%	0%	28%	17%	.656
EU TEG-SF	9%	53%	4%	18%	16%	.650
EU PoSF	23%	20%	6%	34%	18%	.759

organisations and research centres that are present in multiple spaces (as we discuss later on).

We have broken down the sectoral composition (Table 4) for each policy place using the Egonet Composition function in UCINet.[8] The final column – heterogeneity – illustrates that all but the Dutch network (NL PfSF) tend to be heterogeneous. This shows that organisations are distributed across different sectors, rather than in the Dutch case which exhibits a high concentration of financial firms. Furthermore, it illustrates that networks established more recently – the EU PoSF and FR CeFD – tend to have a more equal sectoral distribution compared to earlier networks.

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Examining the composition of policy space in more detail further highlights considerable variation in membership by stakeholder group. We find a dominance of financial services in some policy spaces (NL, DE and UK, as well as EU HLEG and the EU TEG on Sustainable Finance (TEG-SF)). However, when combining the categories of financial services and pro-business voice, these sectors account for the majority (>50%) of organisations in all policy spaces. The interests of financial firms may also be represented by trade associations or think tanks, rather than financial firms only. The dominance of financial services in the Dutch network can be further broken down to highlight the importance of banking, followed by asset management and pension funds, three leading sectors in the Dutch financial services industry.

The higher percentage presence of the public sector in the UK and initial Italian network reflects government sponsorship of these policy spaces. Public sector organisations tend to act as observers rather than members, to possibly signal less active involvement in key decision-making processes. Finally, we observe that the civil society sector has seen its share increase over time, most notably between the EU TEG and EU PoSF policy spaces which saw a significant increase in academic (+4, to 5) and NGO (+8, to 11) membership compared to the TEG.

From the compositional analysis, we can conclude that despite some encouraging developments in civil society engagement, financial interests and associated pro-business voices prevail. This is not surprising given the suggested policy settlement between 1) private financial interests as funders of public interests and 2) governments, who seemingly recognise that private finance (rather than public financial institutions) are best placed, if not essential, to mobilise the financing needs of a transition to a net-zero, green economy by creating markets for sustainable finance instruments. Our approach does not allow us to speak to the impact an increased engagement by civil society actors has on the direction of policy decisions. But it appears that in the case of sustainable finance, a multistakeholder approach does enhance the representation of non-financial interests to some degree. At EU level, this may, however, partially reflect the shift from more technical work undertaken by HLEG and TEG – such as assisting with the development of the taxonomy – towards more advisory and monitory functions undertaken by PoSF members.

Interconnections between sustainable finance policy networks

To develop our understanding of how these policy spaces relate to each other, we now explore the interconnections between these spaces. A first high-level observation from Figure 1 shows that the majority of the members are tied to only one policy space. This is particularly the case for national policy spaces. We also observe that European networks tend to occupy a more central position within the network than national spaces, which confirms that the EU draws on national expertise. Somewhat surprisingly, given the early establishment of the Dutch network in late 2016 and the Netherlands' status as a globally leading financial centre for sustainable finance (Y/Zen, 2021), we notice that the Dutch policy space is relatively disconnected from the rest of the network and forms a separate cluster to the main policy network.

Examining organisational connections shared between policy spaces provides us with insights into how related the policy spaces are in terms of their organisational membership (Table 5).[9] The centrality of EU policy spaces is confirmed – both the EU TEG-SF and EU HLEG share more than half of their organisational members. The more recent and larger EU PoSF network, however, shares only one third of its organisations which may be due to the involvement of European think tanks and NGOs introducing a set of new actors entering the sustainable finance policy space. The French policy space appears well connected for, or because of, its relatively small network size. All other national networks

Table 5. Comparison of shared versus exclusive member organisations.

