

AFEP's feedback on the EU Taxonomy Delegated Acts

TYPE OF RESPONDENT: Business Association	TRANSPARENCY REGISTER NUMBER: 953933297-85
COUNTRY: FRANCE	SECTOR OF ACTIVITY: Other
ORGANISATION: AFEP	ORGANISATION SIZE: Small (< 50 employees)
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COMMENT 1

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Choose an item.

ACTIVITY:

GENERAL COMMENT: AFEP member companies consider that the disclosures related to the new activities and environmental objectives (Article 5 amending Article 10 of Delegated Regulation (EU) 2021/2178) should not apply to the 2023 reporting year. The draft Delegated Acts will be adopted, at best, by fall 2023. In practice, large companies need approximately 18 months to put in place procedures to collect and consolidate data. Therefore, they will not have the necessary information available yet. Moreover, for some activities, information will need to be certified by independent third parties. The Commission should also take into account the challenge that the implementation of the ESRS will represent for companies, requiring the first-time reporting of hundreds of new data points for the 2024 reporting year. Furthermore, most end-users have shown little interest in the eligibility reporting of the climate objectives. In line with the statement of President Von der Leyen on reducing reporting burden, AFEP member companies consider that **only the publication of alignment in 2025 should be required** (for the 2024 reporting year) for new activities and environmental objectives, notwithstanding the possibility for non-financial companies to publish eligibility on a voluntary basis in 2024 (for the 2023 reporting year). **Financial undertakings would benefit from an additional year.** Therefore Article 10 of Delegated Regulation (EU) 2021/2178 should be amended as follows:

- As regards the first sentence of new paragraph 6: « 6. From 1 January 2024 until 31 December 2024, non-financial undertakings **may** disclose the proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities... » and;
- As regards the first sentence of new paragraph 7: « 7. From 1 January 2024 until 31 December **2025**, financial undertakings **may** disclose: ».

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 2

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex V-VII to Environmental Delegated Act (Art 8)

ACTIVITY:

GENERAL COMMENT: Regarding the OpEx KPI defined in Article 8 of the Taxonomy Regulation, AFEP member companies consider that **publication of this KPI should not be mandatory**. Despite the Commission's FAQs, there are still many issues regarding the definition and calculation of this KPI. The collection of necessary data, in particular, is very burdensome. Furthermore, this KPI is not relevant for many activities and investors are more interested in the CapEx KPI. Therefore, pending the review of the Taxonomy Regulation, AFEP member companies consider that Annex I of Delegated Regulation (EU) 2021/2178 should be amended: **in paragraph 1.1.3.2** the last indent should be drafted as follows « Where the operational expenditure is not material **or relevant** for the business model of non-financial undertakings, those undertakings shall be exempted from the calculation of the OpEX KPI. »

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 3

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY:

GENERAL COMMENT: Regarding Appendix C which defines generic criteria for DNSH to the objective of pollution prevention and control regarding use and presence of chemicals, companies acknowledge the changes put forward to address legal issues related to the concept of 'use essential for the society'. These changes however do not solve the issue and raise new ones (e.g.: how should the assessment that there is no other suitable substance be documented, the definition of 'controlled conditions'...). Companies are concerned that these changes if implemented will produce the same results as the current wording: exclude many activities. Therefore, companies consider that the best way forward would be, as a first step, to simply require, in indent (f) of

Appendix C, compliance with existing EU legislations without additional requirements and not implement the requirement laid down in indent (g). The Commission could then reflect in cooperation with the industry on how the assessment of alternative substances and technologies should be documented and on the definition of 'controlled conditions' before introducing new requirements. The first sentence should also be reviewed ('The activity does not lead to the manufacture, placing on the market or use of:') as unintentional manufacturing, placing on the market and/or use would lead to disqualification, 'Placing on the market' can have different interpretations.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 4

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex II Climate Delegated Act (CCA)

ACTIVITY:

GENERAL COMMENT: Regarding Appendix C which defines generic criteria for DNSH to the objective of pollution prevention and control regarding use and presence of chemicals, companies acknowledge the changes put forward to address legal issues related to the concept of 'use essential for the society'. These changes however do not solve the issue and raise new ones (e.g.: how should the assessment that there is no other suitable substance be documented, the definition of 'controlled conditions'...). Companies are concerned that these changes if implemented will produce the same results as the current wording: exclude many activities. Therefore, companies consider that the best way forward would be, as a first step, to simply require, in indent (f) of Appendix C, compliance with existing EU legislations without additional requirements and not implement the requirement laid down in indent (g). The Commission could then reflect in cooperation with the industry on how the assessment of alternative substances and technologies should be documented and on the definition of 'controlled conditions' before introducing new requirements. The first sentence should also be reviewed ('The activity does not lead to the manufacture, placing on the market or use of:') as unintentional manufacturing, placing on the market and/or use would lead to disqualification, 'Placing on the market' can have different interpretations.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 5

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex I to Environmental Delegated Act (WTR)

ACTIVITY:

GENERAL COMMENT: Regarding Appendix C which defines generic criteria for DNSH to the objective of pollution prevention and control regarding use and presence of chemicals, companies acknowledge the changes put forward to address legal issues related to the concept of 'use essential for the society'. These changes however do not solve the issue and raise new ones (e.g.: how should the assessment that there is no other suitable substance be documented, the definition of 'controlled conditions'...). Companies are concerned that these changes if implemented will produce the same results as the current wording: exclude many activities. Therefore, companies consider that the best way forward would be, as a first step, to simply require, in indent (f) of Appendix C, compliance with existing EU legislations without additional requirements and not implement the requirement laid down in indent (g). The Commission could then reflect in cooperation with the industry on how the assessment of alternative substances and technologies should be documented and on the definition of 'controlled conditions' before introducing new requirements. The first sentence should also be reviewed ('The activity does not lead to the manufacture, placing on the market or use of:') as unintentional manufacturing, placing on the market and/or use would lead to disqualification, 'Placing on the market' can have different interpretations.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 6

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY:

GENERAL COMMENT: Regarding Appendix C which defines generic criteria for DNSH to the objective of pollution prevention and control regarding use and presence of chemicals, companies acknowledge the changes put forward to address legal issues related to the concept of 'use essential for the society'. These changes however do not solve the issue and raise new ones (e.g.: how should the assessment that there is no other suitable substance be documented, the definition of 'controlled conditions'...). Companies are concerned that these changes if implemented will produce the same results as the current wording: exclude many activities. Therefore, companies

consider that the best way forward would be, as a first step, to simply require, in indent (f) of Appendix C, compliance with existing EU legislations without additional requirements and not implement the requirement laid down in indent (g). The Commission could then reflect in cooperation with the industry on how the assessment of alternative substances and technologies should be documented and on the definition of 'controlled conditions' before introducing new requirements. The first sentence should also be reviewed ('The activity does not lead to the manufacture, placing on the market or use of:') as unintentional manufacturing, placing on the market and/or use would lead to disqualification, 'Placing on the market' can have different interpretations.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 7

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex IV to Environmental Delegated Act (BIO)

ACTIVITY:

GENERAL COMMENT: Regarding Appendix C which defines generic criteria for DNSH to the objective of pollution prevention and control regarding use and presence of chemicals, companies acknowledge the changes put forward to address legal issues related to the concept of 'use essential for the society'. These changes however do not solve the issue and raise new ones (e.g.: how should the assessment that there is no other suitable substance be documented, the definition of 'controlled conditions'...). Companies are concerned that these changes if implemented will produce the same results as the current wording: exclude many activities. Therefore, companies consider that the best way forward would be, as a first step, to simply require, in indent (f) of Appendix C, compliance with existing EU legislations without additional requirements and not implement the requirement laid down in indent (g). The Commission could then reflect in cooperation with the industry on how the assessment of alternative substances and technologies should be documented and on the definition of 'controlled conditions' before introducing new requirements. The first sentence should also be reviewed ('The activity does not lead to the manufacture, placing on the market or use of:') as unintentional manufacturing, placing on the market and/or use would lead to disqualification, 'Placing on the market' can have different interpretations.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 8

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Our feedback focuses on three aspects:

1. Include MV back in the text & other misalignments with the recommendations of the Platform on Sustainable Finance
2. Additional equipment in scope to activity 3.20
3. Technical clarifications

1. Include medium voltage (MV) back in the text & other misalignments with the recommendations of the Platform for Sustainable Finance

Commission's proposal	Comments
Activity CCM 3.20 – Criterion 1	
(d) high voltage switchgear and control gear that increase the controllability of the electricity system, are integrated in renewable energy systems and improve energy efficiency.	<p>d) High and medium voltage transmission and distribution equipment, systems and services, excluding transformers (for transformers refer to point b).</p> <p><i>New sub-criterion as recommended by the Platform for Sustainable Finance in the report issued in November 2022</i></p> <p><i>e) High, medium and low voltage electrical products, equipment, systems and software that enable a reduction of greenhouse gas emissions through the electrification of energy usage or the integration of renewable energy in the electricity grid.....remaining text to be used</i></p>

Explanation:

We call for medium voltage equipment to be included back in technical screening criteria of this activity, namely in criteria 1d) and 1e) as recommended by the Platform for Sustainable Finance in the November 2022's report and using exactly the same wording.

