

Media Release

Climate Bonds Welcomes Final EU Taxonomy Report

Sets Net Zero Growth Paths to 2050

Opens new investment & economic opportunities says Sean Kidney

LONDON: 09/03/2020 12:00 GMT: Climate Bonds Initiative warmly welcomes the release of the final reports and recommendations to the European Commission of the [Technical Expert Group on Sustainable Finance](#) (TEG) on the EU Taxonomy.

“The release of these reports sets the pathway to net zero by 2050,” Climate Bonds CEO and TEG representative Sean Kidney said. “The EU Taxonomy opens up huge opportunities for institutional investors to support low carbon and green growth, transition activities and decarbonisation.”

“Companies and investors need both confidence and guidance to commit the trillions needed in this decade and on to 2050 to achieve carbon neutrality. The TEG report with its updated sustainability criteria for 70 different economic activities provides a comprehensive level of guidance to the market, stakeholders and regulators.”

“It’s an affirmative and definite signal for corporations and institutional investors. The EU Taxonomy takes the wider sustainability and climate agenda and integrates it within real economy activities, giving boards and investors increasing confidence in their short- and long-term decisions.”

“The constructive impact of the previous EU HLEG and now TEG process is emerging. Today’s announcement will positively shape investor decision making and corporate planning in multiple regions through the 2020s. It will help shift capital allocations towards sustainable economic activity, low carbon growth and a new array of investment and employment opportunities.”

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Media Contact:

[Andrew Whiley](#)

Head of Communications & Media
Climate Bonds Initiative

andrew.whiley@climatebonds.net

+44 (0) 7506 270943

[Leena Fatin](#)

Senior Communications & Media Officer
Climate Bonds Initiative

Leena.fatin@climatebonds.net

+44 759 332 0198

Notes for journalists

About the Climate Bonds Initiative

Climate Bonds Initiative is an investor-focused not-for-profit, promoting large-scale investment in the low carbon economy. Climate Bonds undertakes advocacy and outreach to inform and stimulate the market, provides policy models and government advice, market data and analysis, and administers an international Standard & Certification Scheme for best practice in green bonds issuance. For more information, please visit www.climatebonds.net.

Background to EU HLEG & TEG

The EU High Level Expert Group (**HLEG**) on Sustainable Finance was [established](#) in December 2016. The HLEG published an [interim report](#) in July 2017 and delivered its [final report](#) in January 2018.

A subsequent Technical Expert Group (**TEG**) on Sustainable Finance [commenced](#) in July 2018 with a focus on the development of a unified classification system for sustainable economic activities, an EU green bond standard, methodologies for low-carbon indices and metrics for climate-related disclosure. In June 2019 the TEG published its [Technical report on EU taxonomy](#) building on previous work and [consultations](#) undertaken by the group.

Climate Bonds CEO Sean Kidney has been a civil society representative on both the HLEG and TEG.

More information is [available here](#).

What has been published today?

The [TEG Final Report on EU Taxonomy](#) which describes changes to the Taxonomy since the political agreement, explains the climate adaptation activities and has extensive implementation guidance for the Taxonomy, including on the minimum safeguards included in the Taxonomy Regulation.

Also, the [Technical annex to the TEG final report](#) on the EU taxonomy with screening criteria for 70 climate change mitigation and 68 climate change adaptation economic activities. Included are the Do No Significant Harm criteria for pollution prevention and control, use and protection of water and marine resources, circular economy, and protection and restoration of biodiversity and ecosystems.

The Taxonomy report is complemented by the [Usability Guide for the EU Green Bond Standard](#). The proposed voluntary Green Bond Standard intends to ensure that the financed investments contribute to the EU environmental objectives by following the EU taxonomy criteria. The TEG proposed the EU Green Bond Standard in its report of June 2019.

The European Commission will publish its decision on what form the final EU Green Bond Standard should have as part of the renewed sustainable finance strategy in the third quarter of 2020, following a three-month consultation period.

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