



# Sustainable Finance

21/05/2021

# Main elements of the Taxonomy regulation (EU)2020/852 Article 1 -Scope

The Regulation applies to:

- \* (a) measures adopted by Member States or by the Union that set out requirements for financial market participants or issuers in respect of financial products or corporate bonds that are made available as environmentally sustainable;
- \* (b) financial market participants that make available financial products;
- \* (c) undertakings which are subject to the obligation to publish a non-financial statement under the Non=Financial reporting Directive.



# Taxonomy regulation : environmental objectives

\* To define the environmental sustainability of a given economic activity, an exhaustive list of environmental objectives was set out.

\* Six environmental objectives:



Climate change mitigation



Climate change adaptation



sustainable and protection of  
water and marine resources;



transition to a circular economy



pollution prevention and control;



protection and restoration of  
biodiversity and ecosystems.





# 1st delegated act : 2 firsts environmental objectives

## 1. CLIMATE CHANGE MITIGATION

- \* An economic activity should contribute substantially to the stabilisation of greenhouse gas emissions by avoiding or reducing them or by enhancing greenhouse gas removals.

## 2. CLIMATE CHANGE ADAPTATION

- \* An economic activity should contribute substantially to reducing or preventing the adverse impact of the current or expected future climate, or the risks of such adverse impact, whether on that activity itself or on people, nature or assets.



# Draft 1st delegated act : 21/04/21

- \* A large number of economic activities concerned

Forestry, environmental protection and restoration activities, manufacturing, energy, water supply and waste management, transports, construction ...

- \* Some words on agriculture

Good that agriculture is not anymore part of this draft 1st DA as CAP reform is under discussion because the initial proposal was received as an unprecedented attempt to put criteria into force that set a new policy in parallel with agricultural legislation in force and in preparation, burdening it with unnecessary and disproportionate obligations

**But**

- \* **Importance of continuing to invest** for the transition to a more sustainable farming sector
- \* **Coherent policies and targeted impact assessment** on taxonomy are key for the agriculture sector to continue to ensure food security and contribute to biodiversity and viable rural areas

**Agriculture should be part after its reform, on the basis of the new CAP**



## Our concerns in the 1<sup>st</sup> DA

- \* We welcome the recognition of the substantial contribution to climate change mitigation of
  - \* Biochemicals and bioplastics
  - \* Electricity generation from bioenergy
  - \* Manufacture of biogas and biofuels for use in transport and of bioliquids
- \* We have concerns with the exclusion of food and feed crops from biofuels and bioliquids in contradiction with RED II
  - \* RED II support crop based biofuels
  - \* The Renewable Energy progress report confirms the importance of these biofuels
  - \* The Renewable energy directive is already defining sustainability criteria and at the time of the ambition of the climate law (at least 55% GHG reduction)



A man with a beard, wearing a striped shirt and blue shorts, is riding a large water buffalo. The buffalo is standing in a dry, grassy field with some trees in the background. The sky is a warm, orange-brown color. A semi-transparent orange banner is overlaid across the middle of the image.

Thank you for your attention !



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