Even though standard EN 62271-1 High-voltage switchgear and control gear addresses both high voltage as well as medium voltage, for clarity, we recommend using the exact same wording as suggested by the Platform for Sustainable Finance which, among other aspects, included the word "medium" in the heading of the criteria. Adding "medium" back in the text will avoid any misunderstanding about scope of technologies and voltages covered by criterion 1 d) contributing hence to the overall usability and comparability of the implementation of this criterion. We also call for using the same wording as recommended by the PSF which made explicit reference to equipment, systems and services.

Various estimates of the urgent upgrades needed to the existing distribution networks which are vital to the decarbonisation of Europe's energy system have been put forward:

- The IEA estimates that to achieve a net zero emissions scenario, it will be necessary to double the investment in transmission network (high voltage) and to triple it in the distribution networks (low and medium voltage), between 2021-2050. Source: <https://prod.iea.org/reports/smart-grids>
- To reach the Fit for 55 and REPowerEU objectives for renewables and energy efficiency, it is estimated that about EUR 584 billion of electricity infrastructure investments are needed between 2020 and 2030, in particular in the distribution grid. Source: https://ec.europa.eu/commission/presscorner/detail/en/qanda_22_6229

Medium voltage electrical equipment plays a central role in the integration of clean distributed energy resources and efficiency of the grid. They provide substantial contribution to climate change mitigation, in line with the objective of activity 3.20. Excluding medium voltage from activity 3.20 is inconsistent with the overall purpose of the Taxonomy and will impact negatively on the investments these technologies need to attract.

Commission's proposal	Comments
<p>(c) low voltage electrical products, equipment and systems, that increase the controllability of the electricity system, are integrated in renewable energy systems and improve energy efficiency, that are:</p> <p>(i) low voltage circuit breakers, switchgears, switchboards, panel boards or control centres that are connectable, automated or equipped with power (.....)</p>	<p>c) Low voltage electrical products, equipment and systems to increase the controllability of the electricity system, integrate renewable energy or generate energy efficiency:</p> <p>(i) low voltage circuit breakers, switchgears, switchboards, panel boards or control centres that are connectable or automated or equipped with power (.....)</p>
<p>Explanation:</p> <p>We call for using the text recommended by the Platform for Sustainable Finance on the report issued in November 2022:</p> <ul style="list-style-type: none"> • Changes to made to the title of the criterion impact on the product functionalities that need to be met. Not all equipment can be integrated in or integrate renewable energy AND improve energy efficiency at the same time. For instance, air circuit breakers are an example of a technology that increases the controllability of the electricity system and improves the energy 	

<p>efficiency but is not integrated in and does not integrate renewable energy. Despite not having such capability, it still brings relevant value by decreasing GHG emissions in line with the overall objective of activity 3.20.</p> <ul style="list-style-type: none"> Adding “or” instead of using a comma, brings more clarity to the text, tackling hence potential interpretation divergences.

Activity 3.20 – Criterion 2	
Commission's proposal	Comments
New	<i>2. Installation, repair, maintenance and technical consulting services are included only if they are directly related to products, equipment or systems in scope of this activity.</i>
<p>Explanation: In line with the text recommended by the Platform for Sustainable Finance in the report issued in November 2022. For clarity and to avoid diverging interpretations, we recommend adding criterion n.2 back in the text.</p>	

Activity 3.20 – Criterion 2	
New	<i>This scope exclusion does not exclude equipment installed to expand, reinforce or maintain energy transmission and distribution networks, which is not creating a direct connection to a power generation unit.</i>
<p>Explanation: Part of this paragraph was included in the text recommended by the Platform for Sustainable Finance in the report issued in November 2022 and it should be included back in this text. Without this paragraph, the scope exclusion of criteria 3 disqualifies equipment that is contributing to modernising distribution grids to increase their resilience and response to higher levels of electrification; but that are still more greenhouse gas intensive than 100 gCO₂e/kWh. Grids and power production plants which are more greenhouse gas intensive than 100 gCO₂e/kWh are precisely the ones that urgently need the technologies of activity 3.20 to accelerate their electrification and decarbonisation process. Disqualifying these specific usages is preventing these technologies from attracting the investments needed to support and accelerate the upgrade of these grids and power production plants.</p>	

2. Additional electrical equipment in scope of 3.20

European Commission text	Comments
Criterion 1	
(f) where not included in Section 8.2., communication, software and control equipment, products, systems, and services for energy efficiency and integration of renewable energy:	(f) where not included in Section 8.2., communication, software and control equipment, products, systems, and services for energy efficiency or integration of renewable energy:

Justification More inclusive wording since not all equipment might provide the two functions combined.	
	<p>New sub-criterion to f)</p> <p><i>(viv) Technologies and systems that enable to increase the energy efficiency of data centres, listed as “expected practices” in the following publications:</i></p> <ul style="list-style-type: none"> • <i>European Code of Conduct on Data Centre Energy Efficiency</i> (https://e3p.jrc.ec.europa.eu/publications/2021-best-practice-guidelines-eu-code-conduct-data-centreenergy-efficiency) • <i>Assessment Framework for Data Centres in the context of Activity 8.1 in the Taxonomy Climate Delegated Act</i> (https://e3p.jrc.ec.europa.eu/publications/assessment-framework-data-centres-context-activity-81-taxonomy-climate-delegated-act) • <i>CEN-CENELEC document CLC TR50600-99-1 "Data centre facilities and infrastructures - Part 99-1: Recommended practices for energy management".</i> <p><i>This is restricted to:</i></p> <p><i>(i) High efficiency static UPS systems, compliant with the most recent version of the EU Code of Conduct on Energy Efficiency and Quality of AC Uninterruptible Power Systems</i> (https://e3p.jrc.ec.europa.eu//communities/ict-code-conduct-ac-uninterruptible-power-systems), and achieving elite performance level (standard performance level is not compliant). Rotary UPS are excluded.</p> <p><i>(ii) Cabinets, racks, chimneys, blanking plates, containment equipment, and aperture brushes, raised floor, diffuser that enable to contain air flows to separate cold and hot aisle and lead to an increase in cooling efficiency.</i></p> <p><i>(iii) Energy-efficient automation and control systems for cooling and IT rooms, including supervision software, IoT management edge solution, energy and power meters, controllers, thermostats, and presence, air quality monitor and management, light humidity and temperature sensors, rack power distribution units</i></p>

	<i>and busbars and server distribution units equipped with metering or switching capability.</i>
<p>Justification</p> <p>Data centres are covered by the Climate Delegated Act, activity 8.1 Data processing, hosting and related activities. However, this activity does not include components for powering and cooling purposes. We suggest adding to activity 3.20, technologies that increase the energy efficiency of data centres like UPS systems and energy efficient automation and control systems.</p> <p>The European Commission has set a target to make data centres carbon neutral by 2030. These technologies help achieve this target and therefore need to receive appropriate financing. Adding them to the Taxonomy framework will accelerate this process.</p> <p>As criteria we suggested using as reference the European Code of Conduct on Data Centre Energy Efficiency published by the Joint Research Centre and the European Energy Efficiency Platform. These have recently been integrated in the JRC's Assessment Framework for Data Centres in the context of Activity 8.1 in the Taxonomy Climate Delegated Act, published in 2023.</p>	