	Degree	Organisations			
		Shared		Exclusive	
EU TEG-SF	45	36	*80%*	9	*20%*
EU HLEG	29	16	*55%*	13	*45%*
FR CeFD	24	10	*42%*	14	*58%*
EU PoSF	68	24	*35%*	44	*65%*
DE SFB	47	12	*26%*	35	*74%*
UK GFT	66	15	*23%*	51	*77%*
IT NDoSF	37	8	*22%*	29	*78%*
incl. inter-IT ties		32	*86%*	5	*14%*
IT OIsFS	48	8	*17%*	40	*83%*
incl. inter-IT ties		30	*63%*	18	*38%*
NL SFP	37	3	*8%*	34	*92%*

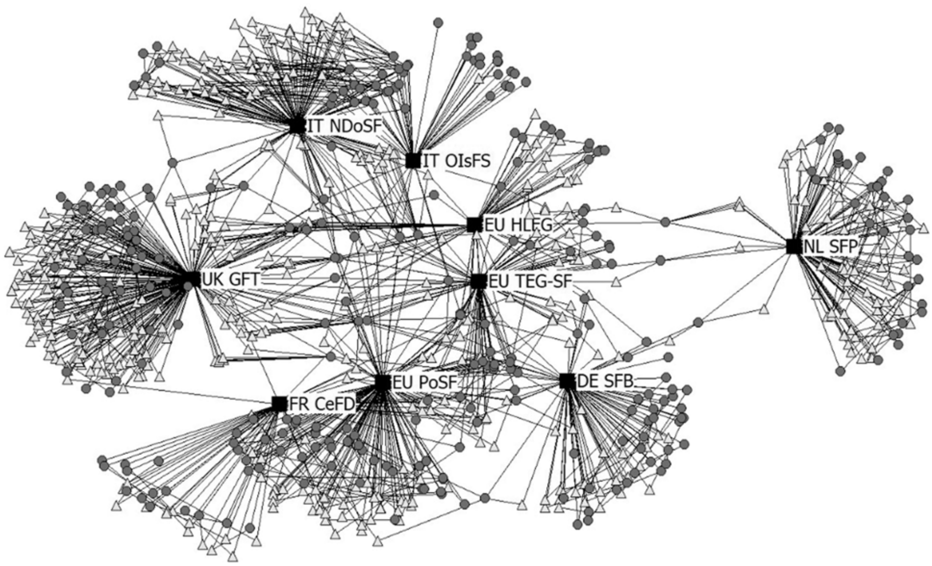

Figure 1. Illustration of interconnections between policy spaces presenting both individuals and organisational ties. *Note:* black squares – policy spaces; dark grey circles – organisations; light grey triangles – individuals.

share up to a quarter of organisations, which is somewhat surprising given the status of London as a global financial centre. Italian policy spaces share a large number of connections with one another, but once this is accounted for, this number drops significantly. If we consider shared organisations across the Italian networks, we find a significant increase compared to the exclusion of inter-Italian ties which suggests that within national policy space we may see some degree of continuity in terms of actor involvement.

Table 6. Breakdown of shared ties by policy space as a proportion of all ties.

	EU HLEG	EU TEG-SF	EU PoSF	NL SFP	UK GFT	DE SFB	FR CeFD	IT NDoSF	IT OIsFS	Total Number of share ties
EU HLEG	-	9	7	1	7	2	2	3	1	32
EU TEG-SF	9	-	24	1	8	7	7	5	6	67
EU PoSF	7	24	-	0	5	5	4	5	5	55
NL SFP	1	1	0	-	0	1	0	0	0	3
UK GFT	7	8	5	0	-	3	1	5	2	31
DE SFB	2	7	5	1	3	-	4	0	2	24
FR CeFD	2	7	4	0	1	4	-	1	2	21
IT NFoSF	3	5	5	0	5	0	1	-	26	45
IT OIsFS	1	6	5	0	2	2	2	26	-	44

We have broken down this view further by looking at shared organisational ties between policy spaces (Table 6).[10] We find that the three EU policy spaces share more ties compared to national policy spaces. The EU TEG has 67 sharing ties which equates to 1.5 ties for each of its 45 organisational members. This is in stark contrast to the Dutch policy space with only three shared ties. Shared ties across the European policy spaces account for half of all shared ties. We also find that all national networks have more shared ties with EU policy spaces than with other national networks highlighting the centrality of EU policy spaces.[11] This makes sense given that actors participating nationally often limit their policy interests to those nations, but where they cross borders, they are best represented at EU level. However, there are two notably exceptions. The UK's Taskforce and Italy's National Dialogue share five ties. Italy invited international experts, including those based in the UK – the Sustainable Finance Institute and Climate Bond Initiative – to support their national efforts towards developing a sustainable finance industry. Germany and France also share ties mainly through representatives of NGOs such as Finance Watch and World Wide Fund for Nature (WWF). Another exception, justified by the continuity between the two spaces, is represented by the two Italian networks with 26 shared ties.

Emergent policy 'elites' in the sustainable finance policy space

Finally, we examine key actors in these networks at both organisational and individual level (i.e., individuals representing organisations). Table 7 provides clear evidence that this network contains only a few actors – a 'sustainable finance policy elite' – that engage in multiple policy spaces at the national and European level. We find that few organisations act as bridges between policy spaces: only 17 organisations are involved in three or more policy spaces while 220 of 294 organisations (75%) are associated with only one space. For individuals, findings are even more extreme: 93% of the individuals who have been mapped only engaged in one policy space and less than 2% are active in three or more spaces. Lower values for individuals can be explained by the fact that different individuals may represent an organisation in different policy spaces and that overall, there is less capacity for individuals to engage in multiple policy spaces.

For organisations, the 17 most active actors are listed in Table 8 by type of organisation, whilst connections to different policy spaces are shown in Figure 2. BNP Paribas and WWF, one financial actor and one international NGO, are the most active organisations, engaged in six policy places each, whilst the Climate Bond Initiative and UNPRI – both advocating

Table 7. Number of organisations and Individuals operating in and across multiple policy spaces.

# of policy spaces	# of organisations	# of individuals
1	220	415
2	57	23
3	8	4
4	5	3
5	2	
6	2	

Table 8. Organisations involved in three or more policy spaces by type.

	Organisation
Pro-business voice	CBI; Climate KIC; ICMA
Financial firms	Allianz; Banca d'Italia; BNP Paribas; Borsa Italiana; Cassa Depositi e Prestiti; EIB; SEB
Civil society voice	CDP; Finance Watch; WWF;
Public sector	EEA; OECD; UNEP; UNPRI;
Non-financial firms	–

Note: CBI – Climate Bonds Initiative; ICMA – International Capital Markets Association; EIB – European Investment Bank; SEB – Skandinaviska Enskilda Banken AB; CDP – Carbon Disclosure Project; WWF – World Wide Fund for Nature; EEA – European Energy Agency; OECD – Organisation for Economic Co-operation and Development; UNEP – United Nations Environment Programme; UNPRI – United Nations Principles for Responsible Investment.

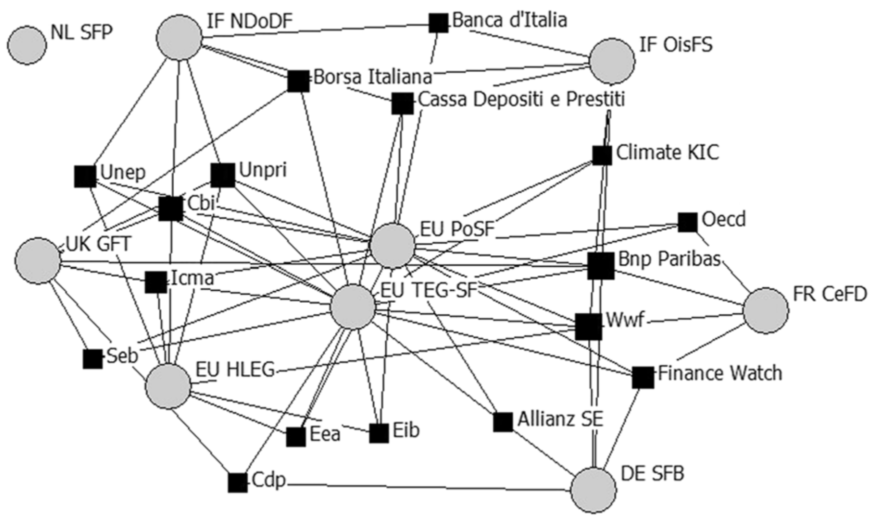

Figure 2. Network of organisations involved in three or more policy spaces.

for an expanded sustainable finance space – are involved in five spaces each. We find that financial firms are most likely to be involved in multiple policy spaces, although this would be reduced from seven to four if we take into consideration the participation of *Cassa Depositi e Prestiti*, *Banca d'Italia* and *Borsa Italiana* in both Italian networks. Financial firms are

Table 9. Different centrality measures for the organization-by-organization network plus average rankings for the top 10 nodes.

