

# PRI CONSULTATION RESPONSE

**EU Taxonomy – Review of Climate and  
Environmental Delegated Acts**

**5 December 2025**

An investor initiative in partnership with  
UNEP Finance Initiative and UN Global Compact



**United Nations**  
Global Compact



# About this consultation

The European Commission has launched a four-week [call for evidence](#) ahead of its upcoming review of EU Taxonomy technical screening criteria. The review will aim to make targeted amendments to clarify the criteria, improve definitions, remove disproportionate requirements, and improve consistency with recent legislation.

The PRI is the leading organisation in advancing responsible investment globally. Set up with United Nations' support, our unique community contributes to stable financial markets and a more prosperous world for all. We bring together signatories, amplify their voices and provide resources and guidance for complex sustainability challenges. The six Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

The PRI develops policy analysis and recommendations based on signatory views and evidence-based policy research. The PRI welcomes the opportunity to respond to the European Commission's call for feedback on the EU Taxonomy Climate and Environmental Delegated Acts.

For more information, contact:

Ben Leblique

Senior Policy Specialist EU

[ben.leblique@unpri.org](mailto:ben.leblique@unpri.org)

Elise Attal

Head of Europe Policy

[elise.attal@unpri.org](mailto:elise.attal@unpri.org)

This document is provided for information only. It should not be construed as advice, nor relied upon. PRI Association is not responsible for any decision or action taken based on this document or for any loss or damage arising from such decision or action. All information is provided "as-is" with no guarantee of completeness, accuracy or timeliness and without warranty of any kind, expressed or implied. PRI Association is not responsible for and does not endorse third-party content, websites or resources included or referenced herein. The inclusion of examples or case studies does not constitute an endorsement by PRI Association or PRI signatories. Except where stated otherwise, the opinions, recommendations and findings expressed are those of PRI Association alone and do not necessarily represent the views of the contributors or PRI signatories (individually or as a whole). It should not be inferred that any third party referenced endorses or agrees with the contents hereof. PRI Association is committed to compliance with all applicable laws and does not seek, require or endorse individual or collective decision-making or action that is not in compliance with those laws.

The Global Policy Reference Group (GPRG) was consulted for this response. It is largely based on previous PRI positions.

While the policy recommendations herein have been developed to be globally applicable, the PRI recognises that the way in which policy reforms are implemented may vary by jurisdiction and according to local circumstances. Similarly, the PRI recognises that there may be circumstances where there are merits to allowing market-led initiatives to precede regulatory requirements.

Copyright © PRI Association 2025. All rights reserved. This content may not be reproduced, or used for any other purpose, without the prior written consent of PRI Association.



## Key recommendations

The EU Taxonomy helps investors channel capital towards sustainable activities by providing a common language to guide such investments<sup>1</sup>. In 2024, over half of EU-based asset owner PRI signatories reported using the EU Taxonomy to identify sustainability outcomes connected to their investments<sup>2</sup>. Results from the first years of Taxonomy reporting also show encouraging trends – in 2023, companies spent €250 billion of their capital expenditure on taxonomy-aligned activities, up 34% from the previous year<sup>3</sup>.

Yet implementation has uncovered some clear usability issues for preparers, including consistency with other policies (especially SFDR), difficulties in interpreting certain DNSH criteria, complex reporting templates, methodological issues with the financial sector KPIs, and a lack of clarity on the use of estimates.

**The PRI welcomes the European Commission's efforts to make the EU Taxonomy more workable for investors and the wider market.** The upcoming revision of the Climate and Environmental Delegated Acts are a timely opportunity to improve the usability of the technical criteria, based on evidence and [experience of implementation](#).

The PRI's key recommendations are:

- **Ensure the revision is evidence-based**
  - The review should not undermine the basic purpose of the Taxonomy - to help investors to identify, report on and ultimately finance activities with sustainable levels of environmental performance. To remain a credible and valuable tool to investors, the revised criteria must be **based on the best available scientific evidence**, as required by the Taxonomy Regulation.
  - [The recent proposals of the Platform on Sustainable Finance \(PSF\)](#) should be used as a basis for the revised criteria for the climate delegated act, given they integrate previous usability guidance and the latest scientific results and technologies available in the market. Any fundamental changes to the recommendations of the PSF<sup>4</sup> should be justified based on transparent [evidence](#). The revisions should also draw on market feedback received via the [Stakeholder Request Mechanism](#), focusing on user evidence.
- **Promote interoperability of criteria with other taxonomies**
  - With 47 sustainable finance taxonomies issued around the world and 16 under development<sup>5</sup>, interoperability has become a key issue for investors with global portfolios. The [Principles for Taxonomy Interoperability](#) and [Sustainable Taxonomy Mapper](#), launched by PRI and other global partners at COP30, provide a sound basis for enhancing the international usability of the EU Taxonomy.
  - Market feedback often points to the difficulty of applying DNSH criteria when they contain references to EU legislation and certification schemes. Where feasible, explicitly spelling out the criteria or referring instead to international standards would help improve usability and interoperability with other taxonomies.

**Commented [EA1]:** Where do we stand also in terms of market feedbacks ? Is the stakeholder mechanism feedback still open and how could this be strengthened, so EC builds from both scientific evidence but also market ?

**Commented [NF2R1]:** Agree this point should be complemented by an investor feedback point or user evidence of some kind.

**Commented [MP3]:** What are we basing this on? Can we say, PSF should be used as it reflects the broadest consensus, or as it builds on XXX...

There must be a clear reason stated here.

**Commented [BL4R3]:** Good point - addressed now in the text

<sup>1</sup> When assessed in the context of a transition plan, capex alignment with the EU Taxonomy can be a useful indicator of the credibility of a company's transition efforts, particularly in sectors with high eligibility like utilities, transport and real estate. See [Platform on Sustainable Finance, Building trust in transition: core elements for assessing corporate transition plans](#) (2025)

<sup>2</sup> PRI 2024 Reporting & Assessment Framework - 50.6% of 168 EU-based asset owners responded, "EU Taxonomy" to the question "Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?" (PGS 47.1). See PRI (2025) [Global responsible investment trends 2025: inside PRI reporting data](#)

<sup>3</sup> Platform on Sustainable Finance (2025) [Platform response to the draft taxonomy delegated act consultation](#)

<sup>4</sup> Or the Technical Expert Group (TEG) that developed the original technical criteria for the Taxonomy Delegated Regulation (DR).

<sup>5</sup> [SBFN – Roadmap for Advancing Interoperability and Comparability of Sustainable Finance Taxonomies](#) (2024)



- **Focus the review on the usability of DNSH criteria**
  - [Evidence from implementation](#) suggests that most usability issues lie within the DNSH criteria. Usability improvements should be based on a comprehensive, in-depth analysis of implementation issues across the DNSH criteria of all Delegated Acts undertaken by the next EU Platform on Sustainable Finance.
- **Support capacity building across key economic sectors**
  - Without capacity building measures, the revision of criteria will not be sufficient to facilitate adoption of the EU Taxonomy across key economic sectors. The Commission has already developed [helpful online tools](#) to support market implementation, but more should be done (e.g. workshops, SME support programmes, etc) to disseminate these in sectoral working groups and explain how to apply the criteria in practical terms – building on the sectoral recommendations of the PSF<sup>6</sup>.

**Commented [EA5]:** Do we need to add a point on use of estimates ? Or this is now kind of resolved ?

**Commented [MP6]:** If possible can you reference previous positions here?

**Commented [BL7R6]:** Added

*The PRI has experience of contributing to public policy on sustainable finance and responsible investment across multiple markets and stands ready to support the work of the European Commission further to enhance the usability of the EU Taxonomy.*

PRI EU Transparency Register: 612289519524-31

Please send any questions or comments to [policy@unpri.org](mailto:policy@unpri.org).

More information on [www.unpri.org](http://www.unpri.org)

---

<sup>6</sup> [Platform on Sustainable Finance – A Compendium of Market Practices \(2024\)](#)