3. Technical corrections

European Commission text	Comments
Criterion 1	
<p>Criterion C</p> <p>(iii) technologies that enable to increase the energy efficiency of low voltage installations, recognised under HD 60364-8-1: Low-voltage electrical installations – Part 8-1: Energy efficiency and HD 60364-8-2: Low-voltage electrical installations - Part 8-2: Prosumer's low-voltage electrical installations, including energy and power meters, external customer display, power compensation, phase compensation and filtering and efficient electric motor-driven systems.</p>	<p>Criterion C</p> <p>(iii) technologies that enable to increase the energy efficiency of low voltage installations, recognised under HD 60364-8-1: Low-voltage electrical installations – Part 8-1: Energy efficiency and HD 60364-8-82: Low-voltage electrical installations - Part 8-2: Prosumer's low-voltage electrical installations, including energy and power meters, external customer display, power compensation, phase compensation and filtering and efficient electric motor-driven systems, electrical panels, and panels' components (busbar and protection devices).</p>
<p>Explanation</p> <p>The latest version of this standard was published end 2022. The correct numbering is: HD 60364-8-82.</p> <p>For clarity, we propose mentioning electrical panels, and panels' components (busbar and protection devices) in the text, since these equipments are covered by the same standard mentioned in the text. This clarification will contribute to the usability and comparability of the information reported and help auditors.</p> <p>Furthermore, these equipments play an important role in reducing peak consumption and in the overall safety of prosumer installations.</p>	
b) transmission and distribution current-carrying wiring devices and non-current-carrying wiring devices for wiring electrical	b) transmission and distribution current-carrying wiring devices and non-current-carrying wiring devices for wiring electrical circuits and transformers

circuits and transformers that comply with the Tier 2 (1 July 2021) requirements set out in Annex I to Commission Regulation (EU) 2019/1783*6, and medium power transformers with highest voltage for equipment not exceeding 36 kV, with AA0 level requirements on no-load losses set out in standard EN 50708 series;	that comply with the Tier 2 (1 July 2021) requirements <i>for large power transformer</i> set out in Annex I to Commission Regulation (EU) 2019/1783*6, and medium power transformers with highest voltage for equipment not exceeding 36 kV, with AA0 level requirements on no-load losses set out in standard EN 50708 series;
<p>Explanation:</p> <p>Technical correction: AA 0 does not exist in the EN 50708 series. And it does not exist in the EU 2019/1783. Only A0-10% is existing. The compliance of the Tier 2 is only for according the Annex I is for all medium and large. For better comprehension the term "Large transformer" should be added</p>	
<p>Improving usability of criterion 1 c)</p> <p>While a variety of products and equipment are listed in the technical screening criteria, the formulation still leaves room for interpretation regarding the scope of products covered, especially as regards switchboards. In this context, we understand that switchboards include all types of switching and measuring devices. If this is not the intention of the technical screening criteria, adding following electrical products since they are essential for an efficient functioning of the electricity system, would help for the implementation and usability of this criteria</p> <p>We suggest adding the following elements:</p> <ul style="list-style-type: none"> • <i>Protection devices:</i> Overcurrents in electrical installations occur as a result of excessive load or short-circuits and can cause serious accidents, fires and financial damage. Appropriate protection devices (such as circuit breakers, fuses, residual current devices, etc.) are therefore mandatory. • <i>Switching devices:</i> Control and automatic functions always employ electrical switching. Remote control switches for pulse controls, switching relays, or Insta contactors switch electrical loads. Safety, convenience, and energy savings characterize automatic switching. • <i>Measuring devices</i> measure the electricity loads and enable energy transparency and efficiency. • <i>Monitoring devices</i> perform numerous functions to protect people and machinery: At dusk, they switch on automatically, control the temperature or signal the location where a fuse has tripped. They also ensure reliable switchover to emergency power supply, monitor the emergency lighting, ensure overload-free operation of motors and neutral monitoring for breakage and overvoltages. 	

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA: We oppose to the new requirements added to item (5) Pollution, Prevention and Control: "the equipment does not contain lead, mercury, hexavalent chromium and cadmium" since:

- It's an effective ban on these substances with no reference to corresponding legislation. This sets a precedent with regards to chemical regulatory management. Any restrictions on the use of SVHC needs to result from a proper regulatory process initiated by ECHA based on a scientific

assessment and involving different steps such as the stakeholder consultation, Committees opinion and culminating with a decision by the regulatory body.

- Furthermore, this contradicts Appendix C which recognises the exemptions under the RoHS Directive 2011/65/EU for lead and cadmium. RoHS exemptions are evaluated regularly and renewed only when alternative solutions are not yet technically mature and when it's proven that there is no risk. See recent reports about the renewal process of the lead and cadmium RoHS exemptions demonstrating that these exemptions should be renewed:
 - Oeko-Institut e.V, "Study to assess requests for a renewal of nine (-9-) exemptions 6(a), 6(a)-I, 6(b), 6(b)-I, 6(b)-II, 6(c), 7(a), 7(c)-I and 7 (c)-II of Annex III of Directive 2011/65/EU (Pack 22) – Final Report", February 2022
https://rohs.exemptions.oeko.info/fileadmin/user_upload/RoHS_Pack_22/RoHS_Pack-22_final_report_amended_February_2022.pdf
 - Fraunhofer-Institute for Reliability and Microintegration (IZM), the United Nations Institute for Training and Research (UNITAR), and BIO Innovation Services (Bio IS), "Study to assess requests for renewal of 12 exemptions to Annex III of Directive 2011/65/EU", December 2022, http://www.rohs.biois.eu/RoHS_Pack-23_Report_Final_20221220.pdf
 - Companies are engaged in searching for substitution of these substances.
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COMMENT 9

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY:

GENERAL COMMENT:

As a reminder:

Under Article 13 Of Regulation (EU) 2020/852, "An economic activity shall be considered to make a substantial contribution to the transition to a circular economy, including the prevention, reuse and recycling of waste, where:

[...]

(b) it increases the durability, reparability, upgradability or reusability of products, in particular in design and manufacturing activities;

(c) it increases the recyclability of products, including the recyclability of individual materials, in particular by replacing or reducing the use of non-recyclable products and materials, in particular in design and manufacturing activities;

[...]

(e) it extends the use of products, including through reuse, design for longevity, repurposing, disassembly, remanufacturing, upgrading and repair, and sharing of products;"

Comment:

Moving towards a circular economy requires the whole value chain to be on board, thus ensuring the fluidity of production towards the market and the multiplicity of initiatives. In this respect, it is necessary to broaden

- Plastic packaging manufacturing activities (1.1 Manufacture of plastic packaging good) to activities buying/using recycled plastic packaging in their manufacturing process.
- Repair, refurbishment and remanufacturing activities (5.1 Repair, refurbishment and remanufacturing) to activities that enable the reuse of packaging between suppliers and customers (i.e. rotation of shuttle packaging at OA) as well as for the deployment of refillable and reusable products after first use.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 10

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex V-VII to Environmental Delegated Act (Art 8)

ACTIVITY:

GENERAL COMMENT:

To further ease the reading of the Taxonomy figures by the users of the extra-financial performance reports, we would like to share the following suggestions on the templates of the Annex II:

- **Reinstate the sub-total of the eligible activities $A = A.1. + A.2$**

In our view, it is important to have this information readily available, as it enables the user to assess the alignment performance of an undertaking compared to its maximum achievable alignment possible, which is reflected by the eligibility figures. Alignment figures, without any information on the eligible portion of the business of an undertaking, is not sufficiently meaningful.

- **Delete the columns relating to the 'Do Not Significant Harm' and 'Minimum Safeguards'**

These columns are currently required for aligned activities. Yet, if the activities have been assessed as aligned, it implies that they meet the DNSH and MS criteria. There is consequently no added value to disclose such columns in the template. The relevant DNSH criteria for each activity are already listed in the Delegated Acts of the Taxonomy Regulation.