	Centrality scores			Brokerage score	Average ranking
	Degree	Eigenvector	Betweenness		
BNP Paribas	0.993	0.295	0.137	0.741	1.0
WWF	0.867	0.272	0.093	0.719	2.8
CBI	0.816	0.276	0.050	0.667	3.5
UNPRI	0.816	0.276	0.050	0.667	4.5
ICMA	0.694	0.239	0.030	0.591	6.8
Cassa Depositi e Prestiti	0.660	0.240		0.537	7.0
Borsa Italiana	0.653		0.035	0.602	6.7
Finance Watch	0.612	0.203		0.587	8.0
SEB	0.599	0.211			8.5
UNEP	0.595	0.226		0.580	8.7
CDP			0.031	0.586	8.5
Climate KIC		0.203			10.0
Unilever			0.054		
Triodos			0.099		
APG			0.051		

Note: APG – Algemene Pensioen Groep NV.

followed by the public sector (at four – they tend to act as observers) and civil society and pro-business voices (at three). This broadly confirms the multistakeholder representation intentioned by these policy spaces, but it also illustrates that some organisations may gain a certain level of control to coordinate the policy agenda across policy spaces.

These visualisations of central actors are confirmed by centrality measures (Table 9) calculated for the organisation-by-organisation network. BNP Paribas, WWF, Confederation of British Industry (CBI) and UNPRI take the four top spots based on the average ranking. There is a gap between the top four scores and the remainder of the top ten; for example, brokerage scores are .667 to .741 for the top four actors versus .537 to .591 for the remainder. Rankings for betweenness centrality include the three Dutch organisations that are members in other policy spaces and therefore act as broker in structural terms; however, they remain non-central in terms of their overall connectedness in the larger network.

Elite status in the EU policy space can be defined not solely by traditional means (access to resources or external validation) or their centrality, but may be expressed as an outcome of continuous participation in policy spaces. Focusing on membership at the EU level, we find that approximately one third of HLEG members are also active in TEG; and half of TEG members participate in the PoSF (Table 10). These member organisations may benefit from these existing network relations and procedural knowledge. Overall, financial services firms and public sector organisations are most likely to retain their membership. Across all types of actors, the continuity relationship is particularly strong between the EU TEG and PoSF with 24 organisations participating in both; the majority of these are finance services (11) and the public sector (7).

Table 10. Continuity of actors involved in EU policy spaces by sector.

	HLEG –> TEG	TEG –> PoSF	HLEG –> TEG –> PoSF
Civil Society Voice	1	3	1
Financial services	3	11	1
Non-financial firms			
Pro-business Voice	2	3	2
Public Sector	3	7	3
Total	9	24	7

Note: Numbers in the final column are also included in the other columns.

Table 11. Individuals involved in three or more policy spaces and organisational affiliation.

Key representative	# of policy spaces	Organisation
Nathan Fabian	4	UNPRI
Sean Kidney	4	CBI
Nicholas Pfaff	4	ICMA
Helena Viñes Fiestas	3	BNP Paribas
Jochen Krimphoff	3	WWF
Sara Lovisolo	3	LSEG/Borsa Italia
Thierry Philipponnat	3	Finance Watch

Apart from non-financial firms, representatives from each sector are members of all three European policy spaces: WWF, UNEP, UNPRI and the European Environment Agency, representing civil society and public institutions; as well as the International Capital Markets Association, Climate Bond Initiative and European Investment Bank. This may suggest that public, civic and private financial emergent elites are reasonably balanced across the network. However, significantly more private and public sector actors retain their position as incumbents in the EU PoSF which may provide them with a network advantage over newcomers. Hence, despite the relative centrality of few NGOs – including the WWF and Finance Watch – the strength of private and public sector actors may still supersede other stakeholder voices.

