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[...] (2025) **XXX** draft

COMMISSION DELEGATED REGULATION (EU) .../...

of **XXX**

**amending Delegated Regulation (EU) 2021/2139 as regards enhancing the usability of
the technical screening criteria**

This draft has not been adopted or endorsed by the European Commission. Any views expressed are the preliminary views of the Commission services and may not in any circumstances be regarded as stating an official position of the Commission.

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

1.1. General background and objective

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment ('Taxonomy Regulation')¹ created a unified EU classification system for environmentally sustainable economic activities, referred to as Taxonomy-aligned activities. The Regulation aims to provide a common reference point for investors, undertakings and public authorities, thereby improving transparency, reducing fragmentation in sustainability-related disclosures and supporting the redirection of capital towards sustainable investments.

In June 2021, the Commission adopted the EU Taxonomy Climate Delegated Act ('Climate Delegated Act')² to implement the Taxonomy Regulation with respect to economic activities contributing substantially to the climate change mitigation and climate change adaptation objectives. In March 2022, the Climate Delegated Act was amended to include criteria for certain energy activities in the fossil, gas and nuclear energy sectors³. In June 2023, the Commission adopted the EU Taxonomy Environmental Delegated Act ('Environmental Delegated Act') for the remaining environmental objectives⁴ and further amended the Climate Delegated Act by adding criteria for new activities in the manufacturing and transport sectors⁵.

Together, the Climate Delegated Act and the Environmental Delegated Act set out the technical screening criteria used to determine the conditions under which an economic activity qualifies as making a substantial contribution to one or more of the environmental objectives listed in Article 9 of the Taxonomy Regulation, as well as the technical screening criteria for assessing whether that economic activity does not cause significant harm to any of the other environmental objectives ('Do No Significant Harm').

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

² Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1).

³ Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (OJ L 188, 15.7.2022, p. 1).

⁴ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities (OJ L 2023/2486, 21.11.2023).

⁵ Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives (OJ L, 2023/2485, 21.11.2023).

In July 2021, the Commission adopted a further Delegated Act specifying the disclosure obligations of undertakings under Article 8 of the Taxonomy Regulation with respect to the share of their activities that are Taxonomy-eligible and Taxonomy-aligned ('Disclosures Delegated Act')⁶. That Delegated Act was subsequently amended in March 2022 to introduce enhanced transparency requirements for economic activities in fossil gas and nuclear energy sectors, and in June 2023 to adapt the disclosure requirements, where appropriate, to economic activities covered in the Environmental Delegated Act.

In July 2025, as part of the Omnibus Sustainability Package, the Commission adopted an additional Delegated Act to simplify Taxonomy-related disclosures and certain Do No Significant Harm criteria relating to the use of chemicals.

Against this background, the present Delegated Act amends the Climate Delegated Act and, together with the Delegated Act amending the Environmental Delegated Act, forms part of a broader review of the technical screening criteria adopted to date. The review draws on implementation experience, feedback from stakeholders, scientific evidence and developments in Union law and policy since the adoption of the existing Delegated Acts. Its objective is not to revisit the policy choices underpinning the Taxonomy Regulation, but to ensure that the technical screening criteria remain clear, coherent and workable in practice, while preserving their environmental integrity.

In particular, the review targets simplification of the criteria where experience has shown that requirements are overly complex, duplicative or difficult to apply consistently. This includes clarifying provisions, streamlining assessment steps and improving the internal consistency of the criteria across environmental objectives and sectors, without reducing the level of environmental ambition.

This Delegated Act focuses on targeted adjustments that can be addressed on the basis of existing evidence and implementation experience. The inclusion of new economic activities, as well as more substantial revisions to the technical screening criteria that require further technical analysis or policy consideration, will be addressed in subsequent initiatives.

1.2. Legal background

This Delegated Act is based on the empowerments set out in Articles 10(3) and 11(3) of the Taxonomy Regulation. The technical screening criteria are set in accordance with the requirements of Article 19 of that Regulation.

In accordance with Article 31 of the Interinstitutional Agreement of 13 April 2016 on Better Law-Making⁷, this Delegated Act combines two interrelated empowerments of the Taxonomy Regulation in a single act, namely those laid down in Articles 10(3) and 11(3) related to the technical screening criteria for climate change mitigation and climate change adaptation.

⁶ Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (OJ L 443, 10.12.2021, p. 9).

⁷ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1).

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

This Delegated Act builds on an extensive consultation process carried out in particular between September and December 2025, aimed at gathering practical feedback on the implementation of the existing technical screening criteria and informing their targeted review.

Stakeholder input was collected through several channels.

The Stakeholder Request Mechanism, launched in October 2023, gives stakeholders the opportunity to propose changes to existing activities as well as suggest new activities. Via this mechanism [xxx] requests were submitted and analysed in relation to this review. The call for evidence published in November 2025 resulted in 431 submissions. The recommendations developed by the Platform on Sustainable Finance under its second mandate were also taken into account. In addition, the Commission gathered feedback from Member States through several meetings of the Member States Expert Group.

In parallel, the Commission organised eleven reality check meetings, held both online and in person, covering a wide range of sectors and cross-cutting issues. The meetings, which took place between 25 September and 11 December, addressed, notably, transport, information and communication technologies, forestry and environmental protection, low-carbon activities, construction and real estate, water and waste, services, energy, transitional activities, plastic packaging, pharmaceutical activities and generic technical appendices. The discussions were highly technical and provided detailed insights into the challenges encountered when applying the criteria in practice.

Stakeholders welcomed the opportunity to explain implementation challenges, but many found it difficult to translate them into precise, evidence-based proposals. While some industry representatives submitted detailed and substantiated inputs, the quality and robustness of evidence remained uneven, complicating the assessment of certain requests.

Consultation of the PSF and MSEG on the draft delegated act (to be completed)

Publication for feedback (to be completed)

3. ASSESSMENT OF IMPACTS

The Commission carried out an assessment of impacts of the Delegated Act. This assessment did not take the form of a formal impact assessment, as the Delegated Act does not introduce new policy objectives but rather implement and refines policy choices already made in the Taxonomy Regulation and, to a large extent, in the Climate Delegated Act. The Taxonomy Regulation was subject to an impact assessment⁸ that provided an assessment of the economic, social and environmental impacts of reporting under the EU Taxonomy. In addition, the Climate Delegated Act was accompanied by a proportionate impact assessment⁹

⁸ Commission Staff Working Document Impact Assessment Accompanying the document Proposal for a Regulation of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment and Proposal for a Regulation of the European Parliament and of the Council on disclosures relating to sustainable investments and sustainability risks and amending Directive (EU) 2016/2341 and Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2016/1011 on low carbon benchmarks and positive carbon impact benchmarks, SWD/2018/264 final.

⁹ Commission Staff Working Document Impact Assessment Report Accompanying the document Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate

that set out the general approaches used to define technical screening criteria. Those assessments remain relevant, as this Delegated Act refines existing criteria within the same policy framework without materially altering the nature or scale of the impacts.

This Delegated Act is supported by an analytical Staff Working Document¹⁰ which:

- describes the context and purpose for the review of the technical screening criteria;
- explains the approach used to specify and review the specific technical screening criteria, including their practical application;
- explains divergences from, or additions to, recommendations of the Platform on Sustainable Finance (PSF);
- summarises the expected benefits and costs of this initiative, including, with particular attention to administrative costs; and
- describes how this initiative will be monitored and evaluated.

The Commission assessed the consistency of this Delegated Act with the climate-neutrality objective set out in Article 2(1) of Regulation (EU) 2021/1119 of the European Parliament and of the Council¹¹ and with the objective of ensuring progress on adaptation as referred to in Article 5 of that Regulation.

The criteria for substantial contribution to climate change mitigation and climate change adaptation in the Climate Delegated Act were carefully calibrated to meet the requirements under Articles 10 and 11 of the Taxonomy Regulation so as to capture significant positive impacts of economic activities on EU objectives of climate neutrality and climate resilience, in line with the objectives of Regulation (EU) 2021/1119. This Delegated Act amends certain of those criteria to reflect technological and policy developments and to improve their usability but does not introduce significant changes that would affect their overall level of ambition.

In accordance with Article 17 of the Taxonomy Regulation, when developing the initial technical screening criteria, the Commission calibrated them to ensure that economic activities making a substantial contribution to one of the environmental objectives do not cause significant harm (DNSH) to climate change mitigation. For each economic activity, the potential for significant greenhouse gas (GHG) emissions was assessed. Where such a potential exists, the DNSH criteria for mitigation were developed. Where the risk of high GHG emissions is low, no criteria were proposed. Wherever possible and appropriate, these DNSH criteria for mitigation refer to compliance with minimum requirements set out in Union law. Where Union legislation does not establish specific minimum levels of environmental performance, quantitative metrics drawn from existing legal instrument were used, including data from installations covered by EU Emission Trading System (ETS). The criteria can be both quantitative, such as GHG emissions thresholds, and qualitative, such as requirements to have methane leakage monitoring plans. This amending Delegated Act adjusted certain of those criteria to reflect technological and policy development and improve their usability. It did not introduce significant changes to the GHG emissions thresholds or

change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, SWD/2021/0152 final.

¹⁰ [Placeholder for a reference to the SWD number.]

¹¹ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

other criteria concerning activities with a risk of high GHG emissions, ensuring that compliance with Article 17 of the Taxonomy Regulation is maintained.

