EU Taxonomy Stakeholder Request Mechanism

Fields marked with * are mandatory.

Introduction

This questionnaire allows stakeholders to suggest potential revisions of existing activities that are already covered in an EU Taxonomy Delegated Act in force (see <u>Taxonomy Climate Delegated Act</u> and <u>Taxonomy Complementary Delegated</u> <u>Act</u>) or under scrutiny by EU co-legislators (see <u>Taxonomy Environmental Delegated Act</u> and <u>amendments to</u> the <u>Taxonomy Climate Delegated Act</u>) or to suggest new economic activities that should be added to the EU Taxonomy.

In accordance with Article 20 (2c) of the <u>Taxonomy Regulation</u>, the Platform on Sustainable Finance ("Platform") shall assist the European Commission in analysing requests from stakeholders to develop or revise technical screening criteria for a given economic activity. This tool aims to support this task by streamlining the gathering of stakeholders' requests.

The Platform will analyse the requests and provide recommendations to the Commission on potential revisions of existing activities or on new activities that could be added to the EU Taxonomy.

Due to resource constraints, the Platform together with the Commission can choose to prioritise a certain number of activities that it will work on. Therefore, in developing the recommendations to the Commission, the Platform may decide not to prioritise certain activities, even though the submitted requests were substantiated with the necessary evidence and the suggested changes/new activities complied with the requirements of the Taxonomy Regulation. The Platform may decide on an appropriate sequence of how the submitted non-prioritised requests would be handled over time, considering their impact, urgency and other factors, as well as the working capacity of the Platform overall. In 2024, the Platform's Technical Working Group will provide a summary of the requests received, how they were assessed and what recommendations the Platform made on the basis of the requests.

Following an assessment of the Platform recommendations, the Commission may decide on possible amendments of the EU Taxonomy. The Commission is not bound by the feedback submitted through this tool or the recommendations by the Platform.

The Stakeholder Request Mechanism will be continuously running with cut-off dates for the processing of requests received. The first cut-off date will be on 15 December 2023. All requests received until that date will be processed by the Platform's Technical Working Group in early 2024 to be taken into account for their recommendations on potential revisions of the Taxonomy Delegated Acts and/or additions to the Taxonomy.

How to use this tool

The questionnaire is divided into three main sections:

- 1. **About you**: The first section of the questionnaire aims to collect background information of the request that is being made. It must be filled out by every user.
- 2. Proposing changes to existing activities: The second section of the questionnaire allows users to comment on and propose potential changes to an activity that is already covered by a Delegated Act of the EU Taxonomy. Please substantiate your request with technical and/or scientific evidence wherever possible. If your request is solely focused on proposing new activities that are not yet covered in the EU Taxonomy, this section will be skipped and you will be asked to proceed with Section 2.2.
- 3. Proposing new activities: The last section of the questionnaire allows users to propose a new economic activity to be included in the EU Taxonomy. Please substantiate your request with technical and/or scientific evidence wherever possible. If your request is solely focused on proposing changes to existing economic activities already covered in a Delegated Act of the EU Taxonomy, this section will be skipped and you will only be asked to complete Section 2.1 of the questionnaire.

Requests should be substantiated by providing scientific and technical evidence to support the relevance of the activity, its compliance with the requirements of the Taxonomy Regulation, and the appropriateness of the suggested substantial contribution and DNSH criteria, if applicable. Requests that are not supported by the necessary evidence may not be processed.

This questionnaire allows you to suggest only one new activity or comment on only one existing activity at a time. If you would like to suggest several activities or comment on more than one activity included in a Delegated Act, please create another request.

Please note that the same requests for the revision of one activity or the same proposals for new activities will be considered as one request, even if they come from different organisations.

In order to ensure a fair and transparent feedback process, only responses received through this online questionnaire will be taken into account. Should you have a problem completing this questionnaire or if you require particular assistance, please contact <u>fisma-sustainable-finance@ec.europa.eu</u>.

