

CALL FOR EVIDENCE FOR AN INITIATIVE (without an impact assessment)

This document aims to inform the public and stakeholders about the Commission's work, so they can provide feedback and participate effectively in consultation activities.

TITLE OF THE INITIATIVE	EU Taxonomy - Review of Climate and Environmental Delegated Acts
LEAD DG – RESPONSIBLE UNIT	DG FISMA
LIKELY TYPE OF INITIATIVE	Commission Delegated Regulation
INDICATIVE TIMING	Planned adoption date: Q2 2026
ADDITIONAL INFORMATION	-

A. Political context, problem definition and subsidiarity check

Political context

The EU Taxonomy is a classification system that defines criteria for environmentally sustainable economic activities, which helps incentivise investments needed for the green transition of the EU economy. While the [Taxonomy Regulation](#) establishes the general framework, the European Commission specifies the technical screening criteria for determining whether an economic activity can qualify as environmentally sustainable through delegated acts. The Taxonomy [Climate](#) and [Environmental](#) Delegated Acts, adopted respectively in 2021 and 2023, specify the technical screening criteria for activities contributing to the six EU climate and environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, circular economy, pollution prevention and control, and biodiversity.

This initiative reflects recent broader political priorities of the Commission, particularly the commitment to reduce reporting burdens for companies and support sustainable finance through clearer and more proportionate rules. It also responds to the legal obligation under the Taxonomy Regulation to regularly review and, where appropriate, amend the technical screening criteria. The amendments are therefore both a legal requirement and a political response to concerns from stakeholders about the complexity of the criteria. This work is closely linked to the Commission Communication '[A Competitiveness Compass for the EU](#)' and the recent [Omnibus I Sustainability simplification package](#).

Problem the initiative aims to tackle

The core problem this initiative aims to tackle is that certain technical screening criteria set out in the Climate and Environmental Delegated Acts have proven difficult to apply in practice. While the EU Taxonomy is an important element of the EU Sustainable Finance framework, stakeholders have flagged in some instances inconsistencies, legal uncertainty, and overly complex technical screening criteria, drawing on the experience gained in the first years of application and reporting. These issues affect a wide range of stakeholders such as corporates, financial institutions, auditors, and public authorities, who face challenges in interpreting and implementing the rules.

The main issues mentioned by stakeholders are the complexity, gaps in alignment with updated EU legislation, and unclear or overly granular technical screening criteria, especially as regards the 'do no significant harm' criteria, as well as lack of clarity on means to demonstrate compliance. These problems increase the administrative burden for companies, raising compliance risks and costs and disincentivising sustainable investments.

Without EU-level action, these problems are likely to persist or worsen. The risk is not only administrative but also political: if the framework is perceived as impractical or insufficiently accurate, it may weaken confidence in the EU's broader sustainable finance agenda.

Evidence has already been gathered and will continue to be gathered through targeted consultations, feedback received via the Call for Evidence, and engagement with stakeholders involved in the practical application of the EU Taxonomy. Input from the scientific community and well-substantiated proposals for amendments will be important, particularly to evaluate the accuracy, proportionality, and relevance of any proposed changes.

Basis for EU action (legal basis and subsidiarity check)