Additionally, we would like to highlight some inconsistencies in the proposed changes:

- **A.1. Aligned activities - Substantial Contribution Criteria:** the proposed templates require to indicate the relevant objectives by Y / N / N/A instead of a percentage. We welcome this proposition. To further ease the reading and also reduce the reporting burden on the undertaking, we suggest to only disclose Y where relevant, instead of having to disclose also 'N' / 'N/A'.
- **A.2. Eligible and not-aligned activities:** in case of an activity that is eligible and not aligned to several objectives, the proposed template does not require to break down into 1 line per objective. This approach is not consistent with the one applied to aligned activities, where the proposed template requires to break down an aligned activity pertaining to several objectives into 1 line per objective.
- **A.2. Eligible and not-aligned activities - Substantial Contribution criteria:** the proposed templates require to disclose whether the activity is eligible or not-eligible through the tags 'EL; N/EL'. Since the tag is required for eligible and not-aligned activities, they are by definition eligible, so the tag 'EL' would apply to all. This tag does not provide any additional relevant information to the users. We suggest removing this tag. If the idea was rather to indicate to which objective the eligible not-aligned activity is pertaining to, We suggest to break down the activity per objective (as it is considered for eligible and aligned activities where 1 line = 1 objective) and to indicate 'Y' under the column relating to the relevant objective under the Substantial Contribution item.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 11

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 2.5. Recovery of bio-waste by anaerobic digestion or composting

GENERAL COMMENT:

Beyond bio-waste, this activity pertaining to the objective of "transition to a circular economy" shall also include organic waste, sourced from agriculture or food industry.

In its (11) consideration, the draft Delegated Act states that "*the circular economy reflects the need for economic activities to promote efficient use of resources through appropriate re-use and recycling of resources*". Furthermore, "*the transition to a circular economy [...] takes into account the long-term value retention and waste reduction of the product over its lifecycle.*" The recovery of organic waste by anaerobic digestion is fully in line with the essence of the objective of transition to circular economy. The EU Taxonomy is a classification tool that aims at providing investors with relevant information to

support them allocating capital towards activities that would be aligned by 2050. The transition to a sustainable economy shall be progressive.

Yet, the existing criteria under the CCM objective and the proposed criteria under the transition to a circular economy regarding the biogas business are already stringent and exclude from alignment and sometimes even eligibility a certain number of projects that are in essence a step towards sustainability. Besides, European policies clearly support activities that are currently excluded from the EU Taxonomy Regulation in its current state, such as the production of biomethane from agricultural inputs. For instance, a biomethane production project incorporating mostly manure and valorising the produced energy in the industry is not eligible to any of the Taxonomy economic activities (all environmental objectives considered).

The risk is that such businesses, yet contributing to the transition to a sustainable society, would not be able to be funded as the investors and banks are incentivized to focus on aligned activities. It is well reflected by the EU Green Bond framework project that would rely upon the EU Taxonomy. The Framework considers to only allow EU Taxonomy activities to be financed through the use of EU Green Bond. Projects that would not comply with the stringent criteria set by the EU taxonomy will therefore be excluded from such financing means.

We recommend adding a new activity corresponding to the "Manufacture of biogas", that would embrace all the activities related to biogas and biomethane, under either the objectives of Climate Change Mitigation or Transition to a Circular Economy.

COMMENT ON THE ACTIVITY DESCRIPTION:

It shall be clarified whether the requirement of separate collection is a condition to qualify for the eligibility (and in such case it shall be mentioned in the description of the activity) or a condition to qualify for the alignment (and in such case it shall be mentioned in the Substantial Contribution criteria). It cannot be both.

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

The Substantial Contribution criteria under the objective of 'Transition to a Circular Economy' shall be clearly different from the ones under the objective of 'Climate Change Mitigation', since each of the two objectives have a different purpose.

- **SCC #1:** It shall be clarified whether the requirement of separate collection is a condition to qualify for the eligibility (and in such case it shall be mentioned in the description of the activity) or a condition to qualify for the alignment (and in such case it shall be mentioned in the Substantial Contribution criteria). It cannot be both.
 - **SCC #3:** The production of biogas shall be explicitly indicated as being one of the possible outcomes of the production process, similarly to the list enclosed in the description of the activity ("biogas, digestate, compost or chemicals").
 - **SCC #4:** This criterion does not bring additional value considering SCC3, while quality assurance process and certification brings substantial additional administrative burden which would penalise particularly smaller sites. We suggest removing this criterion.
 - **SCC #5:** The relevance of composting the digestate actually depends on local conditions. However, as SC criteria aim at setting the conditions to consider whether the activity is aligned or not, we recommend deleting the second paragraph as it is not a condition that can be met in all circumstances.
 - **SCC #6:** the activity should be neutral toward the valorisation of the biogas; it should be focused on the production process.
-

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

DNSH (1) CCM: Leakage monitoring is not consistent throughout the EU Taxonomy: it is required in activities CE/2.5. and CCM/5.7 but not CCM/4.13.

COMMENT 12

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 5.5. Product-as-a-service and other circular use- and result-oriented service models

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

- **Substantial Contribution Criterion #2**

- The criterion is making a reference to a Union average. Will this metric be provided by the European Commission? How to ensure that it will encompass all the products that may be pertaining to this activity?
- The requirement of complying with a lifespan and/or a use intensity at least twice the Union average is not relevant to all businesses. It would exclude from alignment businesses that, yet, complies with the essence of the circular economy objective.

For instance, some existing businesses involve equipment whose lifespan or use intensity are already very long-lasting, above 50 years. Consequently these businesses already contribute to a circular economy due to the already long-term usage. In such circumstances, it seems difficult to evidence that the lifespan and/or the use intensity is twice an Union average (it must also be noted that the undertaking is not aware of the Union average - see first bullet point above).

⇒ Instead of an Union average, the increased lifespan and/or use intensity shall be assessed by comparing with an alternative business model where the product would be owned by the customer, instead of being leased, shared, rented or pooled. Such benchmark assessment provides more reliable and objective evidence.

- **Substantial Contribution Criterion #3**

The SC criteria shall be renumbered: the proposed draft jumps from n°2 to n°4, without any n°3 but with two n°4.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 13

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.14 Manufacture of organic basic chemicals

GENERAL COMMENT:

The delegated act sets for activity 3.14 "*Manufacture of organic basic chemicals*" CO₂ criteria and threshold to be met in order to be aligned (substantial contribution).

A year in which a facility like a steamcracker has a major shutdown (e.g. five-year turnaround), suffers a major technical incident or has to cope with high commercial constraints independent of the operator (COVID crisis for example); the performance (in terms the emissions of GHG per ton of product) may occasionally be deteriorated, even if the facility is still under normal circumstances, amongst the best in class.

Therefore, if for the reported year, the facility has experienced an exceptional and major event, we suggest adding the possibility to calculate, provided full documentation, what would have been the performance of the unit under normal circumstances.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 14

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.14 Manufacture of organic basic chemicals

GENERAL COMMENT:

The Climate delegated act for activity 3.14 "*Manufacture of organic basic chemicals*" sets a threshold to be reached for the alignment (substantial contribution) of steamcrackers at 0.693 tCO₂/HVC (tonne of High-Value Chemicals).

The regulation specifies that this threshold reflects the average value of the 10% most efficient installations in 2016 and 2017 (ton CO₂ /ton of product), as indicated in the annex of implementing regulation (EU) 2021/447 depending on the ETS.

However, this threshold, resulting from the data collection of the ETS, was calculated by considering the list of HVCs defined in the ETS, which is different than the one defined in the Climate delegated act for activity 3.14 "*Manufacture of organic basic chemicals*". The ETS HVC includes on top Benzene and hydrogen.

By redefining the list of HVCs in the taxonomy, the GHG emissions are spread on less products (ton of HVC) in the calculation of the threshold.

The threshold of 0.693 tCO₂/HVC to reach to be aligned does not reflect (and even exclude) the facilities being in the average value of the 10% most efficient installations in 2016 and 2017 in Europe.

We suggest that the Climate delegated acts consider the same definition of HVC as in the ETS to ensure to coherence.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 15

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.14 Manufacture of organic basic chemicals

GENERAL COMMENT:

The Climate delegated act for activity 3.14 *"Manufacture of organic basic chemicals"* refers to the ETS methodology to calculate greenhouse gas emissions, according to regulation (EU) 2019/331 (FAR regulation - Free Allocation Rules).

This ETS linked regulation details the rules for accounting the direct emissions, but also, for 14 sectors of activity including steam cracking, styrene or aromatics product benchmark, details the rules for calculating indirect emissions : *"[...] the electricity consumption, [...], for the production of the product concerned times 0.376 tonnes of carbon dioxide per megawatt-hour."*

In the ETS, this fixed emission factor of electricity (0.376 tCO₂/MWh) is needed for the construction and definition of the Benchmark curves.

