

PUBLICATION

Report
Agriculture
EU
Finance
Indicators
Sustainability

EU Sustainable Finance Taxonomy - Technical Report



[1]

The Technical Expert Group (TEG) on Sustainable Finance published a proposal for an EU classification system, or a Taxonomy, which sets out screening criteria for economic activities that can contribute substantially to climate mitigation and adaptation. The taxonomy is a tool to support private investments towards meeting GHG emission reductions in line with the Paris Agreement.

In a study for DG FISMA, the Ecologic Institute supported the TEG in developing the screening criteria for agriculture.

The Technical Report is available for download. The call for feedback is open until 13 September 2019. Following this consultation, the TEG will issue recommendations to support the development of future legislation on EU Sustainable Finance Taxonomy.

Ecologic Institute coordinated the study team, which also included the Institute for European Environment Policy (IEEP), Scotland's Rural College, and Universidad Politécnica de Madrid. The study team supported the TEG by:

1. scoping agriculture activities with significant potential to contribute to mitigation and adaptation; and
2. detailed co-drafting of criteria, metrics and thresholds to ensure that selected activities substantially contribute to climate change mitigation and adaptation and do not significantly harm any of other environmental objectives.

Main Link

Download: EU Sustainable Finance Taxonomy - Technical Report [pdf, 5.3 MB, English]

Further Links

- Technical expert group on sustainable finance (TEG)

Citation

EU Technical Expert Group on Sustainable Finance (ed.) 2019: Financing a Sustainable European Economy. Taxonomy. Technical Report. European Commission: Brussels.

Language

English

Funding

- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA)

Year

2019

Dimension

414 pp.

Project

Assistance in Developing Criteria on Agricultural Activities to be Included in the EU Sustainable Finance Taxonomy

Project ID

3567

Table of Contents

Part A: Explanation of the Taxonomy approach

1. Context and rationale
 - 1.1 An introduction - Why have an EU Taxonomy?
 - 1.2 Background - The EU environment and climate action framework
 - 1.3 The role of sustainable finance
2. The Technical Expert Group
 - 2.1 Mandate and work to date
3. Principles for Taxonomy development

- 3.1 Principles enshrined in regulation
- 3.2 Additional principles developed by TEG

Part B: Methodology for developing the Taxonomy

- 4. Sector framework
- 5. Economic and environmental systems
- 6. Climate change mitigation
 - 6.1 Work process - conceptual approach
 - 6.2 Methodology for selecting sectors and economic activities
 - 6.3 Defining substantial contribution to climate change mitigation
 - 6.4 Eligibility of finance for activities contributing substantially to mitigation
 - 6.5 Mitigation activities table
- 7. Climate change adaptation
 - 7.1 Work process - conceptual approach
 - 7.2 Defining substantial contribution to climate change adaptation
 - 7.3 Adaptation screening criteria
 - 7.4 Eligibility of finance for activities contributing substantially to adaptation
 - 7.5 Classification of climate-related hazards
 - 7.6 Sectoral sensitivity to climate hazards
 - 7.7 Adaptation activities table
- 8. Do no significant harm (DNSH)
 - 8.1 DNSH to climate change adaptation (for other environmental objectives)
 - 8.2 DNSH to environmental objectives 3-6
- 9. Climate change mitigation worked example
- 10. Climate change adaptation worked example

Part C: Taxonomy user and use case analysis

- 11. Users of the Taxonomy
 - 11.1 Defining the users
 - 11.2 Obligations for Taxonomy users
- 12. Implementation matters
 - 12.1 General implementation approach
 - 12.2 Differences by asset classes
 - 12.3 Case Studies
- 13. Data: availability analysis and results
 - 13.1 Revenue breakdown by Taxonomy-related activities
 - 13.2 Environmental data
- 14. Role of companies
 - 14.1 Advantages of reporting to facilitate the implementation of the Taxonomy
- 15. Role of data providers

Part D: Economic impacts of the Taxonomy

- 16. Expected impacts of the Taxonomy
 - 16.1 Coverage of the Taxonomy and financial quantitative impact assessment
 - 16.2 Qualitative analysis of the transmission channels of the Taxonomy
 - 16.3 Cost and benefit analysis for relevant stakeholders
 - 16.4 Conclusions

Part E: Next steps for the Taxonomy

17. The extension of the TEG and development after TEG

17.1 TEG extension

17.2 Ongoing development beyond the TEG

Part F: Technical screening criteria

18. List of activities with technical screening criteria

18.1 Summary: climate change mitigation

18.2 Summary: climate change adaptation

Detailed activities: climate change mitigation

19. Agriculture

20. Forestry

21. Manufacturing

22. Electricity, gas, steam and air conditioning supply

23. Water, Sewerage, Waste and Remediation

24. Transportation

25. Information and communication

26. Construction, Real estate activities

Detailed activities: Climate change adaptation

27. Agriculture, Forestry and Fishing

28. Electricity, gas, steam and air conditioning supply

29. Water supply; sewerage; waste management and remediation activities

30. Information and communication

31. Financial and insurance activities

32. Professional, scientific and technical activities

Keywords

agriculture, climate policy, land management, sustainable finance, taxonomy, Europe

Source URL (modified on 09/18/2019 - 11:46): <https://www.ecologic.eu/16796>

Links

[1] <https://www.ecologic.eu/sites/files/presentation/2019/taxonomy-technical-report.png>