Overall individual representatives' central positions are closely aligned with organisational actors and cover a cross-section of stakeholder views but are overall less likely to engage in multiple policy spaces (Table 11). Whilst this does not distract from the overall dominance of financial actors, the presence of Finance Watch, WWF and UN actors suggests that at least some influence is retained by NGOs, whose mission is to support the expansion of climate finance rather than controlling its processes and substance, as well as by public international organisations with a strong propension towards engaging finance as an instrument for sustainable development.

What appears evident is that few individuals are active in multiple policy spaces as representatives of their organisations. They constitute a sort of 'epistemic jurisdiction' (Winickoff and Mondou, 2016) or sustainable finance 'global fraternity' (Jenkins, 2021) that is highly involved and also active in the organisation and participation of events that bring the NGO community together. Their involvement is shown in Figure 3. These include: the Climate Bond Initiative's founder Sean Kidney, Nicholas Pfaff (a former banker now Senior

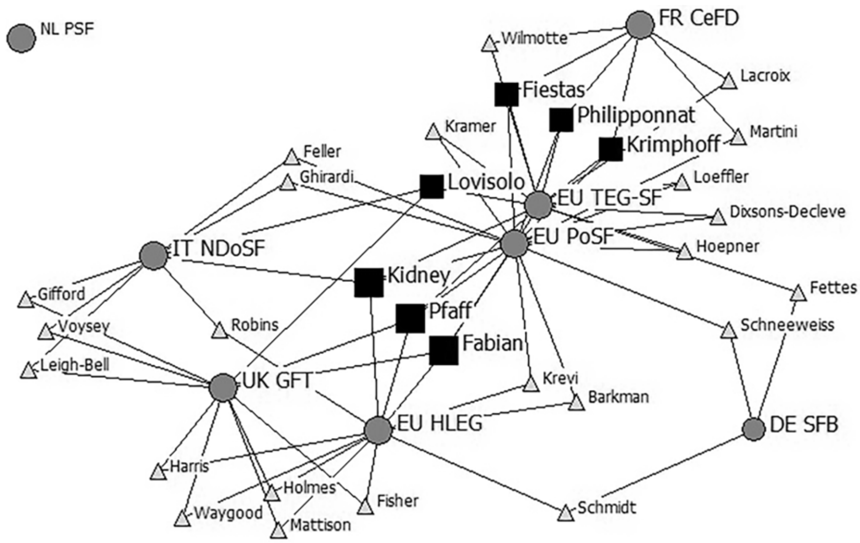

Figure 3. Network of individuals involved in two or more policy spaces.

Director at the International Capital Markets Association) and Nathan Fabian of the United Nation's Principles for Responsible Investment. These three actors represent organisations with a central interest in the development of sustainable finance representing industry and institutional logics. Fiestas and Lovisolo represent financial services firms' interest in a growing sustainable finance market that aligns with current industry practices.

Jochen Krimphoff and Thierry Philipponnat present civil society interests, but it is worth noting that both have spent formative years in finance and advanced business services which may provide them with additional capacity to engage on finances' terms. Krimphoff represents the WWF as deputy director of sustainable finance but has spent 13 years at PWC. Philipponnat has extensive experience in finance, working, for example at UBS, BNP Paribas and Euronext. He returned to Finance Watch as the head of research and advocacy in October 2019 following a position as chairman of the French Sustainable Investment Forum and director of *Institut Friedland*, an economic think tank. Both have also been associated with the *Autorité des marches financiers* (AMF), France's financial markets regulator, with Philipponnat acting as the president of the *Commission Climat et Finance Durable* since September 2019.

Altogether, these types of career histories are not surprising given the way in which expertise is defined and requirements drafted consequently. These representatives are not radical civil society activists but, at least to some extent, embedded in professional and finance sectors. Of course, they may disagree with financial advocates on substantive matters, but they may also be instrumental players in building consensus between financial and civil society interests.