The benchmark curve will rank all facilities (Steamcrackers for example) and focus on the top 10%. Steam cracking's Benchmarks considers the total emissions of installations with the aim of treating equally installations which use fuels in their production process where others use, for exactly the same process, electricity. Electricity has to have an emission factor. But since installations do not have control over the energy mix of their country, and to avoid any distortion in the benchmark curve drawn up (some installations could be favoured or instead disadvantaged by the energy mix of their country), the ETS requires everyone to use this fixed emission factor.

What makes sense in ETS has contrariwise no sense in Taxonomy. The fixed factor of electricity excludes all electrification of the process or greening of the supply of electricity.

The reference made to the ETS methodology within Taxonomy is not suitable. Taxonomy should on the contrary push this sector towards sustainable projects.

Our suggestion is that taxonomy recognize the consumption of green electricity (including with guarantees of origin).

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 16

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.14 Manufacture of organic basic chemicals

GENERAL COMMENT:

The Climate delegated act for activity 3.14 *"Manufacture of organic basic chemicals"* sets a CO₂ threshold to be reached for the substantial contribution of aromatics at 0,0072 tCO₂e/t per CWT (complex weighted throughput).

The aromatics production is a complex activity as it may come from several feedstocks streams, multiple processes leaned to multiple, and above all, different ETS installations.

On integrated platforms the different aromatics units can, because of the configuration of the platform and the connection to the flares, be devoted for their emissions to one installation for their ETS reporting while the main production of aromatics comes out of another ETS installation.

With the activity spread over different installations, the Benchmark curve of Aromatics in the ETS is impossible to draw.

The Climate delegated act nevertheless took unrepresentative and unused data of ETS to define the threshold to be reached for alignment.

We ask to treat aromatics as it is done in the ETS and fix the Aromatic threshold at 0,0255 tCO₂e/t per CWT.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 17

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.17 Manufacture of plastics in primary form

GENERAL COMMENT:

The Climate delegated act for activity 3.17 "*Manufacture of plastics in primary form*" requires for substantial contribution to climate change mitigation that the manufacture of plastics is (1) fully manufactured by mechanical recycling of plastic waste.

In order to match technical and/or regulatory requirements, recycled plastics are very often blended with virgin plastics made by polymerization.

Such blends are made either directly at the converter facility or upstream in the facilities of a compounder producing the blend.

Therefore, instead of requiring in a) that the plastic in primary form is fully manufactured by mechanical recycling of plastic waste, one should allow that the primary plastic manufactured by mechanical recycling is made wholly or partially from plastic waste and the life-cycle GHG emissions of the manufactured plastic are lower than the life-cycle GHG emissions of the equivalent plastic in primary form manufactured from fossil fuel (alike in the requirement c) for renewable feedstock).

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 18

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 5.5 Product-as-a-service and other circular use- and result-oriented service models

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

- **“For wearing apparel, where the economic activity involves laundry and dry-cleaning of used wearing apparel, the activity complies with an ISO type 1 ecolabel or equivalent.”**

ISO Type 1 ecolabel are mostly available for products and not really for industrial activities on wide scale and recognized across all Europe. Besides, for other wearing apparel economic activity that would not include those activities (eg : renting wearing apparel on a product as a service approach but being cleaned up at the wearer's house), a distortion of competition & requirements could exist.

Industrial and rental cleaning companies has demonstrated several times their accrued environmental performance compared to washing at home process or against single use approach (eg in Healthcare sector or hygiene).

Acknowledging and ensuring good practices at this stage of the product is critical. As such, we would recommend to extend the ISO Type 1 ecolabel to also include ISO 14001. The EU Directive proposal on Labels & Claims would also tend to rationalize the different existing ecolabel and we caution any development which could prevent a development new ISO Type 1 ecolabel more widely recognized across EU.

- **“Criteria on lifespan and/or intensity of at least twice the Union average”**

It is our opinion that twice seems very high as a value. While acknowledging the relevance to have a criterion to demonstrate the length of usage of the product, a lower % would encourage more business models towards circular approaches and be more realistic. It would also support the development of already existing companies whose business model is based on the product as a service business model, integrating repairing and even refurbishing actions, and providing local jobs. Allowing to use LCA comparing different scenarios (linear vs circular) could also be an option, with a minimum improvement on some criteria (climate change for example; 25%?).

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 19

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.21. Manufacturing of aircraft

GENERAL COMMENT:

We welcome the European Commission's draft Delegated Act for the inclusion of the aviation sector (including manufacturers, leasing companies, airlines and ground handling and Air Navigation operations) in the EU Taxonomy Climate Delegated Act as contributing substantially to the climate change mitigation objective, that is broadly consistent with the criteria and recommendations of the Sustainable Finance Platform. This is fundamental to leverage the investment required by all aviation stakeholders to meet net zero emissions target by 2050.

We also welcome the recognition that specifically designed and equipped aircraft, including helicopters, that provide emergency and disaster risk services play a key role in the context of the climate change adaptation objective.

Through a joint letter from February 2023, the industry called for the entire aviation sector (manufacturers, leasing companies, airlines and other aircraft operators, airports, ground handling and Air Navigation Service Providers) to be included into the EU Taxonomy, without excluding any stakeholder, building in particular on the work done by the EU Platform for Sustainable Finance.

To be successful, the transitional activities to net-zero – which are fully in-line with the principles of the EU Taxonomy – need to be built on robust decarbonisation pathways. These include significant investment in the latest generation of fuel-efficient aircraft to replace current aircraft; the extensive production and use of sustainable aviation fuels (SAF) and the deployment of resources for the research and development of next generation aircraft/engines. According to the Destination 2050 “Price of Net Zero” report from the Dutch institutions NLR and SEO, it is estimated that at least €820 billion of additional investments will be required over the next 27 years to achieve aviation’s ambition and this must be supported by sustainable financing. Climate experts agree that progress needs to be swift and therefore it is of critical importance that the Delegated Act amending the Taxonomy Climate Delegated Act for aviation Taxonomy is approved during this mandate.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

We note that Appendix C ‘Do No Significant Harm (DNSH) to pollution prevention and control regarding use and presence of chemicals’ as defined today in the text cannot be practically implemented for aviation - as well as for other industries - as it does not take into account existing granted exemptions, authorisations and/or thresholds. The proposed modifications to this Appendix in the consultation documents are limited to those linked to the absence of a regulated definition of the concept of ‘essential use’, and therefore not solving all the applicability issues of Appendix C.

It is important that Appendix C update reflects the provisions of the listed regulations and that its first sentence is also reviewed (*‘The activity does not lead to the manufacture, placing on the market or use of:’*) as unintentional manufacturing, placing on the market and/or use would lead to disqualification, together with the fact that ‘placing on the market’ definition differs among regulations.

The immense volume of substances covered by the current text - part of them subject to change of classification over the time, meaning within a reporting period - renders this appendix inoperable in practice and could lead to different interpretations across companies, undermining the comparability principle under the EU taxonomy.

The use of substances in the aviation sector is highly regulated considering its specificities. We recommend that Appendix C is amended to reflect, as a DNSH criteria, that the activity is carried out in alignment with the legislative texts listed in this appendix - and consequently considering the relevant exemptions, thresholds, and/or other conditions.

COMMENT 20

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex II Climate Delegated Act (CCA)

ACTIVITY: CCA 14.1 Emergency Services

GENERAL COMMENT:

We welcome the European Commission's draft Delegated Act for the inclusion of the aviation sector (including manufacturers, leasing companies, airlines and ground handling and Air Navigation operations) in the EU Taxonomy Climate Delegated Act as contributing substantially to the climate change mitigation objective, that is broadly consistent with the criteria and recommendations of the Sustainable Finance Platform. This is fundamental to leverage the investment required by all aviation stakeholders to meet net zero emissions target by 2050.

We welcome Recital 11 of the Draft Delegated Act amending the Climate Delegated Act that recognises that specially designed and equipped aircraft (including helicopters) that support certain disaster risk management related activities, in the context of the climate adaptation objective, should also be considered within the EU Taxonomy Delegated act due to the essential activity they perform and the urgency to adapt. As this is a critical and fast evolving issue, we recommend that this should be included in the current Delegated Act instead of waiting for future revisions and applies to all categories of aircraft supporting critical public services or missions (i.e., medical or humanitarian flight, firefighting, geographical, maritime and pollution surveillance, safety and security operations, smuggling detection, and security and governmental operations). The technical screening criteria consist in the assessment of whether an aircraft, in terms of dedicated equipment, is instrumental/functional to the accomplishment of one of the emergency services listed in section 14.1.

