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MEMBER OF THE EUROPEAN COMMISSION
FINANCIAL SERVICES, FINANCIAL STABILITY
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MEMBER OF THE EUROPEAN COMMISSION
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Dear Mr. Moerenhout,

Thank you for your letter dated 9 December 2020 in which you express concerns on the screening criteria used for real estate activities in the draft delegated act of the Taxonomy Regulation.

The Commission's recovery plan highlights the need to unlock investments in key clean technologies and value chains to achieve resilience and the objectives of the twin green and digital transitions. Complementing the energy policy framework and EU public finance policies, the Commission's sustainable finance initiative (and the upcoming Renewed Sustainable Finance Strategy), and in particular the EU taxonomy will be essential tools in achieving the objectives toward a more sustainable economy set out in the European Green Deal. The taxonomy will help enable this transition by providing a clear list of those activities that can substantially contribute to the achievement of the climate and environmental objectives of the Union, and the conditions to ensure they do no significant harm to the environmental objectives in the process.

The draft delegated act setting the technical screening criteria for activities substantially contributing to climate mitigation and adaptation to be adopted under the Taxonomy Regulation draws on the recommendations of the Technical Expert Group on sustainable finance (TEG). Their proposals provided the Commission with invaluable technical, scientifically informed input to determine the technical screening criteria for activities that would be included in the EU taxonomy. Following the advice received from the TEG, the Commission considered the feedback received from all stakeholders, with a view to ensuring that the delegated act satisfies the conditions set by the Taxonomy Regulation for eligible activities and the technical screening criteria. In particular, the criteria for economic activities to qualify should take into account any relevant existing EU legislation and build upon EU labelling and certification schemes. They should promote a high level of environmental ambition, avoid market distortion and be designed to facilitate their usability. The criteria should respect the principle of technology neutrality and take into account the life-cycle.

We very much appreciate the participation of EPRA in the public consultation on the draft delegated act and welcome your feedback on this subject.

Yours sincerely,

Mairead McGuinness

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