Conclusion

In this article we examined EU and national sustainable finance multistakeholder policy spaces with a specific focus on the underlying network structures. The stakes for the pan-European policy project to develop a democratically legitimate policy approach to sustainable finance was expressed in the EU Commission's goal to develop a 'gold standard' taxonomy and EU green bond standards; both with high hopes attached to normalise

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sustainable finance worldwide to combat climate change. To achieve such a goal, it was decided not to follow a technocratic approach based on scientific expertise but a multistakeholder approach combining voices from civil society, corporate financial and public actors, with the aim to foster intra-sectorial dialogue and achieve a consensus solution. Our approach to analysing these structures using network analysis enables us to trace the composition and relations between actors within and across events. Of course, there are limits to what a structural network analysis can tell us about the investigated policy spaces. Nonetheless, network analysis can be deployed to develop a picture of the relational structures, which, in turn, can be used to inform further inquiries into the function of specific policy spaces. Our analysis opens up a number of questions about the involvement of private, public and civil society actors in the policymaking spaces for sustainable finance, especially around the centrality of few actors and how their continuous engagement impacts processes and outcomes. This may be particularly relevant in any debate around the silencing of civil society actors and concerns about the co-optation of the civil society agenda to legitimise private market interests (Ferrando and Tischer, 2020).

Our research makes three main contributions: first, it enriches our understanding of the European sustainable finance policy network structures. Our analysis highlights the persistent dominance of financial actors with a direct interest in private governance of emerging financial market activities and the pro-business voice seeking to curtail stringent legislation (although, it is important to note that these stakeholder groups do have different and at times competing interests). This is despite a formally enlarged role for civil society in more recent policy spaces and the claims of broad and diverse representativeness. This shift towards broader civil society engagement is most clearly visible in changes to the membership compositions at the EU level: low civil society participation in HLEG and TEG is replaced with a more balanced membership in the PoSF. However, our analysis of network structures also demonstrates network inequalities expressed by several core actors retaining their positions as members in multiple policy spaces (simultaneously or consecutively). This makes them more powerful in network terms as it provides them with the opportunity to act as brokers between policy spaces. Significant follow-up memberships of financial firms and public sector organisations between the TEG and PoSF may further enhance their capacities to coordinate and direct actions based on existing network relations (and on prior procedural knowledge gained).

Second, our research contributes to a broader understanding of regulatory and governance networks and their legitimacy. We explore the tensions created between a policymaking approach that seeks to balance an inclusive and democratically legitimate sustainable finance sector in Europe, the inherent self-interest of financial markets' actors favouring self-regulation, and a heightened public interest in sustainable finance as a means to combat climate change. We show that a (more) balanced stakeholder representation is achieved on paper. However, we also note that structural inequalities may limit some stakeholders' power to influence the general direction of the policy process, not least because of the late entrants of a significant number of civil society actors. As we demonstrate in our analysis, 24 members of TEG become members of the PoSF, but only three are from within civil society. There is, therefore, a considerable number of actors driven by commercial interests holding central positions and personal network relations. These are actors are likely to seek continuity from agreements reached at HLEG and TEG. What is sold as an inclusive approach remains largely selective, not least because of the recruitment process employed demanding a 'high level of expertise' and an outright interest in 'sector balance' (European Commission, 2020b: 11). Recruiting more actors from the civil society sector to achieve balance may only marginally influence the direction, but may improve the optics and provide claims for legitimacy. Therefore, new entrants from within civil society joining the PoSF may find it difficult to push their policy interests and may lack influence in the policy. And for those that have a greater presence in network terms – WWF and Finance Watch – it may well be that their non-radical approach and their conviction 'that having a seat at the table is better than not' made them friendly foes in this 'coalition of the unlikely', especially given the backgrounds in the corporate and financial world by some civil society proponents. They appear to be workable coalition partners who recognise a need for a market-based sustainable finance solution, rather than actors who would question the *status quo* in terms of who receives the financial benefits and who shoulders the risks. These 'elite' civil society organisations are known entities who possess the resources required to participate effectively and thus they suit a consensus-driven approach to policymaking sought by multistakeholderism.

