

(English version)

**Question for written answer E-000151/25
to the Commission
Auke Zijlstra (Pfe)
(15 January 2025)**

Subject: EIB criticises green reporting rules under Taxonomy Regulation

According to a confidential email from Jean-Christophe Laloux, EIB head of Operations, the EIB's reputation would be severely at risk if the European taxonomy rules were to come into force this year ⁽¹⁾. The new European classification would mean that the bulk of investments that the EIB itself currently classifies as green could no longer qualify as green. This would cause the bank's 'green asset ratio' to nosedive from 50% to 1%. Laloux suggests delaying the deadline for complying with green reporting rules and telling the Commission exactly what needs to be changed in the taxonomy rules. Furthermore, the EIB expresses concern about the reporting burden placed on SMEs in general.

1. Does the Commission share Mr Laloux's concern that the taxonomy rules pose a high risk of reputational damage to investment banks, specifically due to the EU's more stringent calculation of the 'green asset ratio' compared to the method used by the banks themselves?
2. Does the Commission intend to delay and/or adjust the deadline for compliance with the green reporting rules ensuing from the Taxonomy Regulation?
3. How high does the Commission estimate the costs for banks and SMEs to be of compliance with the reporting rules under the Taxonomy Regulation?

Submitted: 15.1.2025

**Answer given by Ms Albuquerque on behalf of the European Commission
(24 April 2025)**

It is a key priority for the Commission to simplify rules and reduce the reporting burdens for undertakings, including financial institutions financial institutions.

On 26 February 2025, the Commission presented an omnibus package ⁽¹⁾ aiming at simplification in relation to sustainability reporting.

The omnibus proposals delay by two years the reporting for companies that should have done so in 2026 or later and introduce a reduction in the scope of reporting under the Corporate Sustainability Reporting Directive (CSRD) ⁽²⁾ to large companies ⁽³⁾ with more than 1000 employees.

This entails a change of scope of reporting under Taxonomy regulation ⁽⁴⁾, which is aligned with the CSRD. In addition, the proposal will make Taxonomy reporting voluntary for companies in scope with a turnover below EUR 450 million.

In parallel, the Commission also published for public feedback proposed changes to the Taxonomy Disclosures Delegated Act ⁽⁵⁾ significantly simplifying reporting requirements and introducing materiality thresholds, and changes to Climate and Environmental Delegated Acts ⁽⁶⁾.

As regards the green asset ratio, it is proposed to allow financial institutions to exclude from the indicators' denominators the exposures that relate to undertakings with less than 1000 employees, which will not be obliged to report on EU Taxonomy information as per the Omnibus proposal.

¹ <https://www.ft.com/content/12399810-a782-465b-8378-5099252306a5?emailId=8b769362-3acd-4d2f-8cd4-cd7233607dfd&segmentId=22011ee7-896a-8c4c-22a0-7603348b7f22>.

⁽¹⁾ https://commission.europa.eu/publications/omnibus-i_en

⁽²⁾ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting, OJ L 322, 16.12.2022, p. 15.

⁽³⁾ Large companies are defined in the Accounting Directive as companies that exceed at least two of the three following criteria: balance sheet of EUR 25 million, turnover of EUR 50 million and 250 employees.

⁽⁴⁾ 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.

⁽⁵⁾ 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.

⁽⁶⁾ 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) and 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).

In addition, the Omnibus package will protect companies out of the scope of the requirements, including SMEs, from excessive sustainability information requests that they receive when they are included in the value chains of larger companies or from financial institutions (trickle-down effect).