Legal basis

Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of the Taxonomy Regulation. The legal basis of the Taxonomy Regulation is the Article 114 of the Treaty of the Functioning of the European Union.
Practical need for EU action
The Taxonomy Regulation mandates the Commission to establish and, where appropriate, amend technical screening criteria laid down in delegated acts. EU-level action is necessary to ensure uniform criteria across Member States, avoid legal uncertainty, and maintain consistency in applying the Taxonomy Regulation.
B. What does the initiative aim to achieve and how
This initiative, in the form of a package of two Delegated Regulations, aims to improve the clarity, usability, legal certainty, and cost-effectiveness of the EU Taxonomy. It seeks to address identified implementation challenges by clarifying technical screening criteria, including the ‘do no significant harm’ criteria, aligning them with recent updates of related EU legislation, and eliminating unnecessary complexity. This will support more consistent and efficient application across sectors and Member States, while easing the reporting burden and lowering compliance costs for companies. The Commission is considering targeted amendments to improve the usability of, simplify and clarify the criteria while maintaining their robustness and credibility. These may include adjustments to specific technical screening criteria, improved definitions, clearer requirements for proving compliance with criteria, removal of duplicative or disproportionate requirements, and clearer references to related EU rules. The approach will remain proportionate, with changes focused on areas where there is clear evidence of practical barriers or misalignment.
Likely impacts
The initiative is expected to deliver positive impacts. Corporates subject to reporting obligations will benefit from clearer and more practical technical screening criteria. By enhancing clarity and facilitating compliance with the technical screening criteria, the initiative is expected to encourage broader adoption of the EU Taxonomy by operators across key economic sectors. This will facilitate their access to green investment and finance opportunities, helping support their green transition and contribute to the EU’s sustainability objectives. Financial market participants should see improved reliability and comparability in disclosures, supporting better-informed investment decisions and a more efficient flow of capital. Environmental integrity will be maintained through scientific and evidence-based revisions. By encouraging investments into sustainable economic activities, the initiative is likely to further contribute to SDG 13 (Climate Action), SDG 12 (Responsible Consumption and Production), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 14 (Life below Water), SDG 15 (Life on Land), SDG 11 (Sustainable Cities and Communities). While impacts may vary across sectors and Member States, overall, it should strengthen the EU’s Sustainable Finance framework while removing burdens.
Future monitoring
Monitoring will rely on continued feedback from stakeholders, including via the Stakeholder Request Mechanism, periodic reviews as required by the Taxonomy Regulation, and input from the Platform on Sustainable Finance and relevant technical bodies. Where appropriate, indicators on reporting quality, uptake, and consistency of the EU Taxonomy criteria will be used to track implementation.
C. Better regulation
Impact assessment
An impact assessment is not being carried out for this initiative, as the proposed amendments are limited to targeted, technical adjustments within the scope of the existing delegated acts under the Taxonomy Regulation. The initiative does not introduce new policy elements but focuses on clarifying and refining technical screening criteria based on stakeholder feedback and practical experience. The proposed changes are intended to improve clarity, enhance alignment with other EU legislation, and achieve cost-effectiveness, without changing the underlying policy objectives set by the co-legislators. The initiative will be supported by a Staff Working Document describing the context and purpose of the initiative, detailing the proposed amendments to the screening criteria and justifying, on the basis of the relevant evidence, those amendments, and summarising estimated benefits and costs of the initiative.
Consultation strategy
The preparation of this initiative will be underpinned by solid evidence gathering and targeted consultations. The consultation activities aim to collect feedback from practitioners applying the Climate and Environmental Delegated Acts. It focuses on practical implementation issues and areas needing clarification or simplification, and on ensuring that any revisions remain proportionate as well as scientifically and technically sound.

The review will also build on the rich evidence already collected from stakeholders in previous consultations and stakeholder engagement.

Key stakeholders include reporting companies, financial institutions, industry bodies, NGOs, public authorities, and scientific experts active in sustainable finance.

All interested stakeholders have been encouraged to provide specific inputs on the technical screening criteria via a dedicated Stakeholder Request Mechanism website, which was designed to structure stakeholder inputs in an optimal way.

A Call for Evidence (via [Have Your Say](#)) will be launched for a period of 4 weeks in November 2025, with the questionnaire and responses available in all 24 EU languages

[Implementation dialogue](#) and [Reality Check](#) workshops are being prepared to collect input ahead of the adoption of the Delegated Acts.

The draft Delegated Acts will be open for four weeks of public feedback, and the Platform on Sustainable Finance and the Member States Expert Group on Sustainable Finance will also be consulted. The consultation will be shared through stakeholder networks and communication channels, with results summarised in the Staff Working Document. Scientific experts are invited to submit research to support evidence-based changes.