Third, following our initial analysis, we saw a number of contested proposals being advanced which resulted in the inclusion of activities – forestry, biofuels, as well as gas and nuclear power – in the EU taxonomy although they clashed with the position of some members and were challenged for the lack of scientific justification and alignment with the principles behind the platform. NGOs argued that the European Commission interfered in the process driven by intense lobbying by industry (Euractiv, 2022). Following notification in March 2021 (Platform Letter, 2021), key NGOs including the European Consumer Organisation (BEUC) and the WWF informed the European Commission in a joint press release that they would exit the PoSF with immediate effect in September 2022 (Platform Letter, 2021). In the meanwhile, a new Platform has been appointed, and there is no reference to these events on the official EU Platform website nor the possibility of accessing documents containing the composition of the initial Platform. Since then, membership of the PoSF has changed dramatically and we find few, if any, 'real' civil society, environmental or consumers representation. Rather we find think tanks partnering with financial and non-financial firms taking positions previously held by NGOs under the new mandated PoSF. Moreover, the chair position has moved from Nathan Fabian (UNPRI) to Helena Viñes Fiestas, a board member of Spain's National Securities Market Commission (CNMV). Fiestas has previously worked for and represented BNP Paribas in sustainable finance policy spaces. Incidentally, BNP Paribas was named the 'biggest banker of offshore oil and gas over the six year period since the Paris Agreement' by Rainforest Action Network et al. (2022) and is currently engaged in a legal battle with Friends of the Earth, *Notre Affaire a Tous* and Oxfam over its fossil fuel lending (EU Observer, 2023). The multistakeholder approach initially envisioned collapsed due to disagreements over key policy areas. This may threaten the legitimacy of the 'gold-plated' taxonomy as a whole: the taxonomy may become understood as 'publicly sanctioned greenwashing', not least because of the 'forced' inclusion of unsustainable activities. This raises larger questions about the purpose and efficacy of multistakeholderism as, for example, presented by McKeon (2017) and the Transnational Institute (2019). More specifically, it highlights that the underlying network relations between public authorities, some incumbent actors and lobbying groups may inadvertently silence civil society interests or overturn consensus decisions reached when confronted with intense lobbying by industry and national interests, thus revealing that multistakeholderism is only acceptable when it acts as a smokescreen through which pro-finance outcomes are sought to be legitimised.

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Notes

1. We consider 'policy space' a specific national or EU level multistakeholder initiative created with the specific purpose to advance or regulate sustainable finance. We use this term, rather than 'networks', to distinguish these constructs from the use of 'networks' in the network analysis itself.
2. The reliance on experts is commonplace in the quest for sustainable finance, in part because there is a need to satisfy a number of different stakeholder groups, including powerful financial and civil society interests.
3. Since then, a number of changes have taken place in a number of policy spaces that are still active. Some of the resources include acknowledgements naming individuals and organisations that contributed to the agenda. Most of these actors, as our analysis will show, remain relevant in the national context only. But in some instances, actors also connect to other policy spaces and this may be indicative of their coordinating capacity. Hence, we have decided to include these actors in the analysis.
4. Italian Observatory on Sustainable Finance.
5. Ministry for the Ecological Transition.
6. National Dialogue on Sustainable Finance.
7. Sustainable Finance Platform.
8. This routine provides values for sector attributes for each policy space. These have been divided by the total number of member organisations for each policy space to express the share of actors for each sector. The value for heterogeneity is provided automatically based on Blau's measure. '0' expresses a homogeneous network and '1' expresses a heterogeneous network.
9. Here, using a dichotomised version of the 'policy_space-by-policy_space' matrix, we aggregate the number of organisations shared with other policy spaces and subtract that number from the degree centrality to calculate 'exclusive' member organisations.
10. We dichotomised the 'policy_space-by-organisation' dataset and transformed it into a one mode matrix only containing policy spaces. The resulting counts were then divided by the total number of shared ties to display share of shared ties for each row.
11. Findings for the Dutch NL SFP are difficult to interpret due to the limited number of shared ties ($n = 3$).

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