

Template for providing your feedback on the EU Taxonomy Delegated Acts

TYPE OF RESPONDENT: Business Association	TRANSPARENCY REGISTER NUMBER: 52646912360-95
COUNTRY: Germany	SECTOR OF ACTIVITY: Banking
ORGANISATION: Die Deutsche Kreditwirtschaft (The German Banking Industry Committee)	ORGANISATION SIZE: Large (> 250 employees)
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The Delegated Acts presented in this call for feedback include several activities spanning over various economic sectors substantially contributing to all six environmental objectives of the Taxonomy Regulation, however only some of these activities may be of relevance to you. To facilitate your feedback process, find an overview of included activities per sector and environmental objective on the [EU Taxonomy website](#).

Stakeholders are asked to limit their feedback only to the content of the drafts Delegated Acts subject to this call for feedback. Any other comments, including suggestions to add new activities will not be considered. A specific mechanism to channel these requests will be made available on the Commission website in the future.

When replying to this call for feedback, please clearly signal which activities in the draft Delegated Regulation(s) your comments relate to. For example, if referring to activity 3.19 regarding the manufacture of rail constituents in the draft amending Delegated Regulation regarding the objective of climate change mitigation (CCM), please mention the activity reference number (3.19) and the objective (CCM) clearly in your submission. The objectives should be abbreviated as follows:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

If referring to the amendments to Delegated Regulation (EU) 2021/2178 regarding disclosures under the Taxonomy (Art. 8), please also clearly highlight the relevant Section or Annex your reply refers to.

In line with the taxonomy's guiding principle of establishing robust, science-based criteria, the call for feedback puts emphasis on providing a **clear scientific and technical explanation and rationale** as well as **supporting evidence** (including links to published journals and articles) for any comments made with respect to the proposed technical screening criteria.

For more information on the EU Taxonomy and activities already covered in the Taxonomy Climate Delegated Act, please visit: https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en.

Please copy/paste the below comment table for each activity that you would like to provide comments to. In addition, please name the file using your organisation's or first and last name: e.g. Company X or John_Smith.

COMMENT

Delegated Act: Taxonomy Environmental Delegated Act

Annex: Choose an item.

ACTIVITY (e.g. CCM 3.19 Manufacture of rail constituents):

GENERAL COMMENT (incl. comments on corrections of technical mistakes in Climate Delegated Act and Article 8 Delegated Act):

General Comment

Firstly, we welcome the proposals on the other four environmental objectives of the taxonomy. Secondly, when introducing sectors not previously included in the taxonomy, we urge that the technical screening criteria be scientifically based and appropriate, yet ambitious, in order to maintain the credibility of the taxonomy.

However, we consider the very short consultation period over the Easter holidays to be very unfavourable, as it makes it impossible to look at the technical and substantive details of the technical screening criteria. Our comments and questions therefore relate only to the proposed reporting periods and some changes to the reporting templates.

Understanding of first application dates

Art. 5 Taxonomy Environmental Delegated Act (TEDA)

In accordance with Art. 5 Par. 7, financial entities should disclose eligibility from 01.12.2024 to 31.12.2024 and alignment from 01.01.2026. There appears to be a gap period from 01.01.2025 to 31.12.2025. Following the logic of Art. 8 DDA, we believe that this gap should be taken into account and that Art. 5 par. 7 should be adapted accordingly and read as follows 31 December 2025 instead of 2024, to ensure consistent implementation across the EU. This correction would also confirm the phase-in for the taxonomy alignment disclosure of financial entities. (one year after non-financial entities similar to the Art. 10 Par. 4 and 5 current DDA).

Please confirm that the following understanding of the disclosure requirements (amended Climate draft DA and Taxo. 4 draft DA) is correct:

- 1) Non-financial entities have to report taxonomy eligibility for the financial year beginning on or after January 1, 2023, and thus for the reference date of December 31, 2023, at the earliest. The use of templates is not obligatory.
 - 2) Non-financial entities have to report taxonomy alignment for the financial years beginning on or after January 1, 2024, and thus for the reference date of December 31, 2024, at the earliest. The use of KPI templates is obligatory.
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- 3) Financial entities have to report taxonomy eligibility for the financial years beginning on or after January 1, 2023, and thus for the reference date of December 31, 2023, at the earliest, and also for the following year. The use of templates is not obligatory.
- 4) Financial entities have to report taxonomy alignment for the financial years beginning on or after January 1, 2025, and thus for the reference date of December 31, 2025, at the earliest. The use of KPI templates (annex VI or Annex VIII) is obligatory.

Art. 6 Taxonomy Environmental Delegated Act (TEDA)

The DA should apply from 1 January 2024, as stated in the proposal. The activities corresponding to the four new environmental objectives and the adjustments to the first two objectives should be taken into account for the eligibility check for the first reference date of 31 December 2023.

However, the 2021 Disclosure Delegated Act includes a provision that companies will only have to report on the extent to which their activities are taxonomy eligible from a water/circular economy/pollution/biodiversity perspective 12 months after the date of application of the Environmental Delegated Act setting out the technical screening criteria for these objectives. However, the draft Environmental Delegated Act would notably delete this paragraph, which would result in the immediate application date as set out in the previous point. Deletion of Art. 8 par. 5 and the requirement to apply the new rules from the reference date of 31 December 2023 would limit the time available to implement the new rules. Non-financial and financial entities would be overburdened with providing meaningful information and correctly applying the new standards without an adequate implementation period.

All companies subject to reporting requirements and their data / software providers rely on an implementation period of 12 months.

Any new reporting requirements should be introduced with sufficient time for implementation, see recitals par. 37. Commissioner McGuinness has stated that "EU sustainability reporting standards will be challenging for companies". A period of less than one year is not sufficient for the implementation of new regulatory reporting requirements for capacity reasons and given the complexity of the matter, especially for banks.

We therefore suggest that consideration be given to postponing all new reporting requirements for financial and non-financial entities by one year. This would allow time for implementation and would also facilitate harmonisation with the first reference date for ESRS for taxonomy objectives 3-6.

Taxonomy Amended Climate Delegated Act:

In addition, we ask you to clarify in detail how the reporting for the adjusted activities from the scope of the first two objectives (3.3, 4.14, 5.3 Climate Delegated Act) will be handled in order to avoid non-comparability of data and inconsistencies in the calculation of KPIs / completion of templates.

We advocate postponing the mandatory application of the changes to climate objectives 1 and 2 (both new technical evaluation criteria and new activities) as well as the implementation for UMZ 3 - 6 by one year.

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:

COMMENT

Delegated Act: Taxonomy Environmental Delegated Act

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

**ACTIVITY (e.g. CCM 3.19 Manufacture of rail constituents): Numerator of the GAR / row 2-19
Financial Corporations**

**GENERAL COMMENT (incl. comments on corrections of technical mistakes in Climate Delegated Act
and Article 8 Delegated Act):**

Contrary to NFC, it is not specified for financial entities that the row FC should only include NFRD counterparties. The non-NFRD FC exposures are however excluded from eligibility and alignment considerations. However, the non-NFRD FC exposures are excluded from eligibility and reconciliation considerations. In which row should non-NFRD FC exposures be reported? Rows 2-19 or 47 (other assets)?

COMMENT ON THE ACTIVITY DESCRIPTION:

COMMENT ON THE ACTIVITY SUBSTANTIAL CONTRIBUTION CRITERIA:

COMMENT ON THE ACTIVITY DO NO SIGNIFICANT HARM CRITERIA:
