## Oxford Climate Policy Monitor 2024 Survey

Jurisdiction	European Union

**Law firm** De Brauw Blackstone Westbroek

Authors

Davine Roessingh (Lead), Hylke ten

Bruggencate, Lisa Langendijk, Youri Pluis,
Astrid Meijerink



The Oxford Climate Policy Monitor is a project by the Oxford Climate Policy Hub Visit <a href="https://climatepolicymonitor.ox.ac.uk/">https://climatepolicymonitor.ox.ac.uk/</a> for complete and up-to-date information

## Legal disclaimer

The content of the 2024 Climate Policy Monitor represents insights as at August 2024. While we endeavour to ensure that the information contained in the 2024 Climate Policy Monitor and on this website is accurate as at August 2024, policy and regulation may have changed since this time and the contributors to the 2024 Climate Policy Monitor do not assume any obligations or responsibility for updating or monitoring any such changes or for ensuring that the contents of the 2024 Climate Policy Monitor or this website is complete, accurate or up to date, or that the 2024 Climate Policy Monitor, the website or its content will remain accessible.

The Climate Policy Monitor is provided as a resource for research and policy information only. Because it is provided for information only, none of the authors of or contributors to this Climate Policy Monitor makes any representation as to its relevance to or completeness for any given situation. It does not constitute legal or other professional advice or seek to be an exhaustive statement of the law and is not intended to be, and should not be, relied on. Contributors to the Climate Policy Monitor are not liable for any direct, indirect or consequential loss or damage (howsoever caused) incurred by any person relating to the use of, inability to use, or reliance on the 2024 Climate Policy Monitor or this website or in connection with the data and/or insights provided.

The terms of use of and all issues regarding the 2024 Climate Policy Monitor and this website are governed by English law and all disputes shall be determined exclusively by the English Courts.

## Table of Contents

Policy Tool Name: Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds
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
February 2024 on fluorinated greenhouse gases, amending Directive (EU) 2019/1937 and repealing Regulation (EU) No 517/201495
Policy Tool Name: Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU
Policy Tool Name: Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of greenhouse gas emissions from maritime transport, and amending Directive 2009/16/EC
Policy Tool Name: 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) 2019/2088148
Policy Tool Name: Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC
Policy Tool Name: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector192
Policy Tool Name: Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system

Policy Tool Name: Regulation (EU) 2023/956 of the European Parliament and of the Cou	ncil of 10
May 2023 establishing a carbon border adjustment mechanism (CBAM)	238
Policy Tool Name: Commission Implementing Regulation (EU) 2023/2441 of 31 October 2	2023
laying down rules for the application of Directive 2003/87/EC of the European Parliamen	nt and of
the Council as regards the content and format of climate-neutrality plans needed for gro	anting free
allocation of emission allowances	256
Policy Tool Name: Directive (EU) 2023/1791 of the European Parliament and of the Coun	icil of 13
September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast)	278

Policy Tool Name: Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859

	Source material link(s): https://web.archive.org/web/20240718095630/https:/eur- c.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32024L1760&qid=1721296356902
4.	Which of the following governance domains does this policy tool relate to? Select all that apply.
<b>V</b>	Climate-related disclosure
<b>V</b>	Transition planning
	Public procurement
5.	If relevant, briefly explain how the policy tool applies or is linked to multiple domains.
<u>Th</u>	e CSDDD contains both requirements relating to disclosure and transition planning.
6.	Select the category which best describes the author/issuer of the policy tool.
	Head of state and/or government
	Independent regulatory or supervisory body
<b>~</b>	Legislature
	Judiciary
	Ministry/Department/Agency
	Other (Please describe)
7.	Status of the policy tool
o <i>F</i>	Approved, in force
0 /	Approved, not yet in force

• Other (Please describe) <u>Approved and in force, but to be transposed into national laws</u>

9. Year of (planned) entry into force or year of publication
<u>2026</u>
10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the
recommendations of the Task Force for Climate Related Financial Disclosure or to explain the
absence of such disclosures.
Con Desited 16 for the everall aim and resited 72 of the CCDDD for the goal of the CTD obligation. This
See Recital 16 for the overall aim and recital 73 of the CSDDD for the goal of the CTP obligation: This Directive is an important legislative tool to ensure corporate transition to a sustainable economy.
including to reduce the existential harms and costs of climate change, to ensure alignment with
'global net zero' by 2050, to avoid any misleading claims regarding such alignment and to stop
greenwashing, disinformation and fossil fuels expansion worldwide in order to achieve international
and European climate objectives. In order to ensure that this
<u>Directive effectively contributes to combating climate change, companies should adopt and put into</u>
effect a transition plan for climate change mitigation which aims to ensure, through best efforts, that

14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.

the business model and strategy of the company are compatible with the transition to a sustainable economy and with the limiting of global warming to 1,5 oC in line with the Paris Agreement and the objective of achieving climate neutrality as established in Regulation (EU) 2021/1119, including its

intermediate and 2050 climate neutrality targets.

• 1. Member States will designate an authority to supervise and enforce the rules, including through injunctive orders and effective, proportionate and dissuasive penalties (in particular fines)

● 2. At European level, the Commission will set up a European Network of Supervisory Authorities
that will bring together representatives of the national bodies to ensure a coordinated approach.
o <b>3</b> .
o <b>4</b> .
○ 5.
20. To provide contextual information, rate the capacity of Member States will designate an authority to supervise and enforce the rules, including through injunctive orders and effective, proportionate and dissuasive penalties (in particular fines) to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
21. To provide contextual information, rate the capacity of At European level, the Commission will set up a European Network of Supervisory Authorities that will bring together representatives of the national bodies to ensure a coordinated approach. to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
Not Applicable

\_\_\_\_\_\_

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	<b>V</b>		
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			<b>✓</b>
sized enterprises			
5. State-owned			<b>✓</b>
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)			
8. Government	<b>✓</b>		
agencies and/or			
departments (national)			
9. Government			<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)	_		
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			<b>✓</b>

\_\_\_\_\_

## 27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publicly-traded entities	Private companies	Financial institutions	Government agencies and/or departments (national)
Minimum number of employees (Enter min number of full- time employees - FTEs)	EU companies: 1,000	EU companies: 1,000	EU companies: 1,000	
Minimum revenue (Enter minimum revenue)	EU companies: EUR 450 million net worldwide turnover. Non-EU companies: EUR 450 million net turnover in EU	EU companies: EUR 450 million net worldwide turnover. Non-EU companies: EUR 450 million net turnover in EU	EU companies: EUR 450 million net worldwide turnover. Non-EU companies: EUR 450 million net turnover in EU	
Minimum assets (Enter minimum assets)				
Minimum contract value (Enter minimum contract value)	EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over €80 million in the last financial year. Non-EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over	EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over €80 million in the last financial year. Non-EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over	EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over €80 million in the last financial year. Non-EU companies which have franchising or licensing agreements in the EU in return for royalties with more than €22.5 million generated by royalties in the EU and have a net worldwide turnover of over	

	€80 million in the year preceeding the last financial year.	€80 million in the year preceeding the last financial year.	€80 million in the year preceeding the last financial year.	
Entity is headquartered in the jurisdiction				
Entities are subjected to disclosure or reporting requirements	The CSDDD will only apply to those EU and non-EU companies which satisfy the relevant criteria above for two consecutive financial year.	The CSDDD will only apply to those EU and non-EU companies which satisfy the relevant criteria above for two consecutive financial year	The CSDDD will only apply to those EU and non-EU companies which satisfy the relevant criteria above for two consecutive financial year. Financial services provided in the context of relationships with clients are excluded from its material scope, but financial undertakings should adopt a climate transition plan.	Obligation for Member States

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g.

No		
o Yes		

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- o Operations within jurisdiction only
- Operations beyond the jurisdiction
- o Not applicable

comply or explain)?

31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
Article 2 CSDDD: The CSDDD applies to EU companies with a net worldwide turnover of above EUR 450 million and to non-EU companies with a net turnover within the EU of above EUR 450 million.
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
✓ Monetary fine
Restriction on business activities <u>Injunctions</u> , i.e. orders to cease or adapt certain conduct
☐ Voiding or setting aside of contract
Exclusion from government contracts <u>Article 31 of the CSDDD provides that non-compliance with</u> the obligations under the directive may be taken into account as criterium in concession contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other For governments: Implementation obligation is for Member States. Article 258 TFEU applies.
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer

34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Businesses will have to bear:
- The costs of establishing and operating the due diligence process and preparing the climate
transition plans.  - Transition costs, including expenditure and investments to adapt a company's own operations and value chains to comply with the CTP obligation, if needed.  - the formulation and adaptation of a CTP will likely require one off costs at inception for advisory services and will require adaptation to evolving views and science.
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
We see clients/legal entities having significant focus on this, also due to the ambiguity of the CTP obligation. There is, in addition, a lot of media coverage on the CTP obligation.
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) not in force yet
∘ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Implementation: article 258 TFEU. Enforcement: article 24 and 28 CSDDD.
41. Does the policy tool recommend or require periodic impact assessments?
○ No
○ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
○ 5-10 years
o 10 or more years
○ Not specified
○ Other
43. Does the policy tool recommend or require periodic reviews?

∘ No
○ Recommended
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
● Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
Article 28(1) CSDDD: The Commission shall set up a European Network of Supervisory Authorities, composed of representatives of the supervisory authorities. The European Network of Supervisory Authorities shall facilitate the cooperation of the supervisory authorities and the coordination and alignment of regulatory, investigative, sanctioning and supervisory practices of the supervisory authorities and, as appropriate, the sharing of information among them.

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Article 19 CSDDD: Practical guidance on the transition plan as referred to in Article 22 of the CSDDD shall be made available by 26 July 2027.

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or rec	uired to disclose an	y of the following	climate-related
information? Select all that apply.			

	Recommended	Required	Neither recommended
1. Greenhouse gas	<b>✓</b>		nor required
(GHG) emissions			
2. GHG emissions			
offsets or removals			
3. GHG emissions	$\checkmark$		
reduction targets			<del></del>
4. Other climate-	$\checkmark$		
related targets 5. Physical climate risk			
6. Transition risk			
7. Transition plan			
7. Hunsidon plan			
54. Which GHG emissions	s must be disclosed? S	Select all that apply.	
□ Carbon dioxide (CO2)			
□ Methane (CH4)			
□ Nitrous oxide (N2O)			
□ Hydrofluorocarbons (HFCs)			
□ Perfluorocarbons (PFCs)			
□ Sulphur hexafluoride (S	SF6)		
□ Nitrogen trifluoride (NF	3)		
□ Carbon dioxide equival	ent (CO2e)		
55. Are entities recomme	nded or required to dis	sclose gross emissions	?
<ul><li>No</li></ul>	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
● No
∘ Recommended
○ Required
57. What Scope of emissions must be disclosed? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No
∘ Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

Although we've listed that disclosures on these elements are 'recommended', none of the specific
elements are recommended or required explicitly in the CSDDD provision. However, the CTP
obligation does list that a transition plan shall include time-bound targets related to climate change
for 2030 and in five-year steps up to 2050 based on conclusive scientific evidence and, where
appropriate, absolute emission reduction targets for greenhouse gas for scope 1, scope 2 and scope
3 greenhouse gas emissions for each significant category;
Disclosure of Greenhouse Gas (GHG) Offsets or Removals
62. Does the policy tool recommend or require offsetting purchases be disclosed?
No     No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
a Dequired (Plages describe and reference the relevant section/subsection/paragraph of the policy
<ul> <li>Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)</li> </ul>
tooly
63. Does the policy tool recommend or require entities disclose whether offsets are verified?
● No
a December ded (Diago describe and reference the relevant section/subsection/nargaranh of the
<ul> <li>Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)</li> </ul>
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?
No     No
o Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)

Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
No
65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

67. Which of the following targets, or data related to targets, does the policy tool request entiti	es
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended nor required
An absolute emissions reduction target	$\checkmark$		
An intensity-based emissions reduction target			$\checkmark$
A net zero target			$\checkmark$
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target	$\checkmark$		
A target derived using a sectoral decarbonization approach			
Interim targets			
A target timeframe (e.g. by 2040)	$\checkmark$		
A baseline year from which progress is measured			
A level of ambition for emissions reductions (e.g. 80% reduction)	<b>&gt;</b>		
68. Does the policy tool re emissions reductions targ	· · · · · · · · · · · · · · · · · · ·	itities to disclose their prog	ress in achieving their
o No			

68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?
o No
Recommended
Required

- 69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?
- Yearly
- o Every two years
- o Every three years

o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
70. Does the policy tool recommend or require a scope of emissions which should be covered by the absolute emissions reduction target? Select all that apply.
Scope 1 emissions
Scope 2 emissions
Scope 3 emissions (relevant or material)
☐ Scope 3 emissions (a specified proportion of coverage)
☐ Scope 3 emissions (all)
□ Not specified
77. What is the recommended or required level of ambition for interim targets?
o Reduction between 1-25%
o Reduction between 26-50%
o Reduction between 51-75%
o Reduction of over 75%
o Other
None specified
78. What are the recommended or required years for interim targets?
o 2025-2030
o 2031-2040

o 2041-2050
Other <u>five year steps from 2030 onwards</u>
○ None specified
79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
○ Other
○ None specified
90. What is the recommended or required baseline year from which progress is to be measured?
80. What is the recommended or required baseline year from which progress is to be measured?  • 1990-2000
○ 2001-2005
o 2006-2010
o 2011-2015
○ 2016-2020
Other none specified
81. Are entities recommended or required to disclose the methodologies by which they select baseline years?
No     No
○ Recommended

<ul><li>Required</li></ul>
82. What is the recommended or required level of ambition for GHG emissions reductions targets?
o Reduction between 1-25%
o Reduction between 26-50%
o Reduction between 51-75%
o Reduction between 75-85%
o Reduction between 85-100%
Reduction of more than 100%
● Other <u>none specified</u>
Disclosure of other climate-related targets
84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.
☐ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)
☐ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)
☐ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation)
□ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)
$\Box$ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)
Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets) the CTP obligation provides that ' time bound targets related to climate change' should be set, but it is not further specified which.

Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
o Not specified
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No     No
○ Recommended
o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
○ No
○ Recommended
Required

101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
o Yearly
o Every two years
o Every three years
o Every four years
Every five years
o Every ten years or more
<ul> <li>Other <u>Unless companies are subject to the Corporate Sustainability Reporting Directive (CSRD), companies should report on the matters covered by the CSDDD by publishing on their website an annual statement.</u></li> <li>No prescribed frequency</li> </ul>
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
○ No
○ Recommended
Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
No     No
∘ Recommended
o Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ ✓
opportunities  2. Remuneration			<b>✓</b>
based on achieving			
climate-related goals			
3. Taxonomies			<b>✓</b>
4. Capital allocation			<b>✓</b>
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			
6. Assumptions and			✓
Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial			$\checkmark$
implications of			
climate-related			
matters (e.g., integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			<b>✓</b>
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			$\checkmark$
methodologies and criteria (in the case of			
service providers)			
11. Asset planning or			<b>✓</b>
ownership in the			
context of climate			
change			
12. Sectoral			✓
investment policies			
13. Climate-related			<b>₹</b>
lobbying and/or policy			
engagement			
14. Locked-in			$\checkmark$
emissions or			
information on			

emissive assets with				
long lifespans				
15. Dirty asset				
divestiture				
16. Nature-related				
impacts				
17. Just transition				
indicators				
110. Describe and referential diligence disclosures.  On the basis of article 16 covered by the CSDDD by the CSDDD is the identification bringing to an end, minimenvironmental impacts coand of their business part	CSDDD Member States s y publishing on their webs cation, and where necessor isation and remediation or onnected with companies'	hall ensure that companients ite an annual statement. ary, prioritisation, preventifactual or potential adve	es report on the matters One of the main topics of on and mitigation, rse human rights and	
Standards, Frameworks, and Guidelines				

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			$\checkmark$
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

------

31

policy tool. Please provide a web-archived link to each standard/framework/guideline listed.
the CTP obligation provides that any targets, should they be set, should be set based on "conclusive
scientific evidence"
Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
○ Recommended
Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.