This tool does not replace calls for evidence or public consultations carried out for the Taxonomy Delegated Acts under the <u>Better Regulation guidelines</u> of the European Commission.

Personal information provided in this survey will be stored only internally for the purpose of this task, in compliance with the Personal Data Protection Provisions. The information will not be published.

Definitions of important terms

Section 2.2 of the questionnaire asks users to classify whether the proposed activity qualifies as an own performance, enabling or transitional activity. These are defined as follows:

- **Own performance activity** is an economic activity that makes a substantial contribution based on its own performance, i.e. an economic activity is performed in a way that is environmentally sustainable.
- Enabling activity is an economic activity that directly enables other activities to make a substantial contribution to one or more of the environmental objectives of the EU Taxonomy, where that activity: does not lead to a lockin of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and has a substantial positive environmental impact, on the basis of lifecycle considerations.
- **Transitional Activity** is an economic activity that can be considered to be contributing substantially to the environmental objective of climate change mitigation under the following conditions:
 - There is no technologically and economically feasible low-carbon alternative;

- It supports the transition to a climate-neutral economy consistent with a pathway to limit the temperature increase to 1,5 ° C above pre-industrial levels, for example by phasing out greenhouse gas emissions;
- That activity
 - has greenhouse gas emission levels that correspond to the best performance in the sector or industry
 - does not hamper the development and deployment of low-carbon alternatives, and
 - does not lead to a lock-in of assets incompatible with the objective of climate neutrality, considering the economic lifetime of those assets.

In addition, section 2.2 asks users to identify the **Technology Readiness Level (TRL)**, if applicable. The TRL scale is arranged in 9 evolutionary stages, showing how far a technology is from being ready for use in its intended operational environment. See <u>here</u> for more information on the 9 stages.

Should you have a problem completing this questionnaire or if you require particular assistance, please contact <u>fisma</u>-<u>sustainable-finance@ec.europa.eu</u>.

More information on:

- the EU Taxonomy Regulation
- the Climate Delegated Act
- the Complementary Delegated Act to the Climate Delegated Act
- <u>the amendments to the Climate Delegated Act</u> (still under scrutiny by the European Parliament and the Council of the European Union)
- <u>the Environmental Delegated Act</u> (still under scrutiny by the European Parliament and the Council of the European Union)
- the Commission Staff Working Document accompanying the Environmental and Climate Delegated Acts
- the Impact Assessment of the Climate Delegated Act
- the Taxonomy Navigator
- the JRC report on substantial contribution to climate change mitigation
- the JRC report on substantial contribution for environmental objectives 3-6
- the TEG taxonomy report: Technical annex
- the Platform on Sustainable Finance
- the protection of personal data regime for this consultation

1. About you

* I give my input as

- Academic/ research institution
- Business association
- Company/ business organisation
- Non-governmental Organisation (NGO)
- EU citizen
- Non-EU citizen
- Public authority
- Trade union
- Other

* First name

Alex

* Last name

van Gelderen

* E-mail address

a.vangelderen@etrma.org

Organisation name (if relevant)

ETRMA

Role in the organisation (if relevant)

Transparency Register number of organsiation (if relevant)

6025320863-10

What size is your organisation? (if relevant)

- 1 to 9 employees
- 10 to 49 employees
- 50 to 249 employees
- 250+ employees

*What country are you based in?

Belgium

*Where does your organisation primarily carry out its activities? (if relevant)

- Global
- Europe
- Asia
- Africa
- North America
- South America
- Oceania

What type is your organisation? (if relevant)

- Financial undertaking
- Non-financial undertaking
- I agree with the personal data protection provisions.

2. Feedback

*Would you like to comment on an existing activity or recommend a new activity for the EU Taxonomy?

- Comment on an existing activity
- Recommend a new activity

2.1. Commenting on existing activities already included in the EU Taxonomy

* Which activity would you like to comment on?

Please use the following format: Objective, section number, name of the activity *Example: Mitigation, 1.1, Afforestation*

6.3 Urban and suburban transport, road passenger transport

* Which aspect of the activity would you like to comment on?

- Scope/ description
- Substantial Contribution criteria
- Do No Significant Harm (DNSH) criteria

Description

* Does your comment on the scope/ description of the activity concern:

- Scope of the activity, e.g. does the activity cover all necessary elements?
- Clarity of the description, e.g. is the description clear enough to understand the activity?
- Granularity of the description, e.g. are enough details provided?

* Please provide an alternative suggestion for the description of the activity with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion (including links to published journal articles and technical documents).

3000 character(s) maximum

explanation and contribution are to the do no significant harm criteria

Substantial contribution

* Are there any key technical factors that are missing in the technical screening criteria for substantial contribution of this activity or whose ambition level needs to be adjusted?

- Yes
- No

* If yes, please identify the missing aspects together with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion
(s) (including links to published journal articles and technical documents).

3000 character(s) maximum

* Are there any key technical factors that need to be better defined in the technical screening criteria for substantial contribution of the activity?

- Yes
- No

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* If yes, please identify the terms that need to be better defined and suggest an alternative definition together with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion(s) (including links to published journal articles and technical documents).

3000 character(s) maximum

* Do you have concerns with respect to the ability to comply and/or implement (e.g. technical feasibility) the technical screening criteria for substantial contribution of the activity?

Yes, I have concerns on the ability to comply with the criteria

- Yes, I have concerns on the ability to implement the criteria
- 🔽 No

* If yes, please identify your concern(s) together with a brief scientific/technical explanation and rationale, as well as supporting evidence (including links to published journal articles and technical documents).

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Are there any other aspects you would like to raise (e.g. regarding potential links of the substantial contribution criteria of this activity with the substantial contribution criteria of another activity included in the Taxonomy)?

- Yes
- No

* If yes, please specify together with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion(s) (including links to published journal articles and technical documents).

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Do No Significant Harm (DNSH)

Do you consider that the DNSH criteria ensure that no significant harm occurs to the objective?

	Yes	No
 Climate change mitigation 		۲
* Climate change adaptation		۲
* Sustainable use and protection of water and marine resources		۲
* Transition to a circular economy		۲
* Pollution prevention and control	0	۲
* Protection and restoration of biodiversity and ecosystems	۲	۲

* For those DNSH criteria where you indicated "no", please specify what is missing from the criteria or what should be the performance limit level.

3000 character(s) maximum

ETRMA proposes the following change to the definition of the activity:

6.3. Urban and suburban transport, road passenger transport

For road vehicles of categories M, tyres comply with external rolling noise requirements in the highest populated class and with Rolling Resistance Coefficient (influencing the vehicle energy efficiency) in the two highest populated classes for the specific tyre size and tyre application , as set out in Regulation (EU) 2020 /740 of the European Parliament and of the Council (231) and as can be verified from the European Product Registry for Energy Labelling (EPREL). Where applicable, vehicles comply with the requirements of

the most recent applicable stage of the Euro VI heavy duty emission type- approval set out in accordance with Regulation (EC) No 595/2009. On vehicles belonging to categories M2, M3 retreaded tyres shall be utilized when feasible.

* Please provide a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion(s) (including links to published journal articles and technical documents).

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Retreading consists of replacing the tread on worn tyres, preserving the structure of the tyre, called the casing, and reintroducing it into the distribution circuit of tyres. For tyres that are designed to be retreaded, it is possible to replace the tread with a new one while preserving the casing and avoid it being discarded. Retreading optimizes the use of raw materials and energy for production, while also reducing waste. What is more, certain tyre types and tyre carcasses are suitable for multiple retreading activities, i.e. several life extensions resulting in several additional hundreds of thousands km with the same carcass.

To exemplify these benefits, it is estimated in a study performed by EY on the socio-economic impact of truck tyre retreading in Europe (the EY report is attached to this consultation) that the production of a retreaded truck tyre uses 70% less new material and 80% less energy than manufacturing a new truck tyre. Further compared to a non-retreaded truck tyre, a retreaded one depending on the size and application could enable savings of about 70% natural resource extraction (ore, oil...), mainly because of the avoided consumption of steel casings, 29% land use, 24% CO2 emissions and 21% air pollution, as measured by particulate matter emissions[1]. Retreading a heavy duty vehicle tyre reduces approximately 160 kg of waste for each tyre retreaded twice and saves 104 kg raw materials, all whilst achieving CO2 savings.

At this stage it is not possible to implement provisions linked to environmental criteria (rolling resistance, noise) for retreaded tyres as no such provisions have been developed and implemented yet. However, once such provisions are available and in force, they should be included in the technical screening criteria. The Tyre Industry has continuously supported the development of a tyre label for retreaded tyres[2].

[1] EY report: the Socio Economic impact of truck tyre retreading in Europe, based on the results of the Life Cycle Assessment study: Comparison of Environmental Impacts different truck tyres scenarios conducted by Group Michelin in February 2016, certified ISO 14040:2006 and ISO 14044:2006 by Quantis. https://www.etrma.org/key-topics/circular-economy/

[2] ETRMA/ETRTO/BIPAVER proposal for EU labeling for retreaded commercial vehicle tyres (C3 tyres)E- (https://www.etrma.org/wp-content/uploads/2023/02/ETRTO-ETRMA-BIPAVER-proposal-for-Retread-labeling-_C3-tyres.pdf)

* Do you have concerns with respect to the ability to comply with and/or implement (e.g. technical feasibility) the technical screening criteria for DNSH of the activity?

- Yes, I have concerns on the ability to comply with the criteria
- Yes, I have concerns on the ability to implement the criteria
- No

If yes, please identify your concern(s) together with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion(s) (including links to published journal articles and technical documents).

3000 character(s) maximum

Are there any other aspects you would like to raise (e.g. regarding potential links of the DNSH criteria of this activity with the DNSH criteria of another activity included in the Taxonomy)?

Yes

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No

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* If yes, please specify together with a brief scientific/technical explanation and rationale, as well as supporting evidence for your suggestion(s) (including links to published journal articles and technical documents).

Supporting information

Please include any links to websites containing scientific evidence to support your justification(s).

3000 character(s) maximum

https://www.etrma.org/wp-content/uploads/2019/09/201611-ey_retreading_lr.pdf

Please upload any attachments to scientific evidence to support your justification(s).

The maximum file size is 1 MB. You can upload several files. Please include any additional information that you would like to share.

3000 character(s) maximum

Useful links

EU Taxonomy Regulation (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020R0852)

Climate Delegated Act (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R2139)

Taxonomy Compass (https://ec.europa.eu/sustainable-finance-taxonomy/)

JRC report on substantial contribution to climate change mitigation (https://publications.jrc.ec.europa.eu/repositor /handle/JRC123355)

JRC report on substantial contribution for environmental objectives 3-6 (https://publications.jrc.ec.europa.eu /repository/handle/JRC126045)

<u>TEG Taxonomy Report: Technical Annex (https://ec.europa.eu/info/files/200309-sustainable-finance-teg-green-bond-standard-usability-guide_en)</u>

Platform on Sustainable Finance (https://ec.europa.eu/info/business-economy-euro/banking-and-finance /sustainable-finance/overview-sustainable-finance/platform-sustainable-finance_en)

Specific privacy statement (https://finance.ec.europa.eu/document/download/a1c9a7a5-33a2-4501-a93d-ed52063c2cf2_en?filename=taxonomy-stakeholder-mechanism-specific-privacy-statement_en.pdf)

Contact

Contact Form