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COMMISSION STAFF WORKING DOCUMENT

[...]

Accompanying the document

COMMISSION DELEGATED REGULATION (EU) .../...

supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities

and the

COMMISSION DELEGATED REGULATION (EU) .../...

amending Delegated Regulation (EU) 2021/2139 by establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives

[...]

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GLOSSARY

Term or acronym	Meaning or definition
BATs	Best Available Techniques
CAP	Common Agricultural Policy
CapEx	Capital Expenditure
CEAP	Circular Economy Action Plan
CFP	Common Fisheries Policy
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
CSRD	Corporate Sustainability Reporting Directive
DMA	District Metering Area
DNSH	Do No Significant Harm
DPSIR	Driver, Pressure, State, Impact, Response
EAP	Environmental Action Programme
ESG	Environmental, social and governance factors
GHG	Greenhouse gas
IED	Industrial Emissions Directive
KPI	Key Performance Indicator
MSEG	Member States Expert Group
MSFD	Marine Strategy Framework Directive
NACE	Nomenclature statistique des Activités économiques
NFRD	Non-Financial Reporting Directive
OpEx	Operational Expenditure
PPWD	Packaging and Packaging Waste Directive
PSF	Platform on Sustainable Finance
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals

SAF	Sustainable Aviation Fuels
SC	Substantial Contribution
SDGs	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation
ST	Sector Team
TEG	Technical Expert Group on Sustainable Finance
TSC	Technical Screening Criteria
TWG	Technical Working Group
WFD	Water Framework Directive

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INTRODUCTION

This staff working document accompanies the adoption of the Taxonomy Environmental Delegated Act of the EU Taxonomy, which sets out technical screening criteria for substantial contribution to the four environmental objectives of the Taxonomy and for ‘do no significant harm’ to all environmental objectives against the requirements of the Taxonomy Regulation¹. In addition, the Taxonomy Environmental Delegated Act amends the Taxonomy Disclosures Delegated Act² that reflects the reporting obligations for users laid down in the Taxonomy Environmental Delegated Act and in changes to the Climate Delegated Act³.

In parallel to the adoption of the Taxonomy Environmental Delegated Act, the Commission aims to undertake targeted amendments to the Climate Delegated Act to add further activities that can make a substantial contribution to climate change mitigation or adaptation, and to correct clerical mistakes in the Delegated Act. This document builds on the impact assessment that was published with the adoption of the Climate Delegated Act in June 2021⁴. It does not introduce new obligations for users. It is limited to providing an overview of the technical substance, uses and impacts of the Taxonomy Environmental Delegated Act in an indicative way.

This staff working document accompanies and explains the context, purpose, content and impacts of the Taxonomy Environmental Delegated Act. It focuses mainly on the four environmental objectives under the EU Taxonomy in order not to repeat what has already been included in the impact assessment of the Climate Delegated Act. Only for the presentation of the technical screening criteria of the activities to be added in this Delegated Act to amend the Climate Delegated Act, will the document go more into details on the climate objectives.

As such, the document is divided into six sections.

Section 1 outlines the legal and policy context, as well as the purpose of the delegated act.

Sections 2 and 3 present the process and key methodological choices that were taken to select the activities presented in the delegated act and develop their technical screening criteria.

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32020R0852>.

² Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2178&from=EN>.

³ Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2139&from=EN>.

⁴ Commission Staff Working Document, Impact Assessment Report Accompanying Delegated Regulation 2021/2139, SWD(2021) 152 final, available at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-impact-assessment_en.pdf.