Article 15: Member States shall ensure that companies carry out periodic assessments of their own operations and measures, those of their subsidiaries and, where related to the chain of activities of the company, those of their business partners, to assess the implementation and to monitor the

<u>adequacy and effectiveness of the identification, prevention, mitigation, bringing to an end and</u>
minimisation of the extent of adverse impacts. Such assessments shall be based, where appropriate,
on qualitative and quantitative indicators and be carried out without undue delay after a significant
change occurs, but at least every 12 months and whenever there are reasonable grounds to believe
that new risks of the occurrence of those adverse impacts may arise. Where appropriate, the due
diligence policy, the adverse impacts identified and the appropriate measures that derived shall be
updated in accordance with the outcome of such assessments and with due consideration of relevan
information from stakeholders.
138. Does the policy tool recommend or require targeted entities to publicly report on progress in
achieving their targets?
○ No
○ Recommended
Required
139. What is the recommended or required frequency of progress reports related to the achievement
of targets?
Yearly
o Every two years
© Every three years
o Every four years
○ Every five years
○ Every ten years or more
○ Other
a Nie regenerijk od francuska
No prescribed frequency

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions	<b>✓</b>		
reduction target			
An intensity-based			$\checkmark$
emissions reduction			
target			
A net zero target			✓
Interim targets (e.g.			
2030, 2050)			
Targets covering non-			
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using			lacksquare
a sectoral			
decarbonization			
approach			<b>✓</b>
A level of ambition for emissions reductions			
(e.g. 80% reduction)  A baseline year from			<b>✓</b>
which progress is			
measured			
A target timeframe		<b>✓</b>	
(e.g. by 2040)			
Targets for renewable			
energy procurement			
Targets for fossil fuel			✓
phase down/phase up			
Separate targets for			<b>✓</b>
GHG offsets and/or			
removals			
Targets or goals			✓
related to climate			
adaptation			
Targets or goals			$\checkmark$
related to nature and			
biodiversity			
Other targets related			✓
to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.

Scope 1 emissions

Scope 2 emissions
☐ Scope 3 emissions, relevant or material
Scope 3 emissions, a specified proportion of coverage (Please describe) Scope 1, scope 2 and scope 3 for each significant category
□ Scope 3 emissions, all
□ Not specified
145. What is the recommended or required year for interim targets?
○ 2025-2030
○ 2031-2040
○ 2041-2050
• Other In five-year steps from 2030 to 2050
○ Not specified
146. What is the recommended or required level of ambition for interim targets?
○ Reduction between 1-25%
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction of over 76%
○ Other
Not specified
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045

<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
o Other
o Not specified
Transition Plans
1C4 Dans the maling tool was a second or was vive towards all outilities to have an absorber a toward ities where
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
○ No
o Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for transit	tion
plans? Select all that apply.	

	December	Did	N1-24		
	Recommended	Required	Neither recommended nor required		
A timeframe for the			Noi required		
transition plan (e.g. 10					
year plan, 20 year					
plan, etc.)					
Key Performance					
Indicators (KPIs) for					
monitoring transition					
plan implementation					
Updates to the					
transition plan					
Third-party			$\checkmark$		
verification and/or					
audited accuracy of					
the transition plan					
	<del> </del>	1	<b>✓</b>		
Identified methodology					
for scenario analysis					
168. Select the option that transition plans.	ıt best describes the reco	mmended or required frec	uency of updates to		
● 0-2 years					
o 2-5 years					
o 5-10 years					
o 10 or more years					
o Not specified					
o Other					
169. Describe the recomm section/subsection/parag		es to transition plans and	reference the relevant		
Article 22(3) CSDDD: The transition plan for climate change mitigation should be updated every 12 months.					

Monitoring, Oversight, and Implementation						

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No	
Monitor progress in				
implementing their				
transition plan				
Develop financial				
plans for the				
implementation of				
their transition plan		_		
Integrate climate-			<b>✓</b>	
related matters into				
their financial				
accounting Incorporate climate		<b>✓</b>		
change considerations				
into their investment				
decision making				
and/or asset planning				
Incorporate climate			<b>✓</b>	
change considerations				
into their capital				
allocation and/or				
expenditure plans				
Any other mechanisms				
for enhancing the				
achievement of				
targets and/or the				
implementation of				
transition plans				
177 Deceribe the chiliment	ion to monitor programa:	implementing transition	alana rafaranaina H	
177. Describe the obligation to monitor progress in implementing transition plans, referencing the				

relevant section/subsection/paragraph of the policy tool.

Article 22(3) CSDDD: The transition plan for climate change mitigation should be updated every 2	12
months and contain a description of the progress the company has made towards achieving the	
targets referred to in the transition plan.	

178. Describe the obligation to develop financial plans for the implementation of transition plans, referencing the section/subsection/paragraph of the policy tool.

Article 22(1)(c) CSDDD: the CTP shall contain an explanation and quantification of the investments and funding supporting the implementation of the transition plan for climate change mitigation

\_\_\_\_\_

180. Describe the obligation to incorporate climate change considerations into investment decision making and asset planning, referencing the relevant section/subsection/paragraph of the policy tool.

Recital 12 of the CSDDD prescribes that the CSDDD should be consistent with the communication of the Commission of 24 February 2021 on Forging a climate-resilient Europe presenting the Union Strategy on Adaptation to climate change, according to which new investment and policy decisions should be climate-informed and future-proof, including for larger businesses managing value chains. Similarly, there should be consistency with Directive (EU) 2024/1619 of the European Parliament and of the Council (6), which sets out clear requirements for banks' governance rules including knowledge about environmental, social and governance risks at board of directors level.

Article 10(1) and (2)(c) CSDDD: Companies should take appropriate measures to prevent, or where prevention is not possible or not immediately possible, adequately mitigate, potential adverse impacts that have been, or should have been, identified. In this regard, companies shall be required to make, where relevant, necessary financial or non-financial investments in, adjustments or upgrades of, for example, facilities, production or other operational processes and infrastructures.

Article 11(1) and (2)(c) CSDDD: Companies should take appropriate measures to bring actual adverse impacts that have been, or should have been, identified. In this regard, companies shall be required to make, where relevant, necessary financial or non-financial investments in, adjustments or upgrades of, for example, facilities, production or other operational processes and infrastructures.

In addition, it follows from article 22(1)(c) CSDDD prescribes that the CTP should include an explanation and quantification of the investments and funding supporting the implementation of the transition plan for climate change mitigation.

\_\_\_\_\_

182. Describe the obligations related to other governance mechanisms for enhancing the achievement of targets and/or implementation of transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

Article 15 CSDDD: Member States shall ensure that companies carry out periodic assessments of their own operations and measures, those of their subsidiaries and, where related to the chain of activities of the company, those of their business partners, to assess the implementation and to monitor the adequacy and effectiveness of the identification, prevention, mitigation, bringing to an end and minimisation of the extent of adverse impacts. Such assessments shall be based, where appropriate, on qualitative and quantitative indicators and be carried out without undue delay after a significant change occurs, but at least every 12 months and whenever there are reasonable grounds to believe that new risks of the occurrence of those adverse impacts may arise. Where appropriate, the due diligence policy, the adverse impacts identified and the appropriate measures that derived

shall be updated in accordance with the outcome of such assessments and with due consideration of
relevant information from stakeholders.
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No		
Value chain					
engagement					
Investor engagement			$\checkmark$		
Consumer					
engagement					
Policy engagement					
and lobbying practices					
Corporate governance					
structure for transition					
and verification					
Climate-related			lacksquare		
financial incentives for					
employees and board					
members					
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?					
No					
o Recommended					
o Required					
Standards, Frameworks, and Guidelines					

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced	
IFRS S1			$\checkmark$	
IFRS S2			<b>✓</b>	
Task Force on Climate-related Financial Disclosures (TCFD)				
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans				
International Integrated Reporting Framework				
Global Reporting Initiative (GRI)			<b>&gt;</b>	
Sustainability Accounting Standards Board (SASB)				
Science Based Targets initiative (SBTi)			<b>&gt;</b>	
Science Based Targets initiative (SBTi) Net Zero Standard				
European Sustainability Reporting Standards (ESRS)				
Other	<b>✓</b>			
195. List any other standards, frameworks or guidelines required by or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.  Article 22(1)(a) CSDDD: the CTP shall include time bound targets based on "conclusive scientific evidence"				

Additional Important Information


197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds

3. Source material link(s): https://web.archive.org/web/20240816152252/https://eurlex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02023R2631-20240109 /web/20240820091416/https://eur-lex.europa.eu/legal-content/EN/LSU/?uri=CELEX:32023R2631 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool.  $\square$  Head of state and/or government ☐ Independent regulatory or supervisory body Legislature ☐ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force o Other (Please describe) 9. Year of (planned) entry into force or year of publication

2024

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Green Bonds Regulation lays down uniform requirements for issuers who wish to use the designation 'European green bond' or 'EuGB'. Additionally, the Regulation establishes a registration and supervisory system for (mandatory) external reviewers of EuGBs. Furthermore, the Regulation provides for transparency requirements, disclosure templates (notably for pre-issuance disclosures), and allocation reports linked to EuGBs.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>ESMA</u>
● 2. <u>EU Commission</u>
∘ 3.
o 4.
o 5.
20. To provide contextual information, rate the capacity of ESMA to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

© 2- Medium Capacity (Please explain) <u>ESMA may request any information it needs from external reviewers and has the power to carry out on-site inspections, examine records, data, procedures and other material as well as interview individuals during investigations.</u>

In addition, ESMA may enforce the Green Bond Regulation though, among others, temporarily or permanently removing an external reviewer's rights, imposing fines and periodic penalty payments. It also maintains a publicly accessible register of external reviewers and will draft regulatory technical standards needed for the implementation of the regulation, among others on the standard forms, templates and procedures as well as the criteria for assessing the application for registration by an external review.

o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

- 21. To provide contextual information, rate the capacity of EU Commission to undertake the policy tool's implementation and/or enforcement.
- o 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain) The European Commission may adopt delegated acts to specify detailed requirements and procedures, for instance on the content, methodologies and presentation of information on post-issuance disclosures or the procedures for imposing fines or periodic penalty payments by ESMA. Additionally, the European Commission can make equivalence decisions regarding third-country frameworks. Furthermore, the European Commission is responsible for reviewing the Green Bonds Regulation's impact, consulting with ESMA and other stakeholders, and proposing legislative amendments as necessary, following its report on the implementation of the Green Bonds Regulation by 21 December 2028 and every 3 years thereafter. Lastly, by 21 December 2026, the European Commission shall publish a report on whether there is a need to regulate sustainability-linked bonds.
- o 3- High Capacity (Please explain)
- o Prefer not to answer
- o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded		$\checkmark$	
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			✓
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government		<b>✓</b>	
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government		$\checkmark$	
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

● No
o Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine <u>Administrative fines of at least twice the profits gained or losses avoided because of the infringement</u> (where those can be determined), EUR 500,000 or 0.5% of annual turnover for legal persons, and EUR 50,000 for natural persons.
Restriction on business activities An order prohibiting the natural or legal person responsible from issuing European Green Bonds for a period not exceeding one year.
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other Periodic penalty payments, public statements on the infringement.
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average

∘ Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
o Above average
o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) Although the Green Bond Regulation entered into force in November 2023, it will apply from 21 December 2024
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The Green Bond Regulation mandates that issuers undergo both pre-issuance (Article 10) and post-issuance reviews (Article 11) conducted by external reviewers who are registered with ESMA.

Pre-Issuance Review (Article 10): Before issuing a European Green Bond, issuers are required to complete a European Green Bond factsheet, as outlined in Annex I of the Regulation. The external reviewers assess whether Issuers' factsheets has been completed in accordance with the Regulation (Articles 4 to 8) and includes an evaluation of the alignment of the bond's use of proceeds with the taxonomy requirements set forth in Regulation (EU) 2020/852. The external reviewer must provide a positive opinion for the bond to proceed to issuance.

Post-Issuance Review (Article 11): After the issuance of the bond, issuers are required to draw up annual allocation reports until the full allocation of the bond proceeds and, where applicable, until the completion of any CapEx plans. These reports must demonstrate that the proceeds have been allocated in accordance with the Regulation's requirements. Each allocation report must then undergo a post-issuance review by an external reviewer. The review assesses whether the bond proceeds have been allocated as intended and in compliance with the European Green Bond factsheet and the Regulation.

External reviewers are subject to ESMA's and competent authorities' supervisory powers and are
required to employ appropriate systems, resources, and procedures to comply with their obligations
under the Regulation (Article 26), maintain a compliance function (Article 29) and keep records of
their activities (Article 34).
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
a December and ad
<ul> <li>Recommended</li> </ul>
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended
or required by the policy tool.
o 0-2 years
© 2-5 years
© 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
o Other

43. Does the policy tool recommend or require periodic reviews?
o No
∘ Recommended
<ul><li>Required</li></ul>
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
<ul><li>Yes</li></ul>

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
ESMA has been empowered to develop technical standards and guidelines specifying certain provisions. Multiple provisions refer to the ESMA's authority e.g. Article 15a(5), 23(6), 24(2), 26(3) etc.
/web/20240819164045/https://www.esma.europa.eu/sites/default/files/2024-03/ESMA84-
2037069784-2116_Consultation_Paper_on_European_Green_Bond_Regulation.pdf

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas			<b>V</b>
(GHG) emissions			<b>✓</b>
2. GHG emissions offsets or removals			
3. GHG emissions			<b>✓</b>
reduction targets			
4. Other climate-		<b>✓</b>	
related targets			
5. Physical climate risk			<b>✓</b>
6. Transition risk			<b>✓</b>
7. Transition plan		<u> </u>	
84. Which of the following	_	rgets does the policy tool	recommend or require
the policy tool relevant to  Targets for fossil fuel p	renewable energy procur	ease reference the section	
□ Targets or goals relate of the policy tool relevant		Please reference the section	on/subsection/paragraph
		ersity (Please reference the evant to nature and/or bio	
□ Targets or goals relate policy tool relevant to just	=	e reference the section/sub	osection/paragraph of the
other targets) Where the contained in Directive 20 must disclose the the ma	issuer is subject to an obl 13/34/EU), or where the is nner in which the bond pr	section/paragraph of the p igation to publish transition suer voluntarily publishes oceeds contribute to the index	on plans (obligation such plans, they must mplementation of those
plans. Information on the manner in which the bond(s) is/are expected to contribute to the broader environmental strategy of the issuer shall be disclosed. Articles 10(1)(a), 10(1), 20(3)(a), 20(4)(b), 21 (2)(a), 21(3)(b).			

Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
∘ Yearly
o Every two years
o Every three years
o Every four years
o Every five years
○ Every ten years or more
○ Other
Not specified
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No     No
○ Recommended
○ Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
No     No
○ Recommended
o Required

implementing transition plans?
No     No
o Recommended
o Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
No     No
o Recommended
o Required
Other disclosures

102. Does the policy tool recommend or require targeted entities to disclose their financial plans for

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			lioi required €
opportunities			
2. Remuneration			<b>✓</b>
based on achieving			
climate-related goals			
3. Taxonomies	<b>V</b>		
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			<b>✓</b>
5. Due diligence			<b>∀</b>
6. Assumptions and Dependencies			
7. Data limitations of			<b>✓</b>
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			$\checkmark$
whether stewardship			
codes are in place, how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			$\checkmark$
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the			
context of climate			
change			<b>✓</b>
12. Sectoral			
investment policies  13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or	_	_	
information on			

emissive assets with			
long lifespans			
15. Dirty asset			✓
divestiture			
16. Nature-related			
impacts			
17. Just transition			
indicators			
108. Describe and referer	nce the section/subsection	/paragraph of the policy t	ool relevant to taxonomy
disclosures.		1 3 1 1 7	,
		<u> Breen Bond, allocate the p</u>	
full, in accordance with th	<u>ne taxonomy requirements</u>	s to the listed categories o	f assets (Article 4 of the
Green Bond Regulation).			
109. Describe and referer	nce the section/subsection	n/paragraph of the policy t	ool relevant to capital
allocation and/or expendi	ture plans disclosures.		
leavers are obliged to pub	lich allocation roporto do	manatratina that the pro-	and of the Furances
• •	·	monstrating that the proc	·
		with Articles 4 to 8 (Article	
	·	eds referred to in Article 4	
points (b) and (c), relate to	<u>o economic activities that</u>	will meet the taxonomy re	<u>equirements (Article 7).</u>
Ctdd. F			
Standards, Frameworks,	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			$\checkmark$
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

------

62

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: 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

3. Source material link(s): https://web.archive.org/web/20240819081557/https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464
See also consolidated version of Directive 2013/34/EU
(https://web.archive.org/web/20240806114158/https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02013L0034-20240528) and consolidated version of Commission Delegated Regulation (EU) 2023/2772 (European sustainability reporting standards, referred to as "ESRS") (https://web.archive.org/web/20240605171445/https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02023R2772-20231222)

4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☐ Transition planning
☐ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
☐ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)

9. Year of (planned) entry into force or year of publication
<u>2023</u>
10. Does the policy tool have an end date?
● No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The policy tool modernises and strengthens the rules concerning the social and environmental information that companies have to report. It broadens the set of large companies, as well as listed SMEs, that are required to report on sustainability. The new rules aim to ensure that investors and other stakeholders have access to the information they to need to assess the impact of companies on people and the environment and for investors to assess the financials risks and opportunities arising from climate change and other sustainability issues.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>European Commission</u>
○ 2.
○ 3.
o 4.
○ 5.

20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
© 2- Medium Capacity (Please explain) If a Member State fails to complete transposition measures of meet the objectives set by the directive, the Commission may initiate an infringement procedure. If the issue is not settled, the Commission may eventually refer the case to the Court of Justice of the European Union. In some cases, the Commission may request the Court to impose financial sanctions on the Member State concerned. In practice, infringement procedures focus on systemic issues affecting many people or businesses.
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-	✓		
sized enterprises			
5. State-owned			<b>✓</b>
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			$\checkmark$
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			<b>✓</b>
11. Government			
agencies and/or			
departments (unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13. Other			

-----

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publicly-traded entities	Private companies	Financial institutions	Small and medium-sized enterprises
Minimum number of employees (Enter min number of full- time employees - FTEs)	250	See other criteria	10	
Minimum revenue (Enter minimum revenue)	50,000,000 net turnover	See other criteria	900,000 net turnover	
Minimum assets (Enter minimum assets)	25,000,000	See other criteria	450,000	
Minimum contract value (Enter minimum contract value)				
Entity is headquartered in the jurisdiction	Yes but the Directive also applies to non-EU companies with a turnover of more than EUR 150,000,000 in the EU	Yes	Yes	
Entities are subjected to disclosure or reporting requirements	Listed micro undertakings do not fall within scope (see thresholds SME)	Directive applies if the company meets two of the three conditions above on two consecutive balance sheet dates. This includes parent companies of large groups with subsidiaries included in a consolidation.	Non-listed banks, certain insurers, insurance undertakings, and credit institutions fall within scope unless they qualify as micro undertaking (see qualification requirements at SME)	Only SMEs listed on European Markets fall within scope. Undertakings not exceeding the limits of at least two criteria are considered micro undertakings and do no fall within scope.

<sup>28.</sup> Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

Yes
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.
For the first three years of the application of the measures and in the event that not all necessary information regarding the value chain is available, the undertaking shall explain the efforts made to obtain the necessary information about its value chain, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future (article 19a(3) of Amended Directive 2013/34/EU).
Moreover, for financial years starting before 1 January 2028, certain SMEs may decide not to include in their management report the information required by the Directive, in which case the undertaking shall briefly state in its management report why the sustainability reporting was not provided (article 19a(7) of Amended Directive 2013/34/EU). [@Davine: I did not include the opt-out provision contain in article 20(1)(a)(g) as this does not concern the disclosure obligations as such.]
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
Operations beyond the jurisdiction
<ul> <li>Not applicable</li> </ul>
31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
Undertakings are subject to reporting obligations (see article 19a of the Amended Directive 2013/34/EU). The specific information that companies are required to disclose is set out in the ESRS, which do not limit the information to be disclosed to operations within the EU.
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine

☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>Sanctions must be provided by Member States</u> , see article 51 of (amended) <u>Directive</u> 2013/34/EU in national implementation
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer
34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The data collection involved with CSRD reporting is perceived to be onerous both in terms of costs and time.
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average

○ Average
Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
ESG (compliance) is high on the agenda for supervisors
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) No, Member States need to implement Directive first (6 July 2024 implementation deadline)
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Member States must bring into force laws, regulations and administrative provisions necessary to comply with their obligations under the Directive (article 5(1)). The Commission must by 30 April 2029 and every three years thereafter publish a report on the application of the Regulation including inter alia an assessment of the implementation of the reporting requirements introduced by the Directive (article 6 of the Directive).

41. Does the policy tool recommend or require periodic impact assessments?
∘ No
○ Recommended
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
Not specified
○ Other
43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
Not specified
○ Other

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
∘ Yes

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or rec	uired to disclose an	y of the following	climate-related
information? Select all that apply.			

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions		<b>✓</b>	
2. GHG emissions offsets or removals		✓	
3. GHG emissions reduction targets		<b>V</b>	
4. Other climate- related targets		<b>V</b>	
5. Physical climate risk		$\checkmark$	
6. Transition risk		<b>✓</b>	
7. Transition plan		<b>✓</b>	
54. Which GHG emissions	s must be disclosed? S	Select all that apply.	
54. Which GHG emissions  Carbon dioxide (CO2)	s must be disclosed? S	Select all that apply.	
✓ Methane (CH₄)			
V Nitrous oxide (N₂O)			
☑ Hydrofluorocarbons (H	IFCs)		
Perfluorocarbons (PFC	s)		
Sulphur hexafluoride (S	SF6)		
☑ Nitrogen trifluoride (NF	<del>-</del> 3)		
Carbon dioxide equiva	lent (CO2e)		
55. Are entities recomme	nded or required to dis	sclose gross emissions	?
∘ No			
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
∘ No
○ Recommended
Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
□ Scope 3 emissions, relevant or material
☐ Scope 3 emissions, a specified proportion of coverage (Please describe)
Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
○ Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

We note that all the above is based on a presumption that ESRS E1 is material. Companies in scope need to explain why it would not be material. Hence, the answers above (except 4.59) are based on (i) the presumption of materiality and (ii) the ESRS.	
Disclosure of Greenhouse Gas (GHG) Offsets or Removals	
62. Does the policy tool recommend or require offsetting purchases be disclosed?	
○ No	
<ul> <li>Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)</li> </ul>	
• Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) <u>Undertakings must disclose the amount of GHG emission reductions or removals (see para. 56 ESRS E1)</u>	
63. Does the policy tool recommend or require entities disclose whether offsets are verified?	
∘ No	
<ul> <li>Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)</li> </ul>	
• Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) In relation to carbon credits, undertakings must disclose inter alia the total amount of carbon credits outside the undertaking's value chain that are verified against recognised quality standards (see para. 59(a) ESRS E1).	
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?	
∘ No	
<ul> <li>Recommended (Please list the certification standards, describe their use, and reference the releva section/subsection/paragraph of the policy tool)</li> </ul>	nt

Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) <u>Undertakings are require to consider</u> , as far as applicable, the GHG Protocol Corporate Standard
(version 2004), Product Standard (version 2011), Agri-culture Guidance (version 2014), Land use, land-use change, and forestry Guidance for GHG project accounting (version 2006)(see para. AR 58(a) Appendix A to ESRS E1) and apply consensus methods on accounting for GHG removals as soon as they are available, notably the EU regulatory framework for the certification of CO2 removal (para. 58(b) Appendix A to ESRS E1).
65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
o No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
• Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) <u>Undertaking must amongst other things explain the role of removals for its climate change mitigation policy, account for GHG emissions assoicated with removal activities and consider nature-</u>
based solutions (see para. AR 58 Appendix A to ESRS E1).
Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request entiti	es
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended
	riecommended	Nequired	nor required
An absolute emissions		<b>✓</b>	
reduction target			
An intensity-based		<b>✓</b>	
emissions reduction			
target			
A net zero target		<b>✓</b>	
Targets covering non-		<b>✓</b>	
carbon GHG emissions		<b>✓</b>	
A Scope 3 emissions			
target A target derived using			<b>✓</b>
a sectoral			
decarbonization			
approach			
Interim targets		<b>✓</b>	
A target timeframe		<b>✓</b>	
(e.g. by 2040)			
A baseline year from			
which progress is			
measured A level of ambition for			<b>✓</b>
emissions reductions			
(e.g. 80% reduction)			
(e.g. 00 % reduction)			
68 Does the policy tool re	ecommend or require enti	ties to disclose their progr	ess in achievina their
emissions reductions targ		des to disclose their progr	cos in demeving their
cimosions reductions targ	,0.0.		
○ No			
o Recommended			
Required			

69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?

- Yearly
- o Every two years
- o Every three years

Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
70. Does the policy tool recommend or require a scope of emissions which should be covered by the absolute emissions reduction target? Select all that apply.
✓ Scope 1 emissions
✓ Scope 2 emissions
☐ Scope 3 emissions (relevant or material)
☐ Scope 3 emissions (a specified proportion of coverage)
Scope 3 emissions (all)
□ Not specified
71. Does the policy tool recommend or require a scope of emissions which should be covered by the intensity-based emissions reduction target? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions (relevant or material)
☐ Scope 3 emissions (a specified proportion of coverage)
Scope 3 emissions (all)
□ Not specified
72. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
73. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
• Other <u>Undertakings must disclose the climate-related targets it has set, which may include a net-</u>
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not,
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended or required to disclose? Select all that apply.
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended or required to disclose? Select all that apply.  Methane (CH <sub>4</sub> )
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended or required to disclose? Select all that apply.  Methane (CH4)  Nitrous oxide (N2O)
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended or required to disclose? Select all that apply.  Methane (CH <sub>4</sub> )  Nitrous oxide (N <sub>2</sub> O)  Hydrofluorocarbons (HFCs)
zero target if an undertaking has set such target (para. 30 ESRS E1). Setting a net-zero target is not, however, required.  Not specified  74. Which of the following non-carbon GHG emissions reductions targets are entities recommended or required to disclose? Select all that apply.  Methane (CH4)  Nitrous oxide (N2O)  Hydrofluorocarbons (HFCs)  Perfluorocarbons (PFCs)

77. What is the recommended or required level of ambition for interim targets?
○ Reduction between 1-25%
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction of over 75%
• Other If a net zero target has been set, GHG emission targets shall encompass approximately 90-95% of GHG emission reduction with the possibility for justified sectoral variations in line with a recognised sectoral decarbonisation pathway and neutralization of remaining GHG emissions (para. 60 ESRS E1).
○ None specified
78. What are the recommended or required years for interim targets?
○ 2025-2030
o 2031-2040
o 2041-2050
● Other 2030 and, from 2030, every 5-year period thereafter
○ None specified
79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
○ Other

o None specified
80. What is the recommended or required baseline year from which progress is to be measured?
○ 1990-2000
○ 2001-2005
○ 2006-2010
o 2011-2015
o 2016-2020
Other not specified
81. Are entities recommended or required to disclose the methodologies by which they select baseline years?
∘ No
∘ Recommended
<ul><li>Required</li></ul>
Disclosure of other climate-related targets
84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.
Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets) para. 34(f) ESRS E1.
Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out) para. 34(f) ESRS 1 E1.
☑ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation) paras. 30 and 33 ESRS E1.

Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity) <u>para. 20 ESRS 2.</u>
Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition) Para. 11(d)ESRS E2, para. 29 ESRS E4.
□ Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)
Disclosure of Physical Risk
86. What types of physical risk must be disclosed?
✓ To company
To society (double materiality)
87. What is the materiality standard for the disclosure of physical risk?
o Self-assessed material risk
Externally-defined material risk
o Other (Describe)
88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?
No     No
o Recommended
o Required

No
94. Are entities recommended or required to disclose the results of climate-related risk stress tests that are related to transition risk?
o Other (Describe)
Externally-defined material risk
Self-assessed material risk
93. What is the materiality standard for the disclosure of transition risk?
Risks that the disclosing entity's transition may pose to society (double materiality)
Risks that societal transitions may pose to the disclosing entity
92. What types of transition risk must be disclosed? Select all that apply
Disclosure of Transition Risk
o Required
o Recommended
No     No
90. Are risk assessments of physical risk recommended or required to be third-party verified?
Required
• Recommended
• No
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?

○ Recommended
o Required
95. Are transition risk assessments recommended or required to be third-party verified?
No     No
∘ Recommended
o Required
96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?
∘ No
∘ Recommended
Required
Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
Yearly
<ul> <li>Every two years</li> </ul>
<ul> <li>Every three years</li> </ul>
o Every four years
o Every five years
o Every ten years or more
o Other
○ Not specified

99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No     No
∘ Recommended
o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
∘ No
∘ Recommended
Required
101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
∘ No

<ul> <li>Recommended</li> </ul>
<ul><li>Required</li></ul>
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
○ No
○ Recommended
Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
Climate-related opportunities	<b>V</b>		
2. Remuneration based on achieving climate-related goals			
3. Taxonomies	<b>✓</b>		
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence	✓		
6. Assumptions and Dependencies			<b>&gt;</b>
7. Data limitations of scenario analyses	<b>&gt;</b>		
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			~
14. Locked-in emissions or information on			

emissive assets with			
long lifespans			
15. Dirty asset divestiture			
16. Nature-related	<b>✓</b>		
impacts			
17. Just transition	$\checkmark$		
indicators			
<ul><li>No</li><li>Recommended</li><li>Required</li><li>107. Describe and referer</li></ul>	nation of climate-related op nation of climate-related op nation of climate-related op nation of climate-related op nation of climate-related op	/paragraph of the policy t	ool relevant to
		_	
	equire companies to repor	t on the percentage of the	e remuneration that is
linked to climate related o	considerations.		
Disclosure under CSRD m Standards Regulation and information about the under transition plan, with a ref 16(c) ESRS E1). Undertak include an explanation of activity with the criteria e	nce the section/subsection nust take into account req d EU Taxonomy (para. 2 Edertaking's investments a erence to the key perform ing with economic activiti any objective or plans the stablished in the Commissible	uirements of inter alia Clires SRS E1). Transition plans and funding supporting the ance indicators of taxono es covered by Taxonomy at the undertaking has for sion Delegated Regulation	nate Benchmark must include implementation of its my-aligned CapEx (para. Regulation must also aligning its economic n 2021/2139. Similar

109. Describe and reference the section/subsection/paragraph of the policy tool relevant to capital allocation and/or expenditure plans disclosures.

If the implementation of an action plan requires significant operational expenditure and/or capital
expenditures undertakings must make disclosures upon the financial resources to be allocated
thereto (para. 69 ESRS 2; paras. 16(c)(e)(f) and 29(c) ESRS E1).
110. Describe and reference the section/subsection/paragraph of the policy tool relevant to due diligence disclosures.
<u>Undertakings must disclose a mapping of the information provided in its sustainability statement about the due diligence process (para. 30 ESRS 2).</u>
112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data limitation disclosures.
ESRS allows the use of estimates if presented with a clear emphasis on their possible limitations and associated uncertainty (see Section 7.2 ESRS 1).
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
Under disclosure requirement E1-9 ESRS E1, undertakings must make disclosures relating to the anticipated financial effects from material physical and transition risks and potential climate-related opportunities.
121. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of dirty asset divestiture.
<u>Undertakings must make disclosures about the anticipated financial effects of undertakings material impacts, risks and opportunities, which includes divestments (para. 48(e)(i) ESRS 2).</u>

122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of nature-related impacts.

The ESRS cover extensive disclosure requirements of nature-related impacts, such as pollution (ESRS E2), water and marine resources (ESRS E3), biodiversity and ecosystems (ESRS E4).

Standards, Frameworks, and Guidelines
The ESRS S2 covers extensive disclosure requirements in relation to workers in the value chain.
123. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of just transition indicators.

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)		$\checkmark$	
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			<b>&gt;</b>
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	<b>✓</b>		

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed. SDGs, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct and related sectoral guidelines, the Global Compact, the International Labour Organization's (ILO) <u>Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the ISO</u> 26000 standard on social responsibility, the UN Principles for Responsible Investment, Global Governance Principles of the International Corporate Governance Network and the G20/OECD <u>Principles of Corporate Governanc</u> **Additional Important Information** 128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. **Additional Important Information** 197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. None

Policy Tool Name: Regulation (EU) 2024/573 of the European Parliament and of the Council of 7 February 2024 on fluorinated greenhouse gases, amending Directive (EU) 2019/1937 and repealing Regulation (EU) No 517/2014

3. Source material link(s): https://web.archive.org/web/20240819105626/https:/eur- lex.europa.eu/eli/reg/2024/573/oj
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
□ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
□ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
☐ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
20.24

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The primary goal of Regulation (EU) 2024/573 is to manage and reduce the emissions of fluorinated greenhouse gases (F-gases) within the EU. The Regulation sets conditions for the production, import, export, and placing on the market of these gases and related products and equipment. Among other obligations, it provides for annual reporting for producers, importers, exporters and other relevant undertakings on the quantities of fluorinated greenhouse gases produced, imported, exported, destroyed, used as feedstock or placed on the market.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
■ 1. Competent authorities of each Member State
2. <u>European Commission</u>
○ 3.
o 4.
o 5.
20. To provide contextual information, rate the capacity of Competent authorities of each Member State to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)

- 1- Low Capacity (Please explain)
- © 2- Medium Capacity (Please explain) The competent authorities of the Member States are responsible for enforcing prohibitions and restrictions on imports and exports of fluorinated greenhouse gases and related products and equipment (Articles 22 and 23 of the Regulation), monitoring the market to ensure compliance with labeling and placing on the market prohibitions (Article 23 of the Regulation), overseeing the containment, recovery, recycling, reclamation, and destruction of fluorinated greenhouse gases (Articles 4, 5, and 8 of the Regulation), carrying out checks and inspections to establish compliance (Article 29 of the Regulation), collaborating with other Member States' authorities and the European Commission to ensure compliance (Article 28 of the Regulation), and imposing effective, proportionate, and dissuasive penalties for infringements (Article 31 of the Regulation).
- 3- High Capacity (Please explain)
   Prefer not to answer
   Not Applicable
- 21. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
- o 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain) <u>The European Commission is responsible for setting up and operating the F-gas Portal (Article 20 of the Regulation), allocating quotas on the market (Article 17 of the Regulation), adopting implementing and delegated acts (Articles 32 and 34 of the Regulation), monitoring compliance (Article 28 of the Regulation) as well as reporting and reviewing of the Regulation's impact and effectiveness (Article 35 of the Regulation).</u>

o 3- High Capacity (Please explain)	
o Prefer not to answer	
o Not Applicable	

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	<b>✓</b>		
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			✓
agencies and/or			
departments (national)			
9. Government			<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)		_	
12. Sectoral actors			lacksquare
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

\_\_\_\_\_

98

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publicly-traded	Private	Small and	State-owned
	entities	companies	medium-sized enterprises	companies
Minimum number of employees (Enter min number of full- time employees - FTEs)				
Minimum revenue (Enter minimum revenue)				
Minimum assets (Enter minimum assets)				
Minimum contract value (Enter minimum contract value)				
Entity is headquartered in the jurisdiction				
Entities are subjected to disclosure or reporting requirements	Entity must carry out certain activities referred to in the Regulation, with the reporting obligation triggering when the threshold of fluorinated greenhouse gases as referred to in Article 26 of the Regulation is met.	Entity must carry out certain activities referred to in the Regulation, with the reporting obligation triggering when the threshold of fluorinated greenhouse gases as referred to in Article 26 of the Regulation is met.	Entity must carry out certain activities referred to in the Regulation, with the reporting obligation triggering when the threshold of fluorinated greenhouse gases as referred to in Article 26 of the Regulation is met.	Entity must carry out certain activities referred to in the Regulation, with the reporting obligation triggering when the threshold of fluorinated greenhouse gases as referred to in Article 26 of the Regulation is met.

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

o Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
o Operations within jurisdiction only
Operations beyond the jurisdiction
o Not applicable
31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
The obligation to report extends to importers (Article 3(7)) and exporters (Article 3(8)) to/from the territories covered by a ratification of the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The extent of obligation is the same as for the undertakings within the EU (Article 26.)
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine Member States shall lay down rules on penalties, including administrative financial penalties (Article 31(3)(a) of the Regulation). In the case of unlawful production, import, export, placing on the market or use of fluorinated greenhouse gases, or of products and equipment containing those gases or whose functioning relies upon those gases, the maximum amount of the administrative financial penalty shall be at least five times the market value of the gases or products and equipment concerned. Where such infringements are repeated within a five-year period, the maximum amount of the administrative financial penalty shall be at least eight times the market value of the gases or products and equipment concerned.
Restriction on business activities Member States shall lay down rules on penalties, including the temporary prohibition from using, producing, importing, exporting or placing on the market the fluorinated greenhouse gases or products and equipment containing fluorinated greenhouse gases or whose functioning relies upon them, in the event of a serious infringement or of repeated infringements (Article 31(3)(c) of the Regulation).
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers

Criminal penalties <u>Member states may opt for criminal penalties instead of administrative financial penalties</u> , provided that they are equivalently effective, proportionate and dissuasive as the <u>administrative financial penalties</u> .
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>Undertakings</u> that have exceeded their quota for placing <u>hydrofluorocarbons</u> on the <u>market</u> may only be allocated a reduced quota allocation for the allocation period after the excess has been detected. The amount of reduction shall be calculated as 200 % of the amount by which the quota was exceeded. If the amount of the <u>reduction</u> is higher than the amount to be allocated as a quota for the allocation period after the excess has been detected, no quota shall be allocated for that allocation period and the quota for the following allocation periods shall be reduced likewise until the full amount has been deducted (Article 31(5) of the Regulation).
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer

37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Enforcement of relvant obligations, including annual reporting obligations, takes place at member state level. A high-profile case that partly concerned the marketing of fluorinated greenhouse gases saw the Dutch Public Prosecutor fine Chemours Netherlands BV in Dordrecht EUR 750,000.  Chemours Netherlands BV and Chemours International Operations Sarl (of which Chemours Netherlands B.V. is the sole representative in the EU) exceeded the allocated quota in 2019 and in 2018, 2019 and 2020, respectively, and marketed a total of 175,881 tonnes of CO2 equivalent more than permitted: /web/20240822135725/https://www.om.nl/actueel/nieuws/2023/01/25/geldboete-van-750.000-euro-voor-chemours-netherlands-by
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The competent authorities of Member States shall carry out checks to establish whether undertakings comply with their obligations under this Regulation (Article 29).
41. Does the policy tool recommend or require periodic impact assessments?
No     No
o Recommended
∘ Required

43. Does the policy tool recommend or require periodic reviews?
No
o Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
o No
Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
The European Commission shall establish a Consultation Forum for providing advice and expertise in relation to the implementation of the Regulation (Article 33 of the Regulation).
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No
∘ Yes

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas		$\checkmark$	
(GHG) emissions 2. GHG emissions			<b>✓</b>
offsets or removals			
3. GHG emissions			<b>~</b>
reduction targets			
4. Other climate- related targets			<b>\</b>
5. Physical climate risk			<b>~</b>
6. Transition risk			$\checkmark$
7. Transition plan			<b>~</b>
54. Which GHG emissions must be disclosed? Select all that apply.  □ Carbon dioxide (CO <sub>2</sub> )  □ Methane (CH <sub>4</sub> )			
□ Nitrous oxide (N2O)			
✓ Hydrofluorocarbons (⊢	IFCs)		
Perfluorocarbons (PFC	s)		
Sulphur hexafluoride (S	SF6)		
Nitrogen trifluoride (NF	<del>-</del> 3)		
☐ Carbon dioxide equivalent (CO₂e)			
55. Are entities recomme	nded or required to dis	close gross emissions	?
∘ No			
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
No     No
∘ Recommended
o Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
□ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
☐ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
∘ No
o Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

<u>Undertakings are required to report on quantities (not emissions) of produced, imported, exported</u>
fluorinated greenhouse gas. Further, the European Commission may request an undertaking to
ensure that the veracity of its report is confirmed by an independent auditor (Article 26(8)). In other
cases, third-party verification is not required.
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			₩ .
2. Remuneration based on achieving climate-related goals			<b>⊘</b>
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			lacksquare
6. Assumptions and Dependencies			<b>\</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			<b>&gt;</b>
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			♥
14. Locked-in emissions or information on			

emissive assets with			
long lifespans			
15. Dirty asset			<b>✓</b>
divestiture			
16. Nature-related			$\checkmark$
impacts			
17. Just transition			
indicators			
Standards, Frameworks, and Guidelines			

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	✓		

-----

110

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed. Montreal Protocol on Substances that Deplete the Ozone Layer (1987) and the Kigali Amendment to the Protocol /web/20240820124249/https://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg\_no=XXVII-2-<u>f&chapter=27&clang=\_en</u> **Additional Important Information** 128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. Additional Important Information 197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

None

Policy Tool Name: Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU

3. Source material link(s): https://web.archive.org/web/20240820153036/https://eurlex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02018R0841-20230511 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body Legislature □ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force o Other (Please describe)

9. Year of (planned) entry into force or year of publication

112

<u>2018</u>
10. Does the policy tool have an end date?
No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The goal of Regulation (EU) 2018/841 is to establish a framework for the inclusion of greenhouse gas (GHG) emissions and removals from land use, land use change, and forestry (LULUCF) in the European Union's 2030 climate and energy framework. The purpose of this policy tool is to ensure that Member States contribute to achieving the objectives of the Paris Agreement and the Union's GHG emission reduction targets. It sets out rules for accounting, reporting, and verifying GHG emissions and removals in the LULUCF sector. The LULUCF Regulation sets an EU-wide 2030 target for net greenhouse gas (GHG) removals in the LULUCF sector of 310 million tonnes of CO2 equivalent, and includes specific targets for each Member State.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
1. <u>European Commission</u>
o 2.
o 3.
o 4.
o <b>5</b> .

- 20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
- o 0- No Capacity (Please explain)
- 1- Low Capacity (Please explain)
- © 2- Medium Capacity (Please explain) The Commission is empowered to adopt delegated acts (Article 16). If the Commission finds, in its annual assessment under Article 29 of Regulation (EU) 2018/1999, that a Member State is not making sufficient progress towards meeting its target set in accordance with Article 4(3) of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan (Article 13d). The Commission may issue an opinion regarding the robustness of the corrective action plans. In addition, it shall carry out a comprehensive review of the Member States' compliance reports for the purpose of assessing their compliance with Article 4 (Article 14).

While not explicitly detailed in the Regulation, the European Commission can initiate infringement procedures against Member States that fail to comply with their obligations under the LULUCF Regulation (Articles 258-260 TFEU). This can lead to legal action before the European Court of Justice and potential financial penalties.

o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			<b>✓</b>
entities			
2. Private companies			$\checkmark$
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			$\checkmark$
agencies and/or			
departments (national)			
9. Government			<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			$\checkmark$
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other	<b>✓</b>		
13. Other Text:Member States			

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. Minimum number of employees (Enter min number of full-time employees - FTEs) Minimum revenue (Enter minimum revenue) Minimum assets (Enter minimum assets) Minimum contract value (Enter minimum contract value) Entity is headquartered in the jurisdiction Entities are subjected to disclosure or reporting requirements 28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)? No o Yes 30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction? Operations within jurisdiction only Operations beyond the jurisdiction Not applicable 32. What are the sanctions for non-compliance? Select all that apply and describe in the text field. ☐ Monetary fine ☐ Restriction on business activities ☐ Voiding or setting aside of contract ☐ Exclusion from government contracts ☐ Award of damages or compensation ☐ Penalty for senior managers ☐ Criminal penalties

□ Not specified

□ Not applicable (e.g. in cases of voluntary tools)
Other <u>Possible infringement proceedings (Articles 258-260 TFEU) and subsequent financial penalties</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
○ Not applicable
● Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
Above average
o Not applicable
• Unknown or prefer not to answer
27. Here the climate angelia provisions in this instrument over been enforced?
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) The total amount of greenhouse gas emissions and removals for the period of 2021-2025 should be outlined in a report published no later than 15 March 2027, whereas those for the period of 2026-2030 should be reported by 15 March 2032.
o Yes

o 0-2 years
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
Required
o Recommended
∘ No
43. Does the policy tool recommend or require periodic reviews?
○ Required
o Recommended
● No
41. Does the policy tool recommend or require periodic impact assessments?
reports submitted by Member States (Article 14(2) of the Regulation).
Regulation. The European Commission will carry out a comprehensive review of the compliance
specified in Article 2(1) for the period from 2021 to 2025, and in Article 2(2) for the period from 2026 to 2030 (Article 14(1) of the Regulation). The reports should use the accounting rules laid down in the
the period from 2021 to 2025, and by 15 March 2032 for the period from 2026 to 2030. These reports must include the balance of total emissions and total removals for each land accounting category
Member States must submit compliance reports to the European Commission by 15 March 2027 for
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Yes
o No
as a first specific policy tool?

o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
• Other The European Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including, where relevant, an assessment of the impacts of the flexibilities referred to in Article 11, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target and its contribution to the goals of the Paris Agreement.
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
● No
<ul><li>Yes</li><li></li></ul>
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
● Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
To support Member States in designing and implementing land sector policies, the European Environment Agency (EEA) and the Directorate-General for Climate Action (DG CLIMA) have published a comprehensive guide (Article 14(4)). https://web.archive.org/web/20240821105105/https://climate.ec.europa.eu/eu-action/land-use-

sector\_en

https://web.archive.org/web/20240821104705/https://climate-
energy.eea.europa.eu/api/topics/climate-change-mitigation/land-and-forests/reports/handbook-on-
the-update-lulucf-regulation-v2/lulucf_handbook_v2-1.pdf/@@download/file

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas			
(GHG) emissions	_		
2. GHG emissions offsets or removals			
3. GHG emissions			<b>~</b>
reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			<b>~</b>
7. Transition plan			<b>V</b>
54. Which GHG emissions must be disclosed? Select all that apply.  Carbon dioxide (CO <sub>2</sub> )  Methane (CH <sub>4</sub> )			
✓ Nitrous oxide (N₂O)			
☐ Hydrofluorocarbons (HFCs)			
□ Perfluorocarbons (PFC	s)		
□ Sulphur hexafluoride (SF6)			
□ Nitrogen trifluoride (NF3)			
□ Carbon dioxide equivalent (CO2e)			
55. Are entities recommended or required to disclose gross emissions?			
No			
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
∘ No
○ Recommended
Required
57. What Scope of emissions must be disclosed? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No     No
∘ Recommended
∘ Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

Member states are obliged to use accounting methodologies specified in the Regulation.
Disclosure of Greenhouse Gas (GHG) Offsets or Removals
<ul><li>62. Does the policy tool recommend or require offsetting purchases be disclosed?</li><li>No</li></ul>
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
63. Does the policy tool recommend or require entities disclose whether offsets are verified?
No     No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?
No     No
o Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ V
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			<b>V</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			<b>✓</b>
			<b>✓</b>
6. Assumptions and Dependencies			
7. Data limitations of			<b>✓</b>
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			<b>✓</b>
9. Stewardship (e.g., whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			<b>~</b>
ownership in the			
context of climate			
change 12. Sectoral			<b>✓</b>
investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

emissive assets with		
long lifespans		
15. Dirty asset		<b>✓</b>
divestiture		
16. Nature-related		<b>✓</b>
impacts		
17. Just transition		
indicators		
Standards, Frameworks	, and Guidelines	

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	✓		

------

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed. The 2006 IPCC Guidelines for National Greenhouse Gas Inventories https://web.archive.org/web/20240821121141/https://www.ipccngqip.iqes.or.jp/public/2006ql/vol4.html Additional Important Information 128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. Additional Important Information 197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. <u>None</u>

Policy Tool Name: Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of greenhouse gas emissions from maritime transport, and amending Directive 2009/16/EC

3. Source material link(s): https://web.archive.org/web/20240613224157/https://eurlex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02015R0757-20240101 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body ✓ Legislature ☐ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force Other (Please describe) 9. Year of (planned) entry into force or year of publication

2015

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Regulation aims to establish rules for the accurate monitoring, reporting, and verification of greenhouse gas emissions from maritime transport. Its primary goal is to promote the reduction of greenhouse gas emissions from ships in a cost-effective manner. The Regulation applies to ships arriving at, within, or departing from ports under the jurisdiction of an EU Member State, and it covers ships of 5,000 gross tonnage and above, as well as certain smaller ships from 2025 onwards. The regulation also includes provisions for international cooperation and the alignment of EU measures with global standards.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>European Commission</u>
∘ 2.
o 3.
o 4.
o 5.
20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)

- o 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain) The European Commission is empowered to adopt delegated acts (Article 23 of the Regulation) and implementing acts (Article 6(5), Article 12(2), Article 17(5), Article 24 of the Regulation). By 30 June of each year, the European Commission shall make publicly available the information on reported greenhouse gas emissions (Article 21(1) of the Regulation). Within the framework of its mandate, EMSA shall assist the Commission in its work to comply with Article 21 and Articles 12 and 17 of the Regulation.

Member States are responsible for setting up a system of penalties for failure to comply with the monitoring and reporting obligations set out in Articles 8 to 12 and shall take all the measures necessary to ensure that those penalties are imposed (Article 20(1) of the Regulation). This includes the possibility of ordering an expulsion order to a non-compliant ship (Article 20(3) and (4) of the Regulation).

3- High Capacity (Please explain)
Prefer not to answer
Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
Publicly-traded entities			<b>✓</b>
2. Private companies			
3. Financial institutions			<b>✓</b>
4. Small and medium-			$\checkmark$
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)  9. Government			<b>✓</b>
agencies and/or departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>(</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)		_	_
13. Other	<b>✓</b>		

13. Other Text:Companies that own or operate ships of 5,000 gross tonnage and above, as well as smaller ships from 2025 onwards (general cargo ships and offshore ships above 400 gross tonnage), which are involved in commercial maritime transport and whose ships arrive at, within, or depart from ports under the jurisdiction of an EU Member State.

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Other
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum	
contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting	Tonnage of the relevant ship as well as the
requirements	ports of call during the voyages of said ships
	(i.e. one of the two ports must be a port under
	the jurisdiction of a Member State).
28. Can entities for whom compliance with the policomply or explain)?	cy tool is mandatory opt out of the obligation (e.g.
No	
0110	
∘ Yes	

- o Operations within jurisdiction only
- Operations beyond the jurisdiction
- Not applicable

31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction?

Please reference the relevant section/subsection/paragraph of the policy tool. The regulation covers greenhouse gas emissions released during voyages for commercial purposes (transporting cargo or passengers) from the last port of call to a port under the jurisdiction of a Member State, from a port under the jurisdiction of a Member State to the next port of call, and within

ports under the jurisdiction of a Member State. This means that even if a ship is operating outside EU waters, as long as it is traveling to or from an EU port, it falls under the Regulation's scope.

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
□ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
Not specified Member States are required to set up a system of penalties for failure to comply with the monitoring and reporting obligations set out in Articles 8 to 12. The penalties must be effective, proportionate, and dissuasive.
□ Not applicable (e.g. in cases of voluntary tools)
Other In cases where a ship has failed to comply with the monitoring and reporting obligations for two or more consecutive reporting periods, and other enforcement measures have failed, the competent authority of the Member State of the port of entry may issue an expulsion order. As a result of the expulsion order, every Member State, except the Member State whose flag the ship is flying, must refuse entry of the ship into any of its ports until the company fulfills its monitoring and reporting obligations (ARticle
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
37. Have the climate-specific provisions in this instrument ever been enforced?
• No (If relevant, explain) We are not aware of any enforcement decisions. However, in the annual
report from the European Commission on CO2 emissions from
maritime transport (period 2018-2021), it notes several cases of non-compliance (p. 46):
https://web.archive.org/web/20240124164813/https://climate.ec.europa.eu/system/files/2023-
<u>03/swd_2023_54_en.pdf</u>
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the
policy tool?
o No
Yes
40. Describe the requitaries exetense in place. Discrete reference the relevant

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

Member States are required to take all the measures necessary to ensure compliance with the monitoring and reporting requirements set out in Articles 8 to 12 by ships flying its flag (Article 19(1)). Each Member State shall ensure that any inspection of a ship in a port under its jurisdiction carried out in accordance with Directive 2009/16/EC includes checking that a valid document of compliance is carried on board (Article 19(2)).

To ensure the accuracy, reliability and compliance of the monitoring and reporting of greenhouse gas emissions from maritime transport, the Regulation requires companies to engage an accredited

verifier, who shall assess the monitoring plans, emission reports and aggregated emissions data at company level (Article 13 of the Regulation).
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
● Other The European Commission shall, no later than 31 December 2024, review this Regulation, in particular taking into account further experience gained in its implementation, inter alia, for the purpose of including ships below 5 000 gross tonnage but not below 400 gross tonnage within the scope of this Regulation with a view to a possible subsequent inclusion of such ships within the scope of Directive 2003/87/EC or to proposing other measures to reduce greenhouse gas emissions from such ships. That review shall, where appropriate, be accompanied by a legislative proposal to amend this Regulation
43. Does the policy tool recommend or require periodic reviews?
No     No
∘ Recommended
o Required

subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
THETIS-MRV was created to support the implementation of the Regulation, supporting verifiers on the issuance of the Document of Compliance, and supporting flag states with a platform for consultation of emission reports. It allows all relevant parties to fulfill their obligations in a centralized
and harmonized way.
https://web.archive.org/web/20240811061637/https://emsa.europa.eu/thetis-mrv.html

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed	?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended	
1 Consultance and		<b>✓</b>	nor required	
1. Greenhouse gas (GHG) emissions				
2. GHG emissions			✓	
offsets or removals	_			
3. GHG emissions reduction targets			<b>&gt;</b>	
4. Other climate-			<b>✓</b>	
related targets				
5. Physical climate risk			$\checkmark$	
6. Transition risk			<b>⊘</b>	
7. Transition plan			<b>~</b>	
54. Which GHG emission  Carbon dioxide (CO <sub>2</sub> )  Methane (CH <sub>4</sub> )  Nitrous oxide (N <sub>2</sub> O)		elect all that apply.		
☐ Hydrofluorocarbons (HFCs)				
□ Perfluorocarbons (PFCs)				
□ Sulphur hexafluoride (SF6)				
□ Nitrogen trifluoride (NF3)				
□ Carbon dioxide equivalent (CO₂e)				
55. Are entities recomme	nded or required to dis	close gross emissions	5?	
∘ No				
o Recommended				
<ul><li>Required</li></ul>				

56. Are entities recommended or required to disclose net emissions?
No     No
∘ Recommended
o Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
□ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
☐ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
∘ No
o Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

<u>Entities are required to disclose their greenhouse gas (GHG) emissions accounting methodologies or</u>
standards. This includes providing detailed descriptions of the procedures and methods used for
monitoring and reporting emissions in their monitoring plan (Article 6(3) of the Regulation) and
emissions report (Article 11(3)(c) of the Regulation). The methodologies must align with specified
methods (Article 5(1) and Annex I of the Regulation) and are subject to verification to ensure
transparency, consistency, and accuracy (Articles 13(1) and 14(2) of the Regulation).
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			₩ .
2. Remuneration based on achieving climate-related goals			<b>⊘</b>
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			lacksquare
6. Assumptions and Dependencies			<b>\</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			<b>&gt;</b>
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			♥
14. Locked-in emissions or information on			

emissive assets with			
long lifespans			
15. Dirty asset			$\checkmark$
divestiture			
16. Nature-related			
impacts			
17. Just transition			
indicators			
		<u></u>	
Standards, Frameworks	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			$\checkmark$
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			<b>~</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

-----

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: 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

3. Source material link(s): https://web.archive.org/web/20240813212316/https://eurlex.europa.eu/legal-content/en/TXT/?uri=celex:32020R0852
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☐ Transition planning
☐ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
☐ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2020</u>

10. Does the policy tool have an end date?
• No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
This policy tool establishes uniform criteria for determining whether an economic activity is environmentally sustainable for the purposes of establishing the degree to which an investment is sustainable (see article 1(1) of the Regulation).
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
• 1. <u>Platform on Sustainable Finance as established in accordance with article 20 of the Regulation.</u>
© 2. <u>Commission</u>
○ 3.
o <b>4</b> .
o 5.
20. To provide contextual information, rate the capacity of Platform on Sustainable Finance as established in accordance with article 20 of the Regulation. to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)

(;   00/0) (;   D     ; ; )
article 20(2) of the Regulation).
2- Medium Capacity (Please explain)
3- High Capacity (Please explain)
Prefer not to answer
○ Not Applicable
21. To provide contextual information, rate the capacity of Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
● 1- Low Capacity (Please explain) <u>The role of the Commission is limited to publishing a report every</u> three year reviewing inter alia the implementation, effectiveness and required revisions of the Regulation (see article 26 of the Regulation).
2- Medium Capacity (Please explain)
3- High Capacity (Please explain)
Prefer not to answer
○ Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities			
2. Private companies			✓
3. Financial institutions			•
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government	<b>✓</b>		
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			<b>✓</b>
9. Government			
agencies and/or			
departments (regional - e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			✓
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other	<b>✓</b>		

13. Other Text:Financial market participants that make available financial products and undertakings subject to the obligation to public a non-financial statement pursuant to the CSRD (see article 1(2) of the Regulation). [@Davine: Op deze manier verwijzen naar de CSRD leek mij het meest overzichtelijk. Alternatief is dat we ook hier uitwerken welke actoren onder CSRD vallen]

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Government agencies and/or departments (supranational)	Government agencies and/or departments (national)	Other
Minimum number of employees (Enter min number of full-time employees - FTEs)			
Minimum revenue (Enter minimum revenue)			
Minimum assets (Enter minimum assets)			
Minimum contract value (Enter minimum contract value)			
Entity is headquartered in the jurisdiction			
Entities are subjected to disclosure or reporting requirements	The Union in respect of measures setting out requirement for financial market participants or issuers in respect of financial products or corporate bonds that are made available as environmentally sustainable	Member States in respect of measures setting out requirement for financial market participants or issuers in respect of financial products or corporate bonds that are made available as environmentally sustainable	See criteria referred to in the context of the CSRD

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g comply or explain)?
No
o Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

o Operations within jurisdiction only

o Operations beyond the jurisdiction
Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
☐ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
Not specified Article 22 of the Regulation provides that the rules on measures and penalties applicable to infringements shall be laid down by the Member States. The measures and penalties provided shall be effective, proportionate and dissuasive.
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
● Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.

o Below average
o Average
Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) We are not aware of norm-setting situations of enforcement, although we can imagine that, in the context of financial markets supervision, regulators do review and potentially enforce correct reporting under Taxonomy.
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Member States shall ensure that the competent authorities referred to in article 14(1) of Regulation (EU) 2019/2088 monitor the compliance of financial market participants with the requirements laid down in Articles 5, 6 and 7 of the Regulation. Moreover, the Commission publishes a report every three years evaluating inter alia the progress in implementing the Regulation (see article 26 of the Regulation).
<ul><li>41. Does the policy tool recommend or require periodic impact assessments?</li><li>No</li></ul>
Recommended
V AVAILATION AND A CONTRACTOR OF THE CONTRACTOR

Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
○ No
∘ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
o Other

subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No
∘ Yes

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with

Domain-Specific Questions: Disclosure Questions
What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			<b>Y</b>
2. GHG emissions offsets or removals			<b>\</b>
3. GHG emissions reduction targets			<b>&gt;</b>
4. Other climate- related targets			<b>&gt;</b>
5. Physical climate risk			$\checkmark$
6. Transition risk			$\checkmark$
7. Transition plan			$\checkmark$
Other disclosures			

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			<b>⊘</b>
3. Taxonomies	<b>✓</b>		
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			<b>⊘</b>
6. Assumptions and Dependencies			<b>Y</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans			
15. Dirty asset			<b>✓</b>
divestiture			
16. Nature-related			
impacts			
17. Just transition indicators			
disclosures. The EU Taxonomy Regula	nce the section/subsection ation provides a classificat I with a net zero trajectory	tion system that defines c	riteria for economic
Standards, Frameworks	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			<b>✓</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			$\checkmark$

-----

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC

3.	Source material link(s): https://web.archive.org/web/20231109050933/https://eur-
lex	x.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016L2284
4.	Which of the following governance domains does this policy tool relate to? Select all that apply.

Climate-related disclosure
✓ Transition planning
☐ Public procurement
5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.
The policy tool requires Member States to set up national air pollution control programmes (planning) and publish information in relation thereto (disclosure).
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
☐ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)

9. Year of (planned) entry into force or year of publication
2016
10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The policy tool establishes emission reduction commitments for the Member States' anthropogenic atmospheric emissions of sulphur dioxide, nitrogen oxides, non-methane volatile organic compounds, ammonia and fine particulate matter and requires that national air pollution control programmes be drawn up, adopted and implemented. Moreover, it requires emissions of those pollutants and the other pollutants, as well as their impacts, to be monitored and reported. As such, the policy tool contributes to the Union's objective on air quality.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>Commission</u>
○ 2.
∘ 3.
o <b>4</b> .
o 5.

20. To provide contextual information, rate the capacity of Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
● 2- Medium Capacity (Please explain) The Commission monitors the progress made in the implementation of the Directive and shall, where appropriate, present legislative proposals in order to ensure compliance with the commitments of the Directive (see art. 11 of the Directive). If a Member State fails to complete transposition measures or meet the objectives set by the Directive, the Commission may initiate an infringement procedure. If the issue is not settled, the Commission may eventually refer the case to the Court of Justice of the European Union. In some cases, the Commission may request the Court to impose finanial sanctions on the Member State concerned. In practice, infringement procedures focus on systemic issues affecting many people or businesses.
Penalties applicable to infringements of national provisions adopted pursuant to the Directive are to be implemented by the Member States (see article 18 of the Directive).
o 3- High Capacity (Please explain)
o Prefer not to answer
○ Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			$\checkmark$
entities			
2. Private companies			
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			<b>✓</b>
organizations			
7. Government			✓
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

○ No
Yes
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.
If the emissions for 2025 cannot be limited in accordance with the determined trajectory, Member States must explain the reasons for that deviation as well as the measures that would bring the Member States back on their trajectory in the subsequent informative inventory reports to be provided to the Commission (see article 4(2) of the Directive). Moreover, article 5 of the Directive provides for flexibilities, inter alia in case of significantly different emission factors, exceptional weather conditions, the lack of available cost-effective measures and sudden and exceptional interruption or loss of capacity in the power and/or heat supply or production systems, provided that certain conditions are met.
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties

Not specified According to article 18 of the Directive, Member States shall lay down the rules on penalties applicable to infringements of national provisions adopted pursuant to the Directive, and shall take all measures necessary to ensure that they are implemented. The penalties provided for
shall be effective, proportionate and dissuasive.
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
o Not applicable
Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain)
∘ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The Commission monitors the progress made in the implementation of this Directive and shall, where appropriate, present legislative proposals in order to ensure compliance with the commitments of the Directive (see article 11 of the Directive).
41. Does the policy tool recommend or require periodic impact assessments?
o No
○ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No

∘ Recommended
○ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
Pursuant to article 12 of the Directive, the Commission shall set up a European Clean Air Forum to provide input for guidance and facilitate the coordinated implementation of the Union legislation and policies related to improving air quality, bringing together all stakeholders including competent authorities of the Member States at all relevant levels, the Commission, industry, civil society, and the scientific community at regular intervals. Moreover, the European Clean Air Forum shall exchange experience and good practices that can inform and enhance the national air pollution control programmes and their implementation.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
∘ Yes

Domain-Specific Questions: Disclosure Questions
What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-r	elated
information? Select all that apply.	

	Recommended	Required	Neither recommended		
1 Groophouse ass			nor required		
1. Greenhouse gas (GHG) emissions					
2. GHG emissions					
offsets or removals					
3. GHG emissions			<b>~</b>		
reduction targets	_	_			
4. Other climate-			<b>~</b>		
related targets  5. Physical climate risk					
6. Transition risk					
7. Transition plan					
98. What is the recomme	nded or required frequenc	cy of transition plan disclo	sures?		
o Yearly					
o Every two years					
o Every three years					
o Every four years					
o Every five years					
o Every ten years or more	2				
Other Article 14(1) of the	ne Directive provides for c	active and systematic diss	semination of information.		
o Not specified					
99. Does the policy tool re transition plan?	ecommend or require audi	ited accuracy and/or third	-party verification of the		
No					
<ul> <li>Recommended</li> </ul>					

o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
∘ No
o Recommended
Required
101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
o Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
• Other <u>Article 14(1) of the Directive provides for active and systematic dissemination of information.</u>
No prescribed frequency
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
No     No
∘ Recommended
∘ Required

103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?

No		
o Recommended		
o Required		
Other disclosures		

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ V
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			<b>V</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			<b>✓</b>
			<b>✓</b>
6. Assumptions and Dependencies			
7. Data limitations of			<b>✓</b>
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			<b>✓</b>
9. Stewardship (e.g., whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			<b>~</b>
ownership in the			
context of climate			
change 12. Sectoral			<b>✓</b>
investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

emissive assets with				
long lifespans				
15. Dirty asset			<b>✓</b>	
divestiture				
16. Nature-related			$\checkmark$	
impacts				
17. Just transition				
indicators				
Standards, Frameworks, and Guidelines				

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	✓		

-----

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

EMEP Reporting Guidelines
ner/2022/emissions_reporting_guidelines_2023_final.pdf) and EMEP/EEA Guidebook
(https://web.archive.org/web/20240822151254/https://www.eea.europa.eu/publications/emep-eea-
guidebook-2023). Moreover, reporting must be consistent with reporting under the Convention on
ong-range transboundary air pollution
(https://web.archive.org/web/20240419220625/https://treaties.un.org/pages/ViewDetails.aspx?src=T
REATY&mtdsg_no=XXVII-1&chapter=27&clang=_en)
Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
○ No
○ Recommended
Required

monitoring progress in achieving targets.
Member states must ensure the monitoring of negative impacts of air pollution (art. 9(1) of the
<u>Directive</u> ) and report national emission inventories and projections in accordance with the dates set
out in Annex 1 (art. 10(2) of the Directive).
138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?
∘ No
∘ Recommended
Required
139. What is the recommended or required frequency of progress reports related to the achievement of targets?
o Yearly
o Every two years
o Every three years
o Every four years
Every five years
o Every ten years or more
• Other <u>Elements contained in Tables A, B and D in Annex I anually and those contained in table C of</u>
Annex I every four years or biennial
No prescribed frequency

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			<b>~</b>
reduction target			
An intensity-based			$\checkmark$
emissions reduction			
target			
A net zero target			✓
Interim targets (e.g.		$\checkmark$	
2030, 2050)			
Targets covering non-			$\checkmark$
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using			$\checkmark$
a sectoral			
decarbonization			
approach			
A level of ambition for			$\checkmark$
emissions reductions			
(e.g. 80% reduction)		<b>✓</b>	
A baseline year from			
which progress is measured			
A target timeframe		<b>✓</b>	П
(e.g. by 2040)			
Targets for renewable			<b>✓</b>
energy procurement			
Targets for fossil fuel			<b>✓</b>
phase down/phase up			
Separate targets for			<b>✓</b>
GHG offsets and/or			
removals			
Targets or goals			$\checkmark$
related to climate			
adaptation			
Targets or goals			<b>✓</b>
related to nature and			
biodiversity			
Other targets related			✓
to sustainability			

145. What is the recommended or required year for interim targets?

0 2025-2030

153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
Other <u>Specified reduction commitment for each year (see Annex II)</u>
o Not specified
Transition Plans
164 December a light tool recommend or require torquited entities to have an develop a transition plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
○ No
o Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for tro	ınsition
plans? Select all that apply.	

	Decemberded	Doguirod	Noith or recommended
	Recommended	Required	Neither recommended nor required
A timeframe for the			// required
transition plan (e.g. 10			
year plan, 20 year			
plan, etc.)			
Key Performance			<b>✓</b>
Indicators (KPIs) for			
monitoring transition			
_			
plan implementation			
Updates to the			
transition plan			
Third-party			
verification and/or			
audited accuracy of			
the transition plan			
Identified methodology		<b>✓</b>	
for scenario analysis	🖰		
Tor scendilo dilalysis			
168. Select the option the transition plans.	ıt best describes the rec	commended or requir	ed frequency of updates to
transition plans.			
o 0-2 years			
5 <b>- y</b> 565			
● 2-5 years			
0 <b>1</b> 0 <b>y</b> 0 0 0			
o 5-10 years			
,			
o 10 or more years			
,			
<ul> <li>Not specified</li> </ul>			
o Other			
160 Describe the recomp	nandad ar raquirad und	lates to transition pla	ns and reference the relevant
		iates to transition pia	ns and reference the relevant
section/subsection/parag	raph of the policy tool.		
		11. 0	
·	·	<u>ollution control progra</u>	ımmes at least every four years
(art. 6(3) of the Directive).	<u>:</u>		

171. Regarding the methodology for scenario analysis, does the policy tool recommend or require targeted entities identify and/or take actions to address data limitations?
o No
o Recommended
Required
172. Describe and reference the relevant section/subsection/paragraph of the policy tool where it recommends or requires targeted entities identify and/or take actions to address data limitations.
Member States are obliged to coordinate with other monitoring programmes and, where appropriate make use of data collected under those programs (art. 9(1) of the Directive).
173. Regarding the methodology for scenario analysis, does the policy tool recommend or require targeted entities disclose data limitations?
● No
o Recommended
o Required
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to
monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

Member States must prepare and anually update national emission inventories (art. 8(1)), which must
be provided to the Comission (art. 10(2)).

180. Describe the obligation to incorporate climate change considerations into investment decision making and asset planning, referencing the relevant section/subsection/paragraph of the policy tool.

The preamble suggest Member States to consider supporting the shift of investment to clean and efficient technologies in order to reduce emissions (para. 24).

Er	g	ag	en	ne	nt	, L	.ol	bb	yi	nç	g,	aı	nd	1 (	io	ve	eri	na	ın	ce	9															

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			<b>✓</b>
engagement	_	_	
Investor engagement			✓
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			
<ul><li>185. Does the policy tool diligence and/or stewards</li><li>No</li></ul>			
<ul><li>Recommended</li></ul>			
<ul><li>Required</li></ul>			
189. Describe the obligati		•	
Member States must cons	sult the public and compe	tent authorities likely to be	e concerned with the
implementation of the na	tional air pollution prograi	mmes prior to the finalisat	tion thereof (art. 6(5)).
Standards, Frameworks,			

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
IFRS S1			$\checkmark$
IFRS S2			$\checkmark$
Task Force on Climate-related Financial Disclosures (TCFD)			
CDP (formerly known as Climate Disclosure Project) Technical Note: Reporting on Climate Transition Plans			
International Integrated Reporting Framework			
Global Reporting Initiative (GRI)			<b>~</b>
Sustainability Accounting Standards Board (SASB)			✓
Science Based Targets initiative (SBTi)			<b>✓</b>
Science Based Targets initiative (SBTi) Net Zero Standard			$\checkmark$
European Sustainability Reporting Standards (ESRS)			
Other	<b>⊘</b>		

195. List any other standards, frameworks or guidelines required by or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

## **EMEP Reporting Guidelines**

(https://web.archive.org/web/20240822151118/https://www.ceip.at/fileadmin/inhalte/ceip/00\_pdf\_other/2022/emissions\_reporting\_guidelines\_2023\_final.pdf) and EMEP/EEA Guidebook (https://web.archive.org/web/20240822151254/https://www.eea.europa.eu/publications/emep-eeaguidebook-2023). Moreover, reporting must be consistent with reporting under the Convention on long-range transboundary air pollution

(https://web.archive.org/web/20240419220625/https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg\_no=XXVII-1&chapter=27&clang=\_en)

Additional Important I	nformation	

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Policy Tool Name: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

3. Source material link(s): Consolidated version: https://web.archive.org/web/20240511101606/https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:02019R2088-20240109 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body Legislature □ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force Approved, not yet in force Other (Please describe) 9. Year of (planned) entry into force or year of publication 2019

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
SFDR lays down harmonised rules for financial market participants and financial advisers on transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>Commission</u>
■ 2. <u>European Supervisory Authorities</u>
○ 3.
o 4.
○ 5.
20. To provide contextual information, rate the capacity of Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

© 2- Medium Capacity (Please explain) The Commission is mandated to adopt the regulatory
standards under the SFDR (article 2a(3) of the Regulation), evaluate the application of the Regulation (article 19(1) of the Regulation), and submit legislative proposals if appropriate in light of such
evaluation (article 19(2) of the Regulation).
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
21. To provide contextual information, rate the capacity of European Supervisory Authorities to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
• 1- Low Capacity (Please explain) <u>Under the SFDR</u> , the <u>European Supervisory Authorities (ESAs)</u> influence is limited to its mandate to develop and review the regulatory technical standards and report to the Commission on best practices towards voluntary reporting standards (article 18 of the Regulation), whereas the actual supervision and enforcement of the SFDR vis-à-vis financial market participants is a task given to the national competent authorities (article 14 of the Regulation).
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			✓
entities			
2. Private companies			✓
3. Financial institutions	✓		
4. Small and medium-			$\checkmark$
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)	<b>✓</b>		_
8. Government			
agencies and/or			
departments (national)  9. Government	П		<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			✓
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

195

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Financial institutions
Minimum number of employees (Enter min number of full-time employees - FTEs)	The SFDR does not apply to insurance intermediaries which provide insurance advice with regard to insurance-based investment products nor to investment firms which provide investment advice that are enterprises irrespective or their legal form, including natural persons and self-employed persons, provided that they employ few than three persons (art. 17(1))
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
∘ No

29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.

Unless a financial market participant exceeds on their balance sheet dates the criterion of the average number of 500 employees during the financial year or such financial market participant is a parent undertaking of a large group exceeding on the balance sheet date of the group, on a consolidated basis, the criterion of the average number of 500 employees during the financial year, financial market participants may - instead of considering adverse impacts of investment decision on sustainability factors - publish clear reasons for why they not do so (article 4 of the Regulation).

\_\_\_\_\_\_

- 30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
- o Operations within jurisdiction only

o Operations beyond the jurisdiction
Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
Not specified There are no specific penalties provided for in the SFDR. Instead, Member States must ensure that national competent authorities have all supervisory and investigatory powers that are necessary to exercise their function to monitor compliance with the Regulation (see article 14(1) of the Regulation).
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average
○ Above average
o Not applicable
Unknown or prefer not to answer

entities have made compliance a priority.
o Below average
○ Average
o Above average
o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) not at European Union level
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The Commission had to evaluate the application of the Regulation by 30 December 2022 (article 19(1) of the Regulation) was granted the power to submit legislative proposals if appropriate in light of such evaluation (article 19(2) of the Regulation).  The ESAs must anually report to the Commission the extent of voluntary disclosures under the Regulation and make recommendations towards voluntary reporting standards. This report must also be made public and transmitted to the European Parliament and to the Council (article 18 of the Regulation).
41. Does the policy tool recommend or require periodic impact assessments?

No     No
∘ Recommended
o Required
42 D
43. Does the policy tool recommend or require periodic reviews?
No     No
<ul> <li>Recommended</li> </ul>
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
The Regulation provides in art. 14(2) that the national competent authorities must cooperate with each other and provide each other with information necessary to fulfil their duties under the Regulation.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
o Yes

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			<b>&gt;</b>
2. GHG emissions offsets or removals			<b>\</b>
3. GHG emissions reduction targets			<b>&gt;</b>
4. Other climate- related targets			<b>&gt;</b>
5. Physical climate risk			$\checkmark$
6. Transition risk			<b>✓</b>
7. Transition plan			$\checkmark$
Other disclosures			

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended
			nor required
Climate-related opportunities			<b>✓</b>
2. Remuneration	<b>✓</b>		
based on achieving			_
climate-related goals			
3. Taxonomies	<b>✓</b>		
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			
6. Assumptions and			$\checkmark$
Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial	✓		
implications of			
climate-related			
matters (e.g., integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			<b>✓</b>
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			$\checkmark$
methodologies and			
criteria (in the case of			
service providers)			<b>✓</b>
11. Asset planning or			
ownership in the context of climate			
change			
12. Sectoral			<b>✓</b>
investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

emissive assets with long lifespans			
15. Dirty asset divestiture			<b>~</b>
16. Nature-related			
impacts			
17. Just transition			
indicators			
disclosures regarding re Financial market particip information on how thos	muneration based on ach pants and financial advise se policies are consistent v	on/paragraph of the policy to ieving climate-related goal ers must include in their ren with the integration of sust	ls. nuneration policies
<u>publish this information</u>	on their website (article 5	<u>(1)).</u>	
Financial market participalia the methodologies uncharacteristics or the imputhe financial products pr	pants must publish and m used to assess, measure o coact of the sustainable in comotes environmental or	on/paragraph of the policy to aintain on their website information on the environment and monitor the environment vestments selected for the social characteristics (in the sense of article 9)(see article	formation regarding interntal and social financial product in case he sense of article 8) or
diligence disclosures.		on/paragraph of the policy t	
due diligence policies wi factors (article 4(1)) and	th respect to adverse imp	aintain on their website intacts of investment decision of colories on the integration of 3).	ns on sustainability
113. Describe and refere	ence the section/subsection	on/paragraph of the policy t	tool relevant to

disclosures regarding the financial implications of climate-related matters.

<u>Financial market participants and financial advisers must include description of inter alia the results</u>
of the assessment of the likely impacts of sustainability risks on the returns of financial products they
make or advise upon in pre-contractual disclosures (article 6).
122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure
of nature-related impacts.
See Q1.110, the term 'sustainability risks' encompasses nature-related impacts (see article 2(17)).
123. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure
of just transition indicators.
See Q1.110, the term 'sustainability risks' encompasses social impacts (see article 2(17)).
<u> </u>
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			$\checkmark$
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

-----

206

Policy Tool Name: Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading system

greenhouse gas emission trading system
3. Source material link(s): https://web.archive.org/web/20240825024823/https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02003L0087-20240301
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☑ Transition planning
□ Public procurement
5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.  The EU ETS Directive contains an obligation to monitor and report emissions from (i) stationary installations, (ii) aviation activities, and (iii) buildings, road transport and additional sectors as referred to in Annex III.
In addition to these reporting obligations, the Directive imposes a requirement for the highest emitting operators of energy installations under the EU ETS to adopt climate transition plans. Specifically, the top 20% of these operators, based on their emission levels, must develop and implement plans that outline their strategies for transitioning to a low-carbon economy. These climate transition plans are governed by further rules laid down in Regulation 2023/2441.
6. Select the category which best describes the author/issuer of the policy tool.
□ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
□ Ministry/Department/Agency

☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2003</u>
10. Does the policy tool have an end date?
No     No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The goal of the EU ETS Directive (Directive 2003/87/EC) is to establish a system for greenhouse gas emission allowance trading within the European Union. Its primary purpose is to promote the reduction of greenhouse gas emissions in a cost-effective and economically efficient manner. By setting a cap on the total amount of certain greenhouse gases that can be emitted by installations covered by the system, the directive aims to incentivize companies to reduce their emissions through market mechanisms. Additionally, it supports the EU's broader climate objectives, including achieving climate neutrality and meeting the targets set out in the Paris Agreement.

14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
1. <u>European Commission</u>
© 2. <u>European Securities and Markets Authority (ESMA)</u>
○ 3.
o 4.
o 5.
20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
● 2- Medium Capacity (Please explain) <u>Article 19 of the directive designates the Commission as the Central Administrator, responsible for maintaining an independent transaction log to record the issuance, transfer, and cancellation of allowances. Moreover, Article 10(4) empowers the Commission to adopt delegated acts concerning the timing, administration, and other aspects of auctioning allowances.</u>
Article 14 mandates the Commission to adopt implementing acts that detail the arrangements for monitoring and reporting emissions. This includes specifying the principles for monitoring and reporting. Additionally, Article 15 grants the Commission the authority to adopt implementing acts for the verification of emission reports and the accreditation of verifiers.
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
21. To provide contextual information, rate the capacity of European Securities and Markets Authority (ESMA) to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

- © 2- Medium Capacity (Please explain) <u>Article 10(6)</u> of the <u>Directive mandates ESMA to regularly monitor</u> the integrity and transparency of the European carbon market. This includes overseeing <u>market volatility, price evolution, the operation of auctions, trading operations on the market for emission allowances and derivatives, and the behavior of market participants. To fulfill these responsibilities, ESMA is empowered to cooperate and exchange detailed information with relevant competent authorities on all types of transactions, as stipulated in Article 10(6) of the <u>Directive.</u> Furthermore, ESMA's assessments and findings are integrated into the Commission's annual report on the functioning of the carbon market, as required by Article 10(5) of the <u>Directive.</u></u>
- o 3- High Capacity (Please explain)
- o Prefer not to answer
- Not Applicable

\_\_\_\_\_

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			$\checkmark$
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned			✓
companies			
6. Not-for-profit			✓
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors	<b>✓</b>		
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

212

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable	
All sectors			<b>✓</b>	
Agriculture, forestry, and fishing				
Mining and quarrying			✓	
Manufacturing	✓			
Electricity, gas, steam, and air conditioning supply	<b>✓</b>			
Water supply; sewerage; waste management and remediation activities				
Construction			<b>✓</b>	
Wholesale and retail trade: repair of motor vehicles and motorcycles				
Transportation and storage	<b>Y</b>			
Accommodation and food service activities			<b>&gt;</b>	
Information and communication				
Financial and insurance activities			<b>4</b>	
Real estate activities			<	
Professional, scientific and technical activities				
Administrative and support service activities			<b>&gt;</b>	
Public administration and defense; compulsory social security				
Education			✓	
Human health and social work activities				
Arts, entertainment and recreation				
Other service activities			✓	
Activities of households as employers; undifferentiated goods-and services-				
producing activities of				

households for own		
use		
Activities of extraterritorial organizations and bodies		

\_\_\_\_\_

27. C	escribe the	threshold	criteria to	identify	entities	for whom o	r instances	in which	complian	ice is
man	datory.									

	Sectoral actors (e.g. healthcare, defense, utilities, education)
Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum	
contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting	As defined in Article 2, the Directive applies to
requirements	the activities listed in Annexes I and III and to
	the greenhouse gases listed in Annex II.

Entity is neadquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	As defined in Article 2, the Directive applies to the activities listed in Annexes I and III and to
	the greenhouse gases listed in Annex II.
28. Can entities for whom compliance with the policomply or explain)?	icy tool is mandatory opt out of the obligation (e.g.
∘ No	
Yes	
29. Describe the available opt-out provisions (e.g. 'section/subsection/paragraph of the policy tool.	"comply or explain"), referencing the relevant
Article 27 of the Directive allows Member States to	o exclude small installations emitting less than
25,000 tonnes of carbon dioxide equivalent and w	ith a rated thermal input below 35 MW, provided
they implement equivalent emission reduction med	asures and reintroduce installations if thresholds
are exceeded	

are exceeded.

Article 27a permits the exclusion of installations emitting less than 2,500 tonnes of carbon dioxide equivalent, with similar conditions for monitoring and reintroduction.

<u>Article 10c offers transitional free allocation for electricity generation installations in Member States</u> with a GDP per capita below 60% of the EU average.

Additionally, Article 28a provides derogations for certain aviation activities, exempting specific flights
from surrendering allowances and reporting emissions, particularly for flights to and from non-EEA
states and between outermost regions and other EEA regions.

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
Operations beyond the jurisdiction
o Not applicable
31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
The obligations of the EU ETS Directive do extend to certain operations beyond the EU jurisdiction, particularly in the aviation and maritime transport sectors.
According to Annex I of the directive, all flights arriving at or departing from an aerodrome situated in the territory of a Member State are included in the EU ETS. This means that flights between EU Member States and third countries are in principle covered by the Directive, although there are specific derogations and exemptions (Articles 25a and 28a of the Directive).  Regarding maritime transport, Article 3ga of the Directive specifies that the allocation of allowances
and the application of surrender requirements apply to fifty percent of the emissions from ships performing voyages departing from a port of call under the jurisdiction of a Member State and arriving at a port of call outside the jurisdiction of a Member State, and vice versa. Additionally, it covers one hundred percent of emissions from ships performing voyages between ports of call under the jurisdiction of a Member State and emissions within a port of call under the jurisdiction of a Member State.
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine <u>As outlined in Article 16, Member States shall lay down the rules on penalties applicable to infringements of the national provisions adopted pursuant to the Directive. As outlined in Article 16(3), there is also an excess emissions penalty of €100 for each tonne of CO2 equivalent emitted without sufficient allowances.</u>
□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation

☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other The European Commission may decide on the imposition of an operating ban on the aircraft operator upon the request of the administering Member State (Article 16(5) to (10) of the Directive). The competent authorities of the Member State may also issue an expulsion order and/or a flag State detention order to a shipping company in cases of certain violations (Article 16(11a) of the Directive).
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The EU ETS system is strictly enforced. An exemplary case of enforcement is Case C-203/12: Billerud
Karlsborg AB and Billerud Skärblacka AB v Naturvårdsverket. The Swedish environmental protection agency, Naturvårdsverket, imposed penalties on Billerud Karlsborg AB and Billerud Skärblacka AB for
failing to surrender the required carbon dioxide allowances by the April 30, 2007 deadline for their
2006 emissions. The companies argued that they had sufficient allowances but missed the deadline due to administrative errors. The CJEU ruled that the penalties apply regardless of the cause of the
delay, emphasizing that the obligation is to surrender the allowances by the specified date, not
merely to hold them. The Court also stated that the penalty amount cannot be varied by national
courts based on the principle of proportionality, reinforcing the strict compliance required by the EU
ETS.
https://web.archive.org/web/20240825142555/https://eur-lex.europa.eu/legal-
content/en/TXT/?uri=CELEX:62012CJ0203
https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:62012CJ0203
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No
● Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Article 19 of the Directive mandates the establishment of the Union Registry, a standardized

electronic database that tracks the issuance, holding, transfer, and cancellation of allowances, ensuring accurate accounting and transparency of all transactions. Each Member State designates competent authorities responsible for the implementation and enforcement of the EU ETS, as outlined in Article 18. These authorities oversee the monitoring, reporting, and verification (MRV) of emissions.

Additionally, the Commission designates a Central Administrator to maintain an independent transaction log, recording the issue, transfer, and cancellation of allowances, and conducting automated checks on each transaction to identify any irregularities, as specified in Article 20 of the Directive. Article 21 of the Directive requires Member States to submit annual reports to the

Commission on the application of the Directive, including information on the allocation of allowances,
the operation of registries, and compliance with the monitoring and reporting requirements.
41. Does the policy tool recommend or require periodic impact assessments?
○ No
○ Recommended
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
○ Other
43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
● 0-2 years
o 2-5 years

o 5-10 years
o 10 or more years
o Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
For instance, elaborate guidances on compliance, such as the Monitoring and Reporting Guidance
from the Dutch Emissions Authority on EU ETS for Aviation.  (https://web.archive.org/web/20240825143532/https://www.emissionsauthority.nl/topics/practical-
information)
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

omain-Specific Questions: Disclosure Questions	
Vhat is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas		<b>✓</b>	
(GHG) emissions			
2. GHG emissions			
offsets or removals			
3. GHG emissions			
reduction targets			
4. Other climate-			
related targets		_	
5. Physical climate risk			
6. Transition risk			
7. Transition plan			
54. Which GHG emissions must be disclosed? Select all that apply.  Carbon dioxide (CO <sub>2</sub> )			
✓ Methane (CH4) ✓ Nitrous oxide (N2O)			
✓ Hydrofluorocarbons (H	IFCs)		
Perfluorocarbons (PFCs)			
Sulphur hexafluoride (SF6)			
□ Nitrogen trifluoride (NF3)			
□ Carbon dioxide equivalent (CO2e)			
55. Are entities recomme	nded or required to dis	close gross emission	s?
∘ No			
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
No     No
○ Recommended
o Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
☐ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
o No
o Recommended
o Required
60. If necessary provide additional clarification to the above responses about are enhanced as (GHG)

emissions disclosure.

The Directive mandates that emission reports submitted by operators must undergo verification by
independent accredited verifiers. Article 15 of the Directive specifies that Member States must ensure
that the reports submitted by operators are verified in accordance with the criteria set out in Annex V
and any detailed provisions adopted by the European Commission. This verification process involves
assessing the reliability, credibility, and accuracy of the reported data and the methodologies used.
The independent verifiers must ensure that the reported emissions are free of inconsistencies and
that the data collection has been carried out in accordance with applicable scientific standards.
Other disclosures
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			₩ .
2. Remuneration based on achieving climate-related goals			<b>⊘</b>
3. Taxonomies			$\checkmark$
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			lacksquare
6. Assumptions and Dependencies			<b>\</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			<b>&gt;</b>
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			♥
14. Locked-in emissions or information on			

emissive assets with			
long lifespans			
15. Dirty asset			<b>✓</b>
divestiture			
16. Nature-related			
impacts			
17. Just transition			
indicators			
Standards, Frameworks, and Guidelines			

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			<b>✓</b>
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

-----

228

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
○ Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
∘ Recommended
<ul><li>Required</li></ul>

165. Does the policy tool recommend or require any of the following elements or criteria for	or transition
plans? Select all that apply.	

	Recommended	Required	Neither recommended
Λ +i f			nor required
A timeframe for the transition plan (e.g. 10			
year plan, 20 year			
plan, etc.)			
Key Performance		<b>(</b>	
Indicators (KPIs) for			
monitoring transition			
plan implementation			
Updates to the		<b>✓</b>	
transition plan			
Third-party		<b>✓</b>	
verification and/or			
audited accuracy of			
the transition plan			
Identified methodology			<b>(</b>
for scenario analysis	_		
167. Describe the recomm	nended or required Key	/ Performance Indicat	ors (KPIs) and reference the
relevant section/subsectio	on/paragraph of the po	olicy tool.	
		•	
<u>The plans must include in</u>	<u>termediate targets and</u>	<u>d milestones to meası</u>	<u>ıre progress towards climate</u>
neutrality, please refer to	Article 10a(1) and Art	cle 10b(4) of the Dire	ctive.
160 Coloct the entire the	t hest describes the re		
·	t best describes the re	commended or requir	ed frequency of updates to
·	t best describes the re	commended or requir	ed frequency of updates to
transition plans.	t best describes the re	commended or requir	ed frequency of updates to
transition plans.   0 -2 years	t best describes the re	commended or requir	ed frequency of updates to
transition plans.	t best describes the re	commended or requir	ed frequency of updates to
transition plans.	t best describes the re	commended or requir	ed frequency of updates to
transition plans.  o 0-2 years  o 2-5 years	t best describes the re	commended or requir	ed frequency of updates to
transition plans.	t best describes the re	commended or requir	ed frequency of updates to
transition plans.  0 0-2 years  2-5 years  5-10 years  10 or more years	t best describes the re	commended or requir	ed frequency of updates to
transition plans.  o 0-2 years  o 2-5 years  • 5-10 years	t best describes the re	commended or requir	ed frequency of updates to
transition plans.  0 0-2 years  2-5 years  5-10 years  10 or more years  Not specified	t best describes the re	commended or requir	ed frequency of updates to
transition plans.  0 0-2 years  2-5 years  5-10 years  10 or more years  Not specified		commended or requir	ed frequency of updates to

169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
The achievement of the targets and milestones must be verified periodically, specifically by 31  December 2025 and every five years thereafter, please refer to Article 10a(1) and Article 10b(4) of the Directive.
170. Describe the recommendation or requirement to undertake third-party verification and/or audited accuracy of the transition plan and reference the relevant section/subsection/paragraph of the policy tool.
The achievement of the targets and milestones must be verified in accordance with the verification and accreditation procedures provided for in Article 15 of the Directive, please refer to Article 10a(1) and Article 10b(4) of the Directive.
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			<b>∀</b>
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

The Directive mandates the monitoring of progress in implementing transition plans for certain high-
emission installations and district heating operators. These plans must be verified periodically,
specifically by 31 December 2025 and every five years thereafter (Article 10b(4) of the Directive).

178. Describe the obligation to develop financial plans for the implementation of transition plans, referencing the section/subsection/paragraph of the policy tool.

The climate-neutrality plan must include an estimate of the impact of each measure and investment on the reduction of greenhouse gas emissions, please refer to Article 10a(1) and Article 10b(4) of the Directive.

						-		-		-				-					-		-		-			-	 	 	-	 -	 -	 -	 	 	 -	 -	 	-	 	-	 	 	-	 	-	 	 
						-		-		-																																					
Er	ng	a	ge	m	ıe	n	t,	L	0	bl	by	/i	ng	g,	a	n	d	G	o١	νe	eri	no	ar	าด	e	•																					
						-										_			-		_					_	 	 		 	 	 -	 	 	 	 -	 	_	 	_	 	 	-	 	_	 	 
_							_		_	_	_																																				

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	1	1	
	Recommended	Required	No
Value chain			
engagement			
Investor engagement			<b>✓</b>
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			
-	recommend or require tar ship to achieve their targe	_	-
No			
o Recommended			
o Required			
Standards, Frameworks	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			$\checkmark$
IFRS S2			<b>✓</b>
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD)			<b>✓</b>
CDP (formerly known as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			<b>V</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			✓
initiative (SBTi)			
Science Based Targets			$\checkmark$
initiative (SBTi) Net			
Zero Standard			
European			$\checkmark$
Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism (CBAM)

3. Source material link(s): https://web.archive.org/web/20240825124959/https://eurlex.europa.eu/eli/reg/2023/956/oj 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body Legislature ☐ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force Other (Please describe) 9. Year of (planned) entry into force or year of publication

<u>2023</u>

10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the
recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The goal of Regulation (EU) 2023/956, which establishes a carbon border adjustment mechanism
(CBAM), is to address greenhouse gas emissions embedded in imported goods into the customs
territory of the European Union. The CBAM aims to prevent the risk of carbon leakage, where
businesses might transfer production to countries with less stringent climate policies, thereby undermining the EU's efforts to reduce global carbon emissions. By applying an equivalent carbon
pricing to imports as is applied to domestic products under the EU ETS, the CBAM seeks to create a
level playing field, incentivize the reduction of emissions by operators in third countries, and support
the goals of the Paris Agreement.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
⊕ 1. <u>European Commission</u>
② 2. National competent authorities of each Member State
o 3.
o <b>4</b> .
o 5.

20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.

- 0- No Capacity (Please explain)
- o 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain) <u>The Commission is responsible for establishing and managing the CBAM registry (Article 14), conducting risk-based controls on data and transactions (Article 15), and overseeing the review of CBAM declarations (Article 19). It also coordinates the activities of national competent authorities, supports the exchange of best practices, and issues guidelines (Article 12). Furthermore, the Commission is empowered to adopt delegated and implementing acts to ensure the Regulation's effective application (Articles 28 and 29).</u>
- 3- High Capacity (Please explain)
   Prefer not to answer
   Not Applicable
- 21. To provide contextual information, rate the capacity of National competent authorities of each Member State to undertake the policy tool's implementation and/or enforcement.
- o 0- No Capacity (Please explain)
- o 1- Low Capacity (Please explain)
- 2- Medium Capacity (Please explain) The national competent authorities are responsible for granting the status of authorized CBAM declarants to importers (Article 17), ensuring compliance with the regulation's requirements, and imposing penalties for non-compliance (Article 26). They are tasked with reviewing CBAM declarations and conducting consultations and coordination with other Member States and the European Commission (Article 19). Additionally, national competent authorities manage the financial and operational capacity of authorized CBAM declarants, including requiring guarantees where necessary (Article 17). They also play an important role in exchanging essential information with the Commission and other Member States to facilitate the Regulation's effective implementation (Article 11)

o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities			
2. Private companies	<b>✓</b>		
3. Financial institutions			
4. Small and medium-	<b>✓</b>		
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)  9. Government			<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)		_	
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education) 13. Other	<b>✓</b>		
15. Other			

13. Other Text:The CBAM Regulation applies to goods listed in Annex I originating in a third country, where those goods, or processed products from those goods resulting from the inward processing procedure referred to in Article 256 of Regulation (EU) No 952/2013, are imported into the customs territory of the Union.

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publicly- traded entities	Private companies	Small and medium-sized enterprises	State-owned companies	Other
Minimum number of employees (Enter min number of full- time employees - FTEs)			enterprises		
Minimum revenue (Enter minimum revenue)					
Minimum assets (Enter minimum assets)					
Minimum contract value (Enter minimum contract value)					
Entity is headquartered in the jurisdiction					
Entities are subjected to disclosure or reporting requirements	Importing a good listed in Annex I into the customs territory of the European Union.	Importing a good listed in Annex I into the customs territory of the European Union.	Importing a good listed in Annex I into the customs territory of the European Union.	Importing a good listed in Annex I into the customs territory of the European Union.	Importing a good listed in Annex I into the customs territory of the European Union.

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g.
comply or explain)?

● No					
Yes					

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
o Operations within jurisdiction only
Operations beyond the jurisdiction
Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine Payment of penalties in case of non-compliance. Such a penalty shall be identical to the excess emissions penalty set out in Article 16(3) of the EU ETS Directive. Where a person other than an authorised CBAM declarant introduces goods, that person shall be held liable for a penalty that is effective, proportionate and dissuasive, and shall be an amount from three to five times the aforementioned penalty.
□ Restriction on business activities
□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average
Above average
o Not applicable
Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
27. Have the elimente execific provisions in this instrument ever been enforced?
37. Have the climate-specific provisions in this instrument ever been enforced?
<ul><li>No (If relevant, explain)</li></ul>
No (If relevant, explain)
No (If relevant, explain)
<ul><li>No (If relevant, explain)</li><li>Yes</li></ul>
<ul> <li>No (If relevant, explain)</li> <li>Yes</li> <li>39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the</li> </ul>
<ul> <li>No (If relevant, explain)</li> <li>Yes</li> <li>39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?</li> </ul>
<ul> <li>No (If relevant, explain)</li> <li>Yes</li> <li>39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?</li> <li>No</li> </ul>

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The European Commission is responsible for establishing and managing a CBAM registry, a standardized electronic database containing data regarding CBAM certificates and authorized CBAM declarants (Article 14). Additionally, the Commission is tasked with carrying out risk-based controls on the data and transactions recorded in the CBAM registry to ensure there are no irregularities in the purchase, holding, surrender, repurchase, and cancellation of CBAM certificates (Article 15). If irregularities are identified, the European Commission informs the competent authorities for further investigation.

The European Commission also has an oversight role in reviewing CBAM declarations, which includes

verifying the information provided and conducting audits if necessary (Article 19). Competent authorities in Member States also have the power to review CBAM declarations and communicate their findings to the Commission. Customs authorities are required to periodically and automatically communicate specific information on goods declared for importation to the Commission, including details such as the EORI number, CBAM account number, CN code, quantity, country of origin, and date of customs declaration (Article 25). This information is cross-checked with data in the CBAM registry.

Furthermore, the European Commission is tasked with continuously monitoring for practices of
circumvention, which involve changes in trade patterns to avoid CBAM obligations (Article 27). The
European Commission can initiate investigations and adopt measures to address such practices.
41. Does the policy tool recommend or require periodic impact assessments?
o No
o Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended
or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
o No
o Recommended
Required

44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?  • No  • Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
o Yes

omain-Specific Questions: Disclosure Questions	
Vhat is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required			
1. Greenhouse gas (GHG) emissions		<b>~</b>				
2. GHG emissions offsets or removals			<b>~</b>			
3. GHG emissions reduction targets			<b>~</b>			
4. Other climate- related targets			<b>~</b>			
5. Physical climate risk			<b>~</b>			
6. Transition risk			✓			
7. Transition plan			✓			
54. Which GHG emissions must be disclosed? Select all that apply.						
☑ Carbon dioxide (CO2)						
□ Methane (CH4)						
☑ Nitrous oxide (N₂O)						
□ Hydrofluorocarbons (HFCs)						
Perfluorocarbons (PFCs)						
□ Sulphur hexafluoride (SF6)						
□ Nitrogen trifluoride (NF3)						
□ Carbon dioxide equivalent (CO2e)						
55. Are entities recommended or required to disclose gross emissions?						
○ No						
o Recommended						
Required						

56. Are entities recommended or required to disclose net emissions?
No     No
• Recommended
○ Required
. U
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
o Recommended
o Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

The CBAM Regulation requires entities to disclose the methodologies used for accounting greenhouse gas (GHG) emissions. Specifically, the regulation mandates that the calculation of embedded emissions must follow the methods set out in Annex IV. These methodologies include detailed procedures for determining actual emissions, both direct and indirect, and for using default values when actual emissions cannot be adequately determined (Article 7 and Annex IV).

Additionally, the CBAM declaration submitted by authorized CBAM declarants must be accompanied by verification reports issued by accredited verifiers. These reports confirm the accuracy of the embedded emissions calculations and must adhere to the verification principles set out in Annex VI (Article 6 and Article 8). The verification report must include a description of how the installation's emissions are attributed to different types of goods and quantitative information on the goods, emissions, and energy flows not associated with those goods (Annex VI). The verification process must adhere to the principles set out in Annex VI, which include ensuring that the verification report is free of material misstatements and non-conformities regarding the calculation of embedded emissions. The verifier must be accredited in accordance with Implementing Regulation (EU) 2018/2067, which sets out the requirements for the accreditation of verifiers (Article 18).

free of material misstatements and non-conformities regarding the calculation of embedded					
emissions. The verifier must be accredited in accordance with Implementing Regulation (EU)					
2018/2067, which sets out the requirements for the accreditation of verifiers (Article 18).					
Other disclosures					

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ V
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			<b>V</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			<b>✓</b>
			<b>✓</b>
6. Assumptions and Dependencies			
7. Data limitations of			<b>✓</b>
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			<b>✓</b>
9. Stewardship (e.g.,			
whether stewardship codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the			
context of climate			
change			<b>✓</b>
12. Sectoral investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

emissive assets with		
long lifespans		
15. Dirty asset		<b>✓</b>
divestiture		
16. Nature-related		<b>✓</b>
impacts		
17. Just transition		
indicators		
Standards, Frameworks	, and Guidelines	

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			<b>✓</b>
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

-----

254

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: Commission Implementing Regulation (EU) 2023/2441 of 31 October 2023 laying down rules for the application of Directive 2003/87/EC of the European Parliament and of the Council as regards the content and format of climate-neutrality plans needed for granting free allocation of emission allowances

3. Source material link(s): https://web.archive.org/web/20240404054942/https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302441
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
☐ Climate-related disclosure
✓ Transition planning
☐ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
☐ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
• Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication

<u>2023</u>
10. Does the policy tool have an end date?
No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The goal and purpose of the Commission Implementing Regulation (EU) 2023/2441 are to establish
the required content and format for climate-neutrality plans necessary for the conditional free allocation of emission allowances under the EU ETS Directive. This regulation aims to facilitate the transition to climate neutrality by 2050 for operators of high-emission installations and district heating companies in certain Member States. It standardizes the reporting process, ensuring
consistency and transparency across the EU, and integrates these plans with existing procedures to reduce administrative burdens. Additionally, it sets clear, measurable milestones and targets for emissions reductions and requires detailed descriptions of planned measures and investments to achieve these goals.
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>European Commission</u>
o 2.
o 3.
o 4.
o 5.

20. To provide contextual information, rate the capacity of European Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
Publicly-traded entities			<b>✓</b>
2. Private companies			<b>⊘</b>
3. Financial institutions			
4. Small and medium-			$\checkmark$
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)  9. Government			<b>✓</b>
9. Government agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>(</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)		_	_
13. Other	<b>✓</b>		

13. Other Text:Operators of installations with greenhouse gas emission levels higher than the 80th percentile of emission levels for the relevant product benchmarks, as well as operators of district heating installations in certain Member States that apply for additional free allocation of emission allowances pursuant to Article 10b(4) of the EU ETS Directive.

27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	Other
Minimum number of annulus are (Fight and	Other
Minimum number of employees (Enter min	
number of full-time employees - FTEs)  Minimum revenue (Enter minimum revenue)	
·	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	Operators of installations with greenhouse gas emission levels higher than the 80th percentile of emission levels for the relevant product benchmarks, as well as operators of district heating installations in certain Member States that apply for additional free allocation of emission allowances pursuant to Article 10b(4) of the EU ETS Directive.
<ul><li>No</li><li>Yes</li></ul>	
30. Does the policy tool exclusively apply to entities entities' operations beyond the jurisdiction?	s' domestic operations, or does it also apply to
Operations within jurisdiction only	
o Operations beyond the jurisdiction	
Not applicable	
32. What are the sanctions for non-compliance? So	elect all that apply and describe in the text field.
32. What are the sanctions for non-compliance? Se ☐ Monetary fine	elect all that apply and describe in the text field.

 $\square$  Voiding or setting aside of contract

37. Have the climate-specific provisions in this instrument ever been enforced?
Unknown or prefer not to answer
o Not applicable
Above average
○ Average
o Below average
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
• Unknown or prefer not to answer
o Not applicable
o Above average
o Average
o Below average
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
Other Non-compliance is sanctioned through the EU ETS Directive and its national implementation
□ Not applicable (e.g. in cases of voluntary tools)
□ Not specified
☐ Criminal penalties
☐ Penalty for senior managers
☐ Award of damages or compensation
□ Exclusion from government contracts

∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Each EU Member State has designated national competent authorities responsible for overseeing the implementation of the EU ETS, as outlined in Article 18 of Directive 2003/87/EC. These authorities oversee the monitoring, reporting, and verification (MRV) of emissions, including the enforcement of climate-neutrality plans.
41. Does the policy tool recommend or require periodic impact assessments?
<ul><li>No</li><li>Recommended</li></ul>
Required
43. Does the policy tool recommend or require periodic reviews?
No     No
∘ Recommended
o Required

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?

No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
∘ Yes

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
○ Recommended
Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions		✓	
reduction target			
An intensity-based			$\checkmark$
emissions reduction			
target			
A net zero target	<b>V</b>		
Interim targets (e.g. 2030, 2050)	$\checkmark$		
Targets covering non-			✓
carbon GHG emissions			
A Scope 3 emissions			<b>✓</b>
target			
A target derived using			$\checkmark$
a sectoral			
decarbonization			
approach			
A level of ambition for			$\checkmark$
emissions reductions			
(e.g. 80% reduction)  A baseline year from			<b>✓</b>
which progress is			
measured			
A target timeframe	<b>✓</b>		
(e.g. by 2040)			
Targets for renewable			$\checkmark$
energy procurement			
Targets for fossil fuel			✓
phase down/phase up			
Separate targets for			$\checkmark$
GHG offsets and/or			
removals			
Targets or goals			✓
related to climate			
adaptation			
Targets or goals			$\checkmark$
related to nature and			
Other targets related			<b>✓</b>
Other targets related			
to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.

Scope 1 emissions

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
o Other
o Not specified
145. What is the recommended or required year for interim targets?

o 2025-2030
o 2031-2040
o 2041-2050
Other 2025 and every five years-period thereafter
o Not specified
146. What is the recommended or required level of ambition for interim targets?
○ Reduction between 1-25%
o Reduction between 26-50%
o Reduction between 51-75%
o Reduction of over 76%
⊕ Other The targets must be specific, measurable, achievable, relevant, and time-bound (SMART), and compatible and aligned with the overall goal of achieving climate neutrality by 2050 and the reduction targets for net greenhouse gas emission as established by Regulation (EU) 2021/1119 (European Climate Law).
o Not specified
' 
·
·
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  • Between 2030 and 2035
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  • Between 2030 and 2035  • Between 2036 and 2040
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Output  Description:  Between 2030 and 2035  Output  Description:  Between 2036 and 2040  Output  Description:  Between 2041 and 2045  Output  Description:  Between 2046 and 2050
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045  @ Between 2046 and 2050  o Between 2051 and 2060
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Output  Description  Output  Description  Output  Description  Desc
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045  e Between 2046 and 2050  o Between 2051 and 2060  o Between 2061 and 2070  o Other

Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
○ Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required	
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)				
Key Performance Indicators (KPIs) for monitoring transition plan implementation		<b>&gt;</b>		
Updates to the transition plan				
Third-party verification and/or audited accuracy of the transition plan				
Identified methodology for scenario analysis			<b>&gt;</b>	
166. Describe the recomn	nended or required timefro	ame for the transition plar	١.	
● 1-10 years				
o 11-20 years				
o 21-30 years				
o 31-40 years				
o 41-50 years				
o Other				

167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the relevant section/subsection/paragraph of the policy tool.

Entities are required to set specific emission reduction targets for 2025 and for each subsequent five-year period. These targets must be specific, measurable, achievable, relevant, and time-bound (SMART). This requirement is detailed in Article 3(2) and further elaborated in the Annex, which specifies that targets should be expressed in terms of absolute emissions reductions (e.g., tonnes of CO2 equivalent) and, optionally, in terms of percentage reductions relative to a baseline period.

168. Select the option that best describes the recommended or required frequency of updates to transition plans.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
○ Other
169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
Entities are required to update their climate-neutrality plans at least every five years after 2025. This includes setting new targets and milestones for each subsequent five-year period. Please refer to Annex, Section 4, of the Regulation.
170. Describe the recommendation or requirement to undertake third-party verification and/or audited accuracy of the transition plan and reference the relevant section/subsection/paragraph of the policy tool.
While the Commission Implementing Regulation (EU) 2023/2441 itself does not explicitly detail the verification process for the climate-neutrality plans, it integrates with the existing procedures for free allocation of emission allowances, which include verification requirements. As stipulated in Article 10a(1) and Article 10b(4) of the EU ETS Directive, the achievement of the targets and milestones must be verified in accordance with the verification and accreditation procedures provided for in Article 15 of the EU ETS Directive.
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to
monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No	
Monitor progress in				
implementing their				
transition plan				
Develop financial				
plans for the				
implementation of				
their transition plan				
Integrate climate-			$\checkmark$	
related matters into				
their financial				
accounting				
Incorporate climate				
change considerations				
into their investment				
decision making				
and/or asset planning				
Incorporate climate			$\checkmark$	
change considerations				
into their capital				
allocation and/or				
expenditure plans				
Any other mechanisms				
for enhancing the				
achievement of				
targets and/or the				
implementation of				
transition plans				
177. Describe the obligati	on to monitor progress in	implementing transition p	olans, referencing the	
relevant section/subsection	on/paragraph of the policy	/ tool.		
Entities are required to re	<u>gularly update their clima</u>	<u>te-neutrality plans at leas</u>	st every five years to	
reflect progress and incor	porate new measures and	<u>d targets, as specified in t</u>	<u>he Annex, Section 4.</u>	
Additionally, entities are required to conduct a quantitative and qualitative assessment of the				
estimated impacts of each measure and investment on greenhouse gas emissions reduction, as				
detailed in the Annex, Section 7.				
detailed in the Armex, Section 7.				
Engagement, Lobbying, and Governance				

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			$\checkmark$
engagement			
Investor engagement			<b>✓</b>
Consumer			$\checkmark$
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board			
members			
185. Does the policy tool	recommend or require tar	geted entities to disclose	how they have used due
diligence and/or stewards	ship to achieve their targe	ts and/or implement their	transition plans?
5	1 5		ľ
No			
D 1.1			
o Recommended			
<ul> <li>Required</li> </ul>			
- regained			
Standards, Frameworks, and Guidelines			

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			$\checkmark$
IFRS S2			<b>✓</b>
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD)			<b>✓</b>
CDP (formerly known as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			<b>V</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			✓
initiative (SBTi)			
Science Based Targets			$\checkmark$
initiative (SBTi) Net			
Zero Standard			
European			$\checkmark$
Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast)

3. Source material link(s): https://web.archive.org/web/20240826090025/https://eur-

ex.europa.eu/eli/dir/2023/1791/oj	
4. Which of the following governance domains does this policy tool relate to? Select all that apply.	
☐ Climate-related disclosure	
☐ Transition planning	
Public procurement	
	-
5. Select the category which best describes the author/issuer of the policy tool.	
☐ Head of state and/or government	
☐ Independent regulatory or supervisory body	
Legislature	
□ Judiciary	
☐ Ministry/Department/Agency	
□ Other (Please describe)	
	_
7. Status of the policy tool	
Approved, in force	
Approved, not yet in force	
Other (Please describe)	
	_
9. Year of (planned) entry into force or year of publication	
2023	
<u> </u>	

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Energy Efficiency Directive aims to promote energy efficiency across the European Union.
ensuring that the European Union meets its energy efficiency targets and reduces dependence on energy imports, including fossil fuels