When developing the initial technical screening criteria, the Commission similarly ensured that economic activities making a substantial contribution to one of the environmental objectives do not cause significant harm to climate change adaptation. The DNSH criteria for adaptation set out a process-based requirement that is applicable across all economic activities, requiring that the activity is assessed for its potential exposure to climate-related risks and that, where necessary, adaptation measures are assessed and put in place to mitigate this exposure. The amendments introduced in this Delegated Act preserve this approach and are consistent with the adaptation goals set out in Article 5 the European Climate Law, aiming to improve adaptation to climate change. The amendments restructure the generic criteria DNSH to climate change adaptation, aiming to enhance usability by rearranging the criteria presentation and clarifying requirements, thereby aligning more closely with recognised best practices in risk assessment and adaptation planning cycles, while maintaining the core content and principles.

4. LEGAL ELEMENTS OF THE DELEGATED ACT

The right to adopt delegated acts is provided for under Articles 10(3) and 11(3) of the Taxonomy Regulation.

Article 1 lays down the amendments to Delegated Regulation (EU) 2021/2139.

Article 2 lays down the rules on the entry into force and the date of application of this Regulation.

COMMISSION DELEGATED REGULATION (EU) .../...

of XXX

amending Delegated Regulation (EU) 2021/2139 as regards enhancing the usability of the technical screening criteria

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088¹², and in particular Articles 10(3) and 11(3) thereof,

Whereas:

- (1) Regulation (EU) 2020/852 establishes the general framework for determining whether an economic activity qualifies as environmentally sustainable, which is necessary to determine the degree to which an investment is environmentally sustainable. That Regulation is supplemented, inter alia, by Commission Delegated Regulation (EU) 2021/2139¹³, which establishes the technical screening criteria for determining the conditions under which a specific economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives referred to in Article 9 of Regulation (EU) 2020/852.
- (2) Non-financial undertakings started reporting their alignment with Regulation (EU) 2020/852 and Delegated Regulation (EU) 2021/2139 ('Taxonomy') as of 1 January 2023 and financial undertakings as of 1 January 2024. Between the first and second year of reporting by non-financial undertakings the value of turnover and capital expenditure associated with environmentally sustainable economic activities increased significantly.
- (3) Despite an increasing uptake of the Taxonomy, the feedback from reporting undertakings revealed significant difficulties in assessing and proving compliance with the technical screening criteria and in preparing the related disclosures, which were considered as overly detailed. Those difficulties resulted in undue administrative burden for reporting undertakings.
- (4) Article 8 of Regulation (EU) 2020/852 requires undertakings that are obliged to publish sustainability information pursuant to Article 19a or Article 29a of Directive

¹² OJ L 198, 22.6.2020, p. 13, ELI: <http://data.europa.eu/eli/reg/2020/852/oj>.

¹³ Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1, ELI: http://data.europa.eu/eli/reg_del/2021/2139/oj).

2013/34/EU of the European Parliament and of the Council¹⁴ to include in their non-financial statement or consolidated non-financial statement information on how and to what extent their activities are associated with economic activities that qualify as environmentally sustainable. To reduce the reporting burden and ensure a more proportionate approach to sustainability reporting, Directive (EU) 2026/470 of the European Parliament and of the Council¹⁵ amended Directive 2013/34/EU to reduce the scope of the obligation to publish sustainability information to undertakings with a net turnover exceeding EUR 450 000 000 and an average of more than 1 000 employees during the financial year. That amendment results in a reduced number of undertakings which are required to disclose information on how and to what extent their activities are associated with economic activities that qualify as environmentally sustainable.

- (5) To further reduce undue burden on non-financial and financial undertakings required to publish Taxonomy related disclosures, Commission Delegated Regulation (EU) 2026/73¹⁶ amended Delegated Regulation (EU) 2021/2139 to simplify certain technical screening criteria for determining whether economic activities cause no significant harm to the objective of pollution prevention and control regarding the use and presence of chemicals, as demonstrating compliance with those requirements poses a particular burden to undertakings due to their complexity.
- (6) Article 19(5) of Regulation (EU) 2020/852 requires the Commission to regularly review the Taxonomy technical screening criteria, and where appropriate, amend the criteria specified in delegated acts in line with scientific and technological developments. In accordance with that provision, before amending or replacing those criteria, the Commission is required to assess the implementation of those criteria taking into account the outcome of their application by financial market participants and their impact on capital markets, including on the channelling of investment into environmentally sustainable economic activities.
- (7) The feedback gathered by the Commission revealed significant difficulties that non-financial and financial undertakings encountered while applying the technical screening criteria, in particular the criteria for determining whether an economic activity causes no significant harm to any of the environmental objectives. Undertakings reported in particular about difficulties in gathering necessary documentation to assess and prove compliance with the requirements and called for closer alignment with applicable Union law.

¹⁴ Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19, ELI: <http://data.europa.eu/eli/dir/2013/34/oj>).

¹⁵ Directive (EU) 2026/470 of the European Parliament and of the Council of 24 February 2026 amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting requirements and certain corporate sustainability due diligence requirements (OJ L, 2026/470, 26.2.2026, ELI: <http://data.europa.eu/eli/dir/2026/470/oj>).

¹⁶ Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 amending Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards simplification of certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives (OJ L, 2026/73, 8.1.2026, ELI: http://data.europa.eu/eli/reg_del/2026/73/oj).

- (8) As compliance with all the technical screening criteria laid down for a specific activity in Delegated Regulations (EU) 2021/2139 is a necessary condition of that economic activity to be considered environmentally sustainable, undertakings that were not able to show proof of fulfilling all the criteria due to their complexity were reporting significantly lower level of environmentally sustainable economic activities, despite having taken significant steps to align with the Taxonomy.
- (9) To reflect scientific and technological development, to take into account policy and legislative development and to improve the usability of the criteria with the view to reduce undue burden for undertakings, the technical screening criteria for determining under which conditions an economic activity qualifies as contributing substantially to climate change mitigation should be reviewed in light of the experience gained with their application by reporting undertakings, thereby taking into account advice of the Platform on Sustainable Finance, the opinion of the Member State Expert Group and stakeholder feedback,.
- (10) To reduce the cost of compliance for undertakings, references to standards other than open-source standards or standards adopted by European organisations responsible for developing and defining voluntary standards at European level, such as European Committee for Standardisation, European Electrotechnical Committee for Standardisation and European Telecommunications Standards Institute, should be removed..
- (11) To improve the usability of technical screening criteria for the forestry activities, to clarify interactions between different forestry activities, and to facilitate the demonstration of compliance with those criteria while preserving environmental ambition and credibility, those technical screening criteria should be revised and the descriptions of activities further specified. To improve the usability of the technical screening criteria and reduce undue administrative burden for reporting undertakings, it is also necessary to simplify information requirements applicable to forest management plans, afforestation plans and equivalent instruments, to refine the climate benefit analysis methodology, to adjust criteria relating to permanence of forest land use and audit requirements, and to ensure that criteria determining whether an activity causes no significant harm to any of the other environmental objectives are simplified and streamlined across activities. Those criteria should be also revised to reflect recent regulatory developments relevant to forestry activities and to improve consistency with Union climate and environmental legislation, including Regulation (EU) 2024/3012 of the European Parliament and of the Council¹⁷.
- (12) Technical screening criteria for the restoration of wetlands should be revised to further specify the activity description and improve the monitoring and audit framework. It is further necessary to expand the activity description of what restoration of wetlands means to cover the restoration of partially excavated peatlands, to revise the monitoring criterion to include subsequent monitoring of relevant indicators, to update the reference framework for the climate benefit analysis and the guarantee of permanence, and to adjust audit requirements to improve usability.
- (13) Technical screening criteria for manufacturing activities should be revised to enhance regulatory consistency with recent Union law and thus enhance the usability of the

¹⁷ Regulation (EU) 2024/3012 of the European Parliament and of the Council of 27 November 2024 establishing a Union certification framework for permanent carbon removals, carbon farming and carbon storage in products (OJ L, 2024/3012, 6.12.2024).

framework for the undertakings. To foster synergies with recent Union law, and in particular Regulation (EU) 2024/1735 of the European Parliament and of the Council¹⁸ and Regulation (EU) 2023/1542 of the European Parliament and of the Council¹⁹, and thus to reduce compliance costs for undertakings, it is necessary to revise the activity descriptions and technical screening criteria for low carbon and enabling manufacturing activities, particularly regarding renewable energy technologies, hydrogen equipment, batteries, electrical equipment, and other low carbon technologies.

- (14) It is necessary to specify that equipment for manufacturing of hydrogen should be suitable for the manufacturing process that complies with the technical screening criteria for the activity relating to manufacturing of hydrogen, without however requiring that the manufacturer of the equipment provides proof of the equipment's final use. It is therefore necessary to revise technical screening criteria for manufacturing of such equipment.
- (15) To resolve implementation difficulties for undertakings that are active in either the manufacturing or recycling of batteries, it is necessary to split - the technical screening criteria for such manufacturing and recycling, which are currently covered by the same technical screening criteria.
- (16) To address existing interpretation difficulties and usability concerns caused by their broad description, it is necessary to revise the technical screening criteria for manufacturing of other low-carbon technologies. Those criteria should be further specified regarding the technologies and components covered, their enabling characteristics, and the methodologies for assessing greenhouse gas emission reductions.
- (17) To increase synergies with most recent Union legislation, and in particular the recent targets set out in Directive (EU) 2018/2001 of the European Parliament and of the Council²⁰ and delegated and implementing acts adopted under that Directive, the technical screening criteria for manufacturing of hydrogen should be adjusted, in particular as regards the methodology to set out and quantify the greenhouse gas emission savings.
- (18) Technical screening criteria for transitional manufacturing activities should be adjusted to include appropriate substitute and alternative product types and to better reflect the reality of integrated production routes. The criteria for substantial contribution should be also revised to align and better explore synergies with the Union's most recent legislation, including amendments to Directive (EU) 2018/2001,

¹⁸ Regulation (EU) 2024/1735 of the European Parliament and of the Council of 13 June 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (OJ L, 2024/1735, 28.6.2024, ELI: <http://data.europa.eu/eli/reg/2024/1735/oj>).

¹⁹ Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC (OJ L 191, 28.7.2023, p. 1, ELI: <http://data.europa.eu/eli/reg/2023/1542/oj>).

²⁰ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast) (OJ L 328, 21.12.2018, p. 82, ELI: <http://data.europa.eu/eli/dir/2018/2001/oj>).

Regulation (EU) 2023/1115 of the European Parliament and of the Council²¹ and Regulation (EU) 2024/1781 of the European Parliament and of the Council²²and.

- (19) To improve the usability and applicability of the technical screening criteria for the manufacturing of plastics in primary form, it is necessary to adjust the activity description to include plastic compounding activities and to set relevant technical screening criteria for those activities. It is also necessary to improve the usability of the criteria by including a broader range of recycling technologies and to refine the criteria for plastic production from renewable feedstocks to ensure that the use of recycled feedstock is appropriately incentivised in line with Union objectives for a circular plastics economy set out in the Commission Communication of 23 December 2025 on Accelerating Europe’s transition to a circular economy²³.
- (20) Technical screening criteria for manufacturing of components, constituents, parts and equipment should be reviewed to regroup these activities across the different transport modes. This approach ensures consistency across the modes road, rail and water. Waterborne parts and equipment should be added, given their potential contribution as enabling activity that substantially contributes to climate change mitigation. Aircraft parts should remain grouped with manufacturing of aircrafts, given their legal interconnectedness based on Regulation (EU) 2018/1139 of the European Parliament and of the Council²⁴.
- (21) To reflect recent technological developments, to improve usability and to ensure consistency among inter-connected sectoral activities and to align criteria with existing sector-specific Union legislation including recent revisions to Directive (EU) 2018/2001, the technical screening criteria for energy activities should be revised. The scopes of activities should be adjusted or redefined to ensure consistency across activities relating to energy production, storage and distribution and the criteria for determining whether an activity causes no significant harm to any of the other environmental objectives should be simplified by referring to relevant legislation wherever possible.
- (22) It is necessary to enhance the usability of the criteria for renewable energy related activities while ensuring that compliance with a high level of environmental protection is maintained.

²¹ Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010 (Text with EEA relevance) (OJ L 150, 9.6.2023, p. 206, ELI: <http://data.europa.eu/eli/reg/2023/1115/oj>).

²² Regulation (EU) 2024/1781 of the European Parliament and of the Council of 13 June 2024 establishing a framework for the setting of ecodesign requirements for sustainable products, amending Directive (EU) 2020/1828 and Regulation (EU) 2023/1542 and repealing Directive 2009/125/EC (OJ L, 2024/1781, 28.6.2024, ELI: <http://data.europa.eu/eli/reg/2024/1781/oj>).

²³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Accelerating Europe’s transition to a circular economy: a pilot for boosting the circularity of plastics, COM/2025/805 final.

²⁴ Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91 (OJ L 212, 22.8.2018, pp. 1–122, ELI: <http://data.europa.eu/eli/reg/2018/1139/oj>).

- (23) Considering that it is scientifically proven that greenhouse gas emissions resulting from geothermal energy production are way below 100gCO_{2e}/kWh emission, greenhouse gas threshold and obligations to implement a life-cycle analysis should be removed from all geothermal related activities.
- (24) Given that Directive 2000/60/EC of the European Parliament and of the Council²⁵ provides robust safeguards for hydropower activities, the ‘Do No Significant Harm’ criteria for sustainable use and protection of water and marine resources for energy generation from hydropower should be simplified and aligned with those safeguards.
- (25) It is in particular necessary to revise the technical screening criteria for energy generation from bioenergy and from renewable fuels on non-biological origin to establish better synergies with the recent development of Union law, and in particular the most recent thresholds and trajectories established in Directive (EU) 2018/2001 and the delegated and implementing acts adopted under that Directive. In addition, the principle of the cascading use of biomass should be applied for activities using woody biomass. In line with this principle, woody biomass should be used according to its highest economic and environmental added value, while taking into account local conditions and market realities.
- (26) Technical screening criteria for the water, sewerage, waste and remediation activities should be revised to be in line with recent Union legislation, and in particular with Directive (EU) 2024/3019 of the European Parliament and of the Council²⁶, and to appropriately reflect the latest technological developments and scientific evidence, in particular for the waste and wastewater sectors. The descriptions of the water supply and waste water treatment and collection activities should be harmonised to improve consistency and facilitate compliance by undertakings. The activities of anaerobic digestion of sewage sludge, composting and anaerobic digestion of bio-waste should be revised to allow for the production of products or chemicals other than fertilisers and soil improvers or biogas.
- (27) Continued efforts are being made to green transport operations across the modes. Transport operations remain the largest source of direct greenhouse gas emissions in the Union. The further decarbonisation of the transport fleet and the deployment of relevant infrastructure will therefore remain central for climate change mitigation. The technical screening criteria should be reviewed to support the decarbonisation of operations by recognising different means of greenhouse gas emission reductions.
- (28) To accelerate the greening of transport operations, the requirement that transport activities are not dedicated to the transport of fossil fuels should be revised. The requirement should be limited to the cases where there is a specific design for transporting or storing pure fossil fuels. This revision recognises that the operator has no decisive power over the transported goods.
- (29) Technical screening criteria for road transport activities should be revised to improve the usability of the do no significant harm (DNSH) criterion on pollution prevention and control and to ensure that the criterion focuses on the prevention of significant

²⁵ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000 ELI: <http://data.europa.eu/eli/dir/2000/60/2014-11-20>)

²⁶ Directive (EU) 2024/3019 of the European Parliament and of the Council of 27 November 2024 concerning urban wastewater treatment (recast) (OJ L, 2024/3019, 12.12.2024, ELI: <http://data.europa.eu/eli/dir/2024/3019/oj>).

harm, by adding a Taxonomy filter in the EPREL database and enlarging the scope of eligible tyres. In addition, it should be specified that re-treaded tyres are temporarily exempted from applying that criterion, as they do not figure in the EPREL database, while figuring in the database is a pre-condition for the application of the EU Taxonomy technical screening criteria.

- (30) Technical screening criteria for rail transport activities should be revised to allow for the use of biofuels for the operations of existing locomotives and thereby recognise the role of biofuel in decarbonising activities.
- (31) Technical screening criteria for water transport activities should be revised to ensure consistency with Regulation (EU) 2023/1805 of the European Parliament and of the Council²⁷, to reflect technological progress and to promote sustainable marine fuels. The criteria should foster an equal and fair treatment of the different vessel categories allowing the best of each category to qualify, based on the Energy Efficiency Design Index (EEDI) and Energy Efficiency Existing Ship Index (EEXI) data.
- (32) Technical screening criteria for air transport activities should be revised to reflect technological progress in the sector. Such revisions should include references to Regulation (EU) 2023/2405 of the European Parliament and of the Council²⁸ and Regulation (EU) 2018/1139 whenever relevant.
- (33) Technical screening criteria for construction and real estate activities should be revised to align those criteria with the evolution in Union law, and in particular Directive (EU) 2024/1275 of the European Parliament and of the Council²⁹. Some of the technical screening criteria for determining whether an activity causes no significant harm to any of the other environmental objectives are overly complicated or lead to undue reporting burden in practice. For that reason, those technical screening criteria should be simplified. To foster the financing for renovations, the criteria for determining whether an activity causes no significant harm to any of the other environmental objectives for renovation should be simplified and an additional criterion for renovation in combination with acquisition introduced.
- (34) To reflect evolution in Union law, in particular Regulation (EU) 2024/573 of the European Parliament and of the Council³⁰, the technical screening criteria for information and communication activities should be updated.
- (35) Technical screening criteria for research, development and innovation activities should support the development of solutions that improve the sustainability and efficiency of existing activities while facilitating the deployment and scaling up of new low-carbon technologies. For that purpose, those criteria should be revised and the criteria for determining whether an activity causes no significant harm to any of the other

²⁷ Regulation (EU) 2023/1805 of the European Parliament and of the Council of 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC (OJ L 234, 22.9.2023, pp. 48–100, ELI <http://data.europa.eu/eli/reg/2023/1805/oj>)

²⁸ Regulation (EU) 2023/2405 of the European Parliament and of the Council of 18 October 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation) (OJ L, 2023/2405, 31.10.2023, ELI: <http://data.europa.eu/eli/reg/2023/2405/oj>)

²⁹ Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings (recast) (OJ L, 2024/1275, 8.5.2024, ELI: <http://data.europa.eu/eli/dir/2024/1275/oj>).

³⁰ Regulation (EU) 2024/573 of the European Parliament and of the Council of 7 February 2024 on fluorinated greenhouse gases, amending Directive (EU) 2019/1937 and repealing Regulation (EU) No 517/2014 (OJ L, 2024/573, 20.2.2024, ELI: <http://data.europa.eu/eli/reg/2024/573/oj>).

environmental objectives should focus on areas where there is a risk of significant harm. The review should minimise ambiguities and facilitate the demonstration of compliance by economic operators.

- (36) To align more closely with the developing market practices for climate risk assessments, to further specify the concepts used and to update references to the latest scientific data and tools, the structure of the technical screening criteria for determining under which conditions an economic activity qualifies as contributing substantially to climate change adaptation should be adjusted, taking also into account the advice of the Platform on Sustainable Finance, the opinion of the Member State Expert Group and stakeholder feedback.
- (37) The technical screening criteria for determining whether the economic activities that contribute substantially to climate change mitigation or climate change adaptation cause no significant harm to any of the other environmental objectives should ensure that the contribution to one of the environmental objectives from an economic activity is not outweighed by significant damage to other environmental objectives caused by that activity. While the ‘do no significant harm’ criteria play an important role in ensuring the environmental integrity of the classification of environmentally sustainable activities, those criteria should also be easy to use, by setting out clear requirements building upon the relevant requirements of existing Union law. For that reasons, the technical screening criteria for ensuring that activities do not cause significant harm to climate change mitigation should be revised to, where appropriate, build more directly on relevant requirements set out in existing Union law. For the same reasons, the technical screening criteria for ensuring that activities do not cause significant harm to climate change adaptation should be simplified, the concepts specified and references to the latest scientific data and tools updated. These changes should furthermore clarify the distinction between the do no significant harm and substantial contribution thresholds for the objective of climate change adaptation.
- (38) To reflect operational realities of mobile assets, the ‘Do No Significant Harm’ criteria on climate change adaptation should be waived for activities concerning mobile assets such as transport activities, as a climate risk assessment is not feasible given the extensive geographic range over which mobile assets operate. Those criteria should be maintained for activities for which the location is set, which is valid for manufacturing activities and transport infrastructure activities.
- (39) To facilitate the demonstration of compliance with the technical screening criteria for ensuring that activities do not cause significant harm to sustainable use and protection of water and marine resources, it is necessary to explicitly set out options to demonstrate compliance with the requirements of Directive 2000/60/EC and Directive 2008/56/EC. In addition to an Environmental Impact Assessment (EIA) conducted under Directive 2011/92/EU of the European Parliament and of the Council³¹, options for demonstrating compliance should include valid and up-to-date environmental permits covering water-related aspects, and alternative available evidence, such as registrations and notifications of the activity to competent authorities.
- (40) The technical screening criteria for ensuring that activities do not cause significant harm to transition to a circular economy should be adjusted to provide for more clarity

³¹ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (codification) (OJ L 26, 28.1.2012, p. 1, ELI: <http://data.europa.eu/eli/dir/2011/92/oj>).

as to the means of demonstrating compliance, and to align the concepts used with the most recent Union legislation in this area, including Regulation (EU) 2024/1781.

- (41) The technical screening criteria for ensuring that activities do not cause significant harm to pollution prevention and control were amended by Regulation (EU) 2026/73 to specify the application of certain exemptions based on Union law that are referenced in those criteria and remove the requirements relating to substances that meet the criteria laid down in Regulation (EC) No 1272/2008 of the European Parliament and of the Council³² for one of the hazard classes or hazard categories referred to in Article 57 of Regulation (EC) No 1907/2006 of the European Parliament and of the Council³³. To further improve consistency with Union chemicals legislation and to address persisting practical implementation challenges relating to assessing and demonstrating compliance with those criteria, they should be further revised. Substantial input from reporting undertakings identified the need to improve usability, specify the requirements, the scope of substances covered and applicable exemptions to ensure that the criteria are proportionate and easy to apply. It is also necessary to align the requirement set out in the technical screening criteria with the specific restrictions, conditions and exemptions relating to the use of chemicals already established under Union law, and in particular Regulation (EC) No 1907/2006, Directive 2011/65/EU of the European Parliament and of the Council³⁴, Regulation (EU) 2017/852 of the European Parliament and of the Council³⁵, Regulation (EU) 2019/1021 of the European Parliament and of the Council³⁶, and Regulation (EU) 2024/590 of the European Parliament and of the Council³⁷. The criteria relating to identified in accordance with Regulation (EC) No 1907/2006 as substances of very high concern meeting specific hazard criteria should be revised by aligning requirements more closely with the assessment mechanisms of Regulation (EC) No 1907/2006 and risk management options in other pieces of chemicals, products and waste legislation. Furthermore, the requirement to comply with these criteria should be removed for certain activities where the operator does not have appropriate information on the use of those chemicals, such as transport or services activities.

³² Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006 (OJ L 353, 31.12.2008, p. 1, ELI: <http://data.europa.eu/eli/reg/2008/1272/oj>).

³³ Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC. (OJ L 396, 30.12.2006, p. 1, ELI: <http://data.europa.eu/eli/reg/2006/1907/oj>).

³⁴ Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (recast) (OJ L 174, 1.7.2011, p. 88, ELI: <http://data.europa.eu/eli/dir/2011/65/oj>).

³⁵ Regulation (EU) 2017/852 of the European Parliament and of the Council of 17 May 2017 on mercury, and repealing Regulation (EC) No 1102/2008 (OJ L 137, 24.5.2017, p. 1, ELI: <http://data.europa.eu/eli/reg/2017/852/oj>).

³⁶ Regulation (EU) 2019/1021 of the European Parliament and of the Council of 20 June 2019 on persistent organic pollutants (recast) (OJ L 169, 25.6.2019, p. 45, ELI: <http://data.europa.eu/eli/reg/2019/1021/oj>).

³⁷ Regulation (EU) 2024/590 of the European Parliament and of the Council of 7 February 2024 on substances that deplete the ozone layer, and repealing Regulation (EC) No 1005/2009, OJ L, 2024/590, 20.2.2024, ELI: <http://data.europa.eu/eli/reg/2024/590/oj>).

- (42) To enhance the usability of the technical screening criteria for ‘Do no significant harm’ to pollution prevention and control referring to emission levels associated with the best available techniques (BAT-AEL), those criteria should be revised to specify that compliance with the criteria can be demonstrated by means of existing regulatory documents, including valid permits. To improve the auditability of the criteria, reference to best available techniques should be limited to those techniques for which the best available techniques (BAT) conclusions have been established.
- (43) To enhance the usability of the technical screening criteria for ensuring that activities do not cause significant harm to protection and restoration of biodiversity and ecosystems, those criteria should be revised to further specify the different ways to demonstrate compliance. The criteria should specify that Environmental Impact Assessments (EIA) are only required for activities that are already covered by Directive 2011/92/EU of the European Parliament and of the Council³⁸ and that compliance by undertakings can also be shown by building on existing tools, including permits, in line with Union law.
- (44) Delegated Regulation (EU) 2021/2139 should therefore be amended accordingly.
- (45) The proposed amendments have been duly considered and analysed by the Commission as outlined in the analytical Staff Working Document accompanying this Regulation.
- (46) Before adopting this Regulation and during its preparation, the Commission has gathered necessary expert and stakeholder feedback, in particular by consulting the Platform on Sustainable Finance and the Member States Expert Group and by publishing this draft delegated act for a period of four weeks for public feedback, in accordance with the principles and procedures laid down in the Interinstitutional Agreement on Better Law-Making³⁹.
- (47) The two environmental objectives referred to in Article 9, points (a) and (b), of Regulation (EU) 2020/852 and in Articles 10 and 11 of that Regulation are closely interlinked in terms of the means by which an environmental objective is achieved and the benefits that achieving one of those environmental objectives may have on the other environmental objectives. The provisions determining whether an economic activity contributes substantially to those environmental objectives are thus closely interrelated. To ensure coherence between the amendments to those provisions, which should enter into force at the same time, to facilitate a comprehensive view of the legal framework for stakeholders, and to facilitate the application of Regulation (EU) 2020/852, it is necessary to include those amendments into a single Regulation.
- (48) This Regulation is consistent with the climate-neutrality objective set out in Article 2(1) of Regulation (EU) 2021/1119 of the European Parliament and of the Council⁴⁰

³⁸ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (codification) (OJ L 26, 28.1.2012, p. 1, ELI: <http://data.europa.eu/eli/dir/2011/92/oj>).

³⁹ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, pp. 1, ELI: http://data.europa.eu/eli/agree_interinst/2016/512/oj).

⁴⁰ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’), (OJ L 243, 9.7.2021, p. 1, ELI: <http://data.europa.eu/eli/reg/2021/1119/oj>).

and ensures progress on adaptation to climate change as referred to in Article 5 of that Regulation.

- (49) Pursuant to Article 30 of Directive 2013/34/EU, the management reports are to be published within a reasonable period of time, which is not exceeding 12 months after the balance sheet date. To ensure that undertakings are able to apply the amendments laid down in this Regulation for the financial year 2026, this Regulation should apply from 1 January 2027,

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Delegated Regulation (EU) 2021/2139

Delegated Regulation (EU) 2021/2139 is amended as follows:

- (1) Annex I is amended in accordance with Annex I to this Regulation;
- (2) Annex II is amended in accordance with Annex II to this Regulation.

Article 2

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2027.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President
Ursula VON DER LEYEN