In addition, we welcome the fact that Recital 14 of the Draft Delegated Act amending the Climate Delegated Act recognises the importance to further accelerate investments into emergency services. In this area, helicopters and other aircraft can play a key role in reaching the climate change adaptation objective.

COMMENT ON THE ACTIVITY DESCRIPTION:**COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:****COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:****COMMENT 21**

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.18 Manufacture of automotive and mobility components

GENERAL COMMENT:**COMMENT ON THE ACTIVITY DESCRIPTION:**

1. We strongly support the Taxonomy framework, recognizing the key role it plays in achieving the EU's climate and sustainability objectives. **We therefore welcome the EU Commission's consideration of tyre manufacturing in recital 10** in the Annex I to Climate Change Mitigation in the revised Delegated Act acting the potential of tyres to contribute to climate mitigation objective

as well as other environmental objectives and we will be ready to work with the Commission on the definition of specific criteria for this new activity.

2. In anticipation of criteria for tyre manufacturing we appreciate **the creation of the new activity 3.18 Manufacture of automotive and mobility components**, and we understand both tyres sold for the Original Equipment Market (OEM) and for the After-Market being eligible as long as they equip zero-emission vehicles. Current text only mention vehicle category M1, M2, N1, N2 while it could be applicable also to M3, N3 vehicles (heavy duty vehicles and bus) while M3, N3 vehicles are mentioned in the DNSH on PPC for the same activity. We advise for an update of the current activity description.
3. We have identified below a few areas in which the current technical screening criteria can be clarified to significantly enhance the consistency of application, and therefore strengthening the effectiveness of the framework:

Pending the definition of criteria for tyre manufacturing, **the reporting of activities of same NACE code C22.1 under two different economic activities of the Taxonomy should be allowed:** under activity 3.18 as part of the equipment of zero-emission vehicles and under activity 3.6 "Other low carbon technologies" as part of the equipment of Internal Combustion Engines vehicles with stringent criteria (low rolling resistance tyres).

This would ensure the recognition of financing innovation in a developing market, while incentivizing further innovation to support the reduction of carbon emissions in the remaining fleet of cars with internal combustion engines.

This can be achieved through one modification of the current proposal, **removing or adapting the following sentence in activity 3.18: "The economic activities in this category are excluded from Sections 3.3 and 3.6 of this Annex"**. This should not entail a risk of double counting, as each euro counted under one activity will not be counted under the other, as safeguarded by the verification and assurance mechanisms under the EU's reporting frameworks. **The requested change would constitute an important contribution to consistent reporting on a product that represents 20% to 30% of the emissions of a vehicle.**

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

As regards to substantial contribution criteria description, point (e) includes a threshold on maximum laden mass by 7,5 tons. We would appreciate also to cover the maximum laden mass exceeding 7,5 tons.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

See comment number 3 of the answer to the consultation.

COMMENT 22

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 5.4 Second hand sales

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

1. We welcome the suggested activities 5.4 Sale of second-hand goods as part of the list of activities to contribute to Circular Economy objective.
 2. We understand activity 3.4 covered all second-hand sales tyres, being either reused tyres (tyres once sold new and then sold again after a first use) or reused tyres after a manufacturing (through retreading operations) or refurbishing operations.
-

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

1. As regards to Climate Change Mitigation, to ensure consistent understanding and application, we suggest clarifying whether the 270 gCO₂e/kWh DNSH criteria for climate change mitigation includes emissions produced during the preparation of the product for these activities, e.g.: emissions produced during remanufacturing or refurbishment.
 2. As regards to the DNSH related to Pollution Prevention and Control, we recommend the following modifications:
 - As regards to retreaded tyres,
 - ⇒ the reference to threshold or labelling is to be removed since retreaded tyres are not subject today to any threshold or labelling regulation (Rolling Resistance / Noise).
A mention could be added in the text that when labelling on RR available, taxonomy regulation may evolve.
 - ⇒ Also the mention of compliance with " with successors of Regulation (EC) No. 715/2007 and Regulation (EC) No 595/2009" is not valid for retreaded tyres since there is no threshold for retreaded tyres. Amendment should be made to the text
 - As for for reuse tyres,
 - ⇒ we understand the reference to consider is the labelling of the first-use tyre.
 - As of Appendix C,
 - ⇒ we suggest including the recommendations made to Appendix C in the current consultation (See comment number 6 of the answer to the consultation)
-

COMMENT 23

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.3 Manufacture of low carbon technologies for transport

GENERAL COMMENT:

Automotive suppliers note the effort of the proposed amendment to address their concerns and recognize their contribution in enabling the development of the zero-emission mobility. Yet, the current proposal of amendment to the Delegated Regulation 2021/2139 worsens the issues raised by the automotive suppliers on the existing taxonomy:

- Basically, the automotive suppliers want to be treated like the OEMs, if possible in the same activity (3.3), and *a minima* with the same scope and technical screening criteria. Also, it is key that text allows explicitly reporting in different activities for a same NACE code.
- Suppliers should be able to report using category CCM 3.3 (or CCM 3.18) and CCM 3.6, as transition technologies go beyond purely electrification. Contribution of eco-design, low carbon materials, product robustness, etc. should be also considered in the taxonomy reporting. Additionally, TSC of the category 3.6 should be updated regarding the “best performing alternative technology available on the market”, which is a notion, which is too vague to be applicable, verified and comparable. The last best “performing company technology alternative” (vs the current assess one) is the supplier recommended option.

COMMENT ON THE ACTIVITY DESCRIPTION: About the newly proposed CCM 3.18 activity for automotive suppliers

1. Creating a new activity (3.18) to distinguish between suppliers and OEMs is not operational: for each component, OEMs can make a “make-or-buy” decision. Considering the last FAQ and the proposal, it means that made components would be in CCM 3.3 while bought components would be in CCM 3.18, as OEMs report their turnover in 3.3.
2. This activity confirms that the Commission wants to treat differently undertakings that perform the same economic activity on the “make-or-buy components”. It is contrary to the general principles of law.
3. Activities 3.3 and 3.18 differ on their scope. 3.18 considers only components which are “essential for delivering and improving the environmental performance of the vehicle”. This is an important restriction versus 3.3. Distinguishing between the environmental performance and the rest of performance is a difficult and controversial task.

All the above is not acceptable for the automotive suppliers.

Two counterproposals can be made:

- The preferred solution is to include components in 3.3.
- Another way out is to write 3.18 the same way that 3.3, with the same scope and the same technical screening criteria.

No other proposal will ensure the equity and equality before the law.

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Activities CCM 3.3 and CCM 3.18 have different technical screening criteria. In particular, hybrid vehicles (< 50 gCO₂/km) are excluded in 3.18 but included, until 31/12/25, in 3.3. This is not understandable and adds complexity to the reporting.

This is not acceptable for the automotive suppliers.

Two counterproposals can be made:

- The preferred solution is to include components in 3.3.
- Another way out is to write 3.18 the same way that 3.3, with the same scope and the same technical screening criteria.

No other proposal will ensure the equity and equality before the law.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA: About the proposed amendment to appendix C (DNSH pollution)

See comment number 3 of the answer to the consultation.

COMMENT 24

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 3.18 Manufacture of automotive and mobility components

GENERAL COMMENT:

Automotive suppliers note the effort of the proposed amendment to address their concerns and recognize their contribution in enabling the development of the zero-emission mobility. Yet, the current proposal of amendment to the Delegated Regulation 2021/2139 worsens the issues raised by the automotive suppliers on the existing taxonomy:

- Basically, the automotive suppliers want to be treated like the OEMs, if possible in the same activity (3.3), and *a minima* with the same scope and technical screening criteria.
- Suppliers should be able to report using category CCM 3.3 (or CCM 3.18) and CCM 3.6, as transition technologies go beyond purely electrification. Contribution of eco-design, low carbon materials, product robustness, etc. should be also considered in the taxonomy reporting. Additionally, TSC of the category 3.6 should be updated regarding the “best performing alternative technology available on the market”, which is a notion, which is too vague to be applicable, verified and comparable. The last best “performing company technology alternative” (vs the current assess one) is the supplier recommended option.

