

**Question for written answer E-003966/2025
to the Commission**

Rule 144

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Subject: Review of the EU Taxonomy Regulation

The EU Taxonomy Regulation was presented as a science-based framework to steer capital towards sustainable investment. In practice, however, it has become a symbol of regulatory overreach – complex, rigid and increasingly detached from economic reality.

The Commission's latest 'simplification' efforts merely lower thresholds and remove rules that have proven unworkable, without addressing the fundamental problems: an inflexible and centralised framework that distorts investment rather than enabling it. Further, the 'do no significant harm' principle still represents impenetrable bureaucracy for companies, especially small and medium-sized enterprises, while offering no measurable environmental benefit.

Meanwhile, Europe's competitiveness is deteriorating. Capital flows abroad, innovation is slowing down, and industries essential for the green transition – including nuclear, transitional fuels and key manufacturing sectors – face discrimination. Such prescriptive frameworks risk accelerating Europe's de-industrialisation rather than supporting its transformation.

In the light of the above, does the Commission acknowledge that piecemeal simplification is insufficient, and that a comprehensive review of the Taxonomy Regulation is needed to replace the current top-down model with a simpler, technology-neutral and evidence-based framework that genuinely supports competitiveness, investment and innovation? If not, why not?

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