COMMENT ON THE ACTIVITY DESCRIPTION: About the newly proposed CCM 3.18 activity for automotive suppliers

1. Creating a new activity (3.18) to distinguish between suppliers and OEMs is not operational: for each component, OEMs can make a “make-or-buy” decision. Considering the last FAQ and the proposal, it means that made components would be in CCM 3.3 while bought components would be in CCM 3.18, as OEMs report their turnover in 3.3.
-

2. This activity confirms that the Commission wants to treat differently undertakings that perform the same economic activity on the "make-or-buy components". It is contrary to the general principles of law.
3. Activities 3.3 and 3.18 differ on their scope. 3.18 considers only components which are "essential for delivering and improving the environmental performance of the vehicle". This is an important restriction versus 3.3. Distinguishing between the environmental performance and the rest of performance is a difficult and controversial task.

All the above is not acceptable for the automotive suppliers.

Two counterproposals can be made:

- The preferred solution is to include components in 3.3.
- Another way out is to write 3.18 the same way that 3.3, with the same scope and the same technical screening criteria.

No other proposal will ensure the equity and equality before the law.

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Activities CCM 3.3 and CCM 3.18 have different technical screening criteria. In particular, hybrid vehicles (< 50 gCO₂/km) are excluded in 3.18 but included, until 31/12/25, in 3.3. This is not understandable and adds complexity to the reporting.

This is not acceptable for the automotive suppliers.

Two counterproposals can be made:

- The preferred solution is to include components in 3.3.
- Another way out is to write 3.18 the same way that 3.3, with the same scope and the same technical screening criteria.

No other proposal will ensure the equity and equality before the law.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA: About the proposed amendment to appendix C (DNSH pollution)

See comment number 3 of the answer to the consultation.

COMMENT 25

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 6.14 Infrastructure for rail transport

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

Amendment of the section 6.14 in indent (a) raises doubt about the appropriate nature of the activities concerned. As a matter of fact, the amendment refers to the replacement of the second subparagraph of the activity description, which subparagraph cannot be easily determined and through misunderstanding could lead to disqualify activities such as construction, operation, modernisation and maintenance of railways and subways. To avoid any kind of confusion, we recommend using the

following sentence: "in Section 6.14., subsection 'Description of the activity', the following paragraph is added: "Manufacture, installation, technical consulting,...[...]"

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 26

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex I to Climate Delegated Act (CCM)

ACTIVITY: CCM 6.20 Air transport ground handling operations

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

Reference to local regulations for third countries (outside of EU) is missing in the DNSH on Circular Economy. Our Group recommends adding the following sentence: "(...) in accordance with the waste hierarchy and/or the local regulation, both in the use phase (maintenance) and the end-of-life of the fleet, including through reuse and recycling of batteries and electronics (in particular critical raw materials therein)."

COMMENT 27

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex II Climate Delegated Act (CCA)

ACTIVITY: CCA 7.8 Civil Engineering

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION: The description of the activities includes many civil engineering structures, but does not mention explicitly structures like parking, energy infrastructures for instance. We would recommend to change the description into "including not exhaustively pedestrian walkways,..."

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA: From our Group's point of view, the second paragraph of the SCC indent (b) referring to "the expected activity lifetime" could be misleading. As a construction company acting as principal contractor, it is not clear if we should focus on the expected lifetime of the structure built or on the expected lifetime of the construction phase for resilience analysis. Besides, information on well-adaptation of the structure built are owned by the project manager, but not the construction company. We recommend precising that the project manager is in-charge of leading resilience analysis on expected lifetime of the structure built.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 28

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex II Climate Delegated Act (CCA)

ACTIVITY: CCA 14.1 Emergency services

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

For DNSH Circular Economy and Pollution, reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: "or local standards if existing for third countries."

COMMENT 29

Delegated Act: Amendment to Taxonomy Climate Delegated Act

Annex: Annex II Climate Delegated Act (CCA)

ACTIVITY: CCA 14.2 Flood risk prevention and protection infrastructure

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

The description of the activity suggests that all phases (design, construction, operation) must be included in the economic activity whereas these phases are often assumed by different companies. We would recommend replacing "and" by "or" in the activity description: "The activity includes the design,

construction, extension, rehabilitation, upgrade or operation of structural and non-structural measures.”

Besides, reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: “or local standards if existing for third countries.”

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA: For DNSH Circular Economy and Pollution, reference to local regulations for third countries (outside of EU) is missing. Our Group recommends to add the following sentence after all paragraphs referring to UE regulations: “or local standards if existing for third countries.”

COMMENT 30

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex I to Environmental Delegated Act (WTR)

ACTIVITY: WTR 2.2 Urban Waste Water treatment

GENERAL COMMENT: Our Group is concerned with the reference to “Urban” in the activity title. Indeed, industrial areas and airports can also be equipped with water treatment unit. We recommend changing the title into « Waste water treatment infrastructures ».

COMMENT ON THE ACTIVITY DESCRIPTION:

Our Group recommends changing the description into: Construction, extension, upgrade, operation and renewal of ~~urban~~ waste water infrastructure including treatment plants, sewer networks, storm water management structures, connections to the waste water infrastructure, on-site sanitation facilities, and outflows. The activity includes innovative and advanced treatments, including the removal of micropollutants.”

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: “or local standards if existing for third countries.”

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 31

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 2.2 Production of alternative water resources for purposes other than human consumption

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

Our Group recommends changing the word "municipal" in the second subparagraph of the description into: "public / collective ~~municipal~~ use."

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 32

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 2.3 Collection and transport of non-hazardous and hazardous waste

GENERAL COMMENT: Reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: "or local standards if existing for third countries."

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

All public authorities (especially in third countries) are not requesting companies to produce indicators on quantity and quality of wastes. Therefore, our Group suggests to add the following sentence at the end of the 4th subparagraph: " The activity continuously monitors and assesses the quantity and quality of wastes collected based on predefined Key Performance Indicators (KPIs) to comply with all of the following criteria, if requested."

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 33

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 3.1 Construction of new buildings

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Substantial contribution criteria 1 states that at least 90 % (by weight) of the non-hazardous construction and demolition waste generated on the construction site is prepared for re-use or recycling. Besides from an operational standpoint, the rate of 90% is unattainable on most of worksites. Therefore, our Group recommends precisising that inert wastes are accounted among the non-hazardous construction and demolition waste and setting the target to 80% (instead of 90%) of non-hazardous construction and demolition waste generated on the construction site prepared for re-use or recycling. Compliance with the requirements of substantial contribution criteria 3 implies to demonstrate adaptability and appropriate design for deconstruction of the building based on the framework LEVEL(s). We recommend considering as well reversibility report on building from specialised technical office as an appropriate proof of adaptability of the building.

To comply with substantial contribution criteria 4, constructor needs to refer to a statement of the weight of all materials contained in the building to determine which ones are the three heaviest. To enhance transparency, we recommend describing those three types of materials in the Delegated Act.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 34

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 3.3 Demolition and wrecking of building and other structures

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Substantial contribution criteria n°4 sets a target of 90% of non-hazardous demolition waste that should be prepared for reuse or recycling. Our Group points out that this target is difficult to reach for the

cleaning activities taking place during the wrecking phase, which do not concern structure elements but smaller ones. Therefore, we recommend specifying dedicated targets for the cleaning activities to be performed during the wrecking of the building.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 35

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 3.4 Maintenance of roads and motorways

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Substantial contribution criteria n°1 focuses on reuse or recycle 100% of non-hazardous waste. This rate is above the technically achievable rates according to the best available practices, which are estimated by expert opinion at 90%. Indeed, the roads to be maintained may contain asbestos and PAHs (polycyclic aromatic hydrocarbons). Moreover, due to the difficulty of reporting to justify recycling, companies do not always have proof through the tracking slip. Our company recommends modifying CCS n°1 to define a recycling rate of "90% (by mass in kilograms) of the non-hazardous waste generated onsite"

Substantial contribution criteria n°2 concerns new pavements installed after demolition, and requires the incorporation of at least 50% by weight of reused elements or of recycled origin. This rate is unattainable on roads other than motorways due to lack of availability. In France, the actual recycling rate is around 18%. Therefore, our company recommends to clarify that this criteria applies only for motorways.

Substantial contribution criteria n°3 consists of demonstrating that the materials reused or recycled are not recycled at a distance greater than 2.5 times the distance to the nearest production site. Our company would like to point out that decarbonization of construction sites does not only come from reductions in transport distance but from an analysis of the overall carbon footprint. Thus, depending on the different site cases encountered, there may be longer transport distances caused by recycling while considerably reducing site emissions. Besides from an operational standpoint, the common practice is to set up a plant near the site to manufacture asphalt for the site. This therefore requires recycling all the waste within a very small radius around the site. The criteria will therefore not be met, or will lead to the factories not being brought closer to the worksite. Secondly, the waste intended to be prepared for reuse is first evacuated to a first storage platform, where it will be stored for a certain period of time. The final destination where they will be reused is not known at the date of construction. Therefore our Group recommends at best suppressing this criteria, or replacing it with a DNSH on climate change mitigation without any notion of distance but requesting to prove a reduction of emissions compared to a worksite with no recycling.

Substantial contribution criteria n°4 focuses on an expected lifetime no shorter than 20 years for the binder. We would like to point out that from an operational standpoint, it seems impossible to separate the lifetime of the binder from the one of the pavements which shall be renovated several times within 20 years. Therefore, our Group recommends adding the following sentence at the end of the SCC: “Where newly installed, the binder course has a service lifetime no shorter than 20 years if no major change (due to natural hazards, traffic evolution,...)”

Substantial contribution criteria n°5 focuses on a threshold of 30% of metals coming from primary raw material. From an operational point of view, it is difficult to obtain information for manufactured products (rails and traffic signs) and current recycling rates are not known. Therefore, our Group recommends specifying that this criteria applies specifically for reinforcements and metal profiles.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

The DNSH Pollution requires that wearing courses should be chosen to minimize noise with reference to an EU working document (Green Public Procurement Criteria for Road Design). This document sets maximum emission noise levels of the wearing course as a function of speed, noise measurements to be carried out under certain conditions. These noise levels would only apply for sections where there are regulations on the subject or where noise is considered a priority. Therefore our Group recommends stating this DNSH applies specifically for urban section of roads or motorways.

COMMENT 36

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex II to Environmental Delegated Act (CE)

ACTIVITY: CE 3.5 Use of concrete in civil engineering

GENERAL COMMENT:

Reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: “or local standards if existing for third countries.”

COMMENT ON THE ACTIVITY DESCRIPTION:

Our Group recommends precisising the description with the following sentence: Use of concrete for new construction, reconstruction, or maintenance of civil engineering objects, except concrete road surfaces on streets, motorways, highways, other vehicular and pedestrian ways, bridges, tunnels and aerodrome runways, taxiways and aprons that are covered under the economic activity ‘Maintenance of roads and motorways’

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

Substantial contribution criteria n°4 requires that the use of primary raw material for concrete do not exceed 70% of the material, hence including at least 30% of recycled material. Our Group wants to point out that this target is unattainable for medium and high exposure class of concrete, referring to the French standard NF EN 206/CN. Indeed, the table below sets maximum percentages of recycled material per component according to the different concrete exposure classes. For the first classes, it is possible to reach the level of 60% of aggregates and 30% of recycled sand, which makes it possible to reach 30% of recycled material on all concrete. However for the highest class of exposure the maximum rate of recycled material attainable would be 10%. Therefore, we recommend either lowering the

threshold to 10% for all types of concrete, or either stating that the threshold of 30% does apply only for the lowest classes of concrete exposure.

Tableau NA.8a — Pourcentage massique maximum pour les gravillons recyclés de type 1 et le sable recyclé															
	X0		XC1, XC2		XC3, XC4, XF1		XD1, XS1		XF2, XD2, XD3		XS2, XS3		XF3, XF4		XA
Gravillon recyclé type 1	60	40	60	30	50	30	50	20	40	10	30	10 a	30 a	0b	
Sable recyclé	30	10	20	10	20	10	20	10	15	10	15	0b	15	0b	
Règles de formulation complémentaire		/	E_{eff}/L_{eq} max abaissé de 0,05 °C	/	E_{eff}/L_{eq} max abaissé de 0,05 °C	/	E_{eff}/L_{eq} max abaissé de 0,05 °C	/	E_{eff}/L_{eq} max abaissé de 0,05 °C	/	E_{eff}/L_{eq} max abaissé de 0,05 °C	/	E_{eff}/L_{eq} max abaissé de 0,05 °C		

Substantial contribution criteria n°4 consists of demonstrating that the materials reused or recycled are not recycled at a distance greater than 2.5 times the distance to the nearest production site. Waste intended to be prepared for reuse is first evacuated to a first storage platform, where it will be stored for a certain period of time. The final destination where they will be reused is not known at the date of construction. Therefore our Group recommends to delete the substantial contribution criterion which is not applicable, and not adapted for the use of concrete.

Substantial contribution criteria 5 and 6 are well above the current standards of the profession. As they stand, they will not be filled, which will not encourage the use of concrete. Therefore, our Group recommends deleting these substantial contribution criteria which are either not applicable nor counterproductive.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

DNSh on Climate Change Mitigation focuses on a maximum emission threshold of 0,530 tCO₂e per ton of cement or alternative binder manufactured. This threshold seems too low for CEM II (depending of the level of resistance achieved but currently at 580-680 tCO₂e per ton).

COMMENT 37

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex III to Environmental Delegated Act (PPC)

ACTIVITY: PPC 2.3 Remediation of legally non-conforming landfills and abandoned or illegal waste dumps

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

The substantial contribution criteria require a control and monitoring plan over 30 years. From an operational point of view, this is hard to prove, and it is not possible to document for the company in charge of the remediation. Therefore, our Group recommends that the company in charge of the remediation should be able to declare its activity while the landowner shall prove that the site is actually closed.

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT 38

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex III to Environmental Delegated Act (PPC)

ACTIVITY: 2.4 Remediation of contaminated sites and areas

GENERAL COMMENT:

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

The DNSH 1 on climate change mitigation requires to not involve the degradation of land with high carbon stock, defined as : "Land with high-carbon stock means wetlands, including peatland, and continuously forested areas grasslands, mangroves and seagrass meadows within the meaning of Article 29(4)(a), (b) and (c) of Directive (EU) 2018/2001." This definition is hard to fulfill on certain locations, where the "wetland" characteristic of the field is not necessarily identified by the client.

Besides the uncertainty could be counterproductive: in case of doubt, if the field is suspected to be a high carbon sink, it would require not to depollute it taxonomically speaking. Therefore, our Group recommends turning the DNSH into "The activity does not involve the degradation of land proven to be with high carbon stock", or move it into the substantial contribution criteria 4. That requires "4. The specific remediation and monitoring plan is approved by the competent authority in accordance with national legal requirements, following consultation with local stakeholders, and has accounted for the potential carbon stock of the site".

COMMENT 39

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Annex IV to Environmental Delegated Act (BIO)

ACTIVITY: BIO 1.1 Conservation including restoration, of habitats, ecosystems and species

GENERAL COMMENT:

Reference to local regulations for third countries (outside of EU) is missing. Our Group recommends adding the following sentence after all paragraphs referring to UE regulations: "or local regulation if existing for third countries."

Our Group regrets that the activity, and more globally the whole Appendix IV on Biodiversity, does not allow to consider the volume of land take of sites which can contribute in a significant way to preserving biodiversity. Therefore, our Group recommends adding another category: setting a goal of no net land-take.

COMMENT ON THE ACTIVITY DESCRIPTION:

Our Group recommends including "carbon sinks" in the description of the activity, whenever "climate" and "biodiversity" co-benefits are targeted and documented.

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

The substantial contribution criteria 4 requests that the audit involves an independent third party. This is generally done by the owner of the site, and is not in the scope of the constructor. Therefore, our Group recommends amending the SCC 4 « Audit" in order to specify that it is the owner or the funder that should document the criteria relative to the independent third party auditor. Moreover, we recommend to precise that "The verification includes an updated detailed description of the ecological conditions of the area as specified in point 2, an evaluation of the effectiveness of the conservation measures according to the targets defined in the management plan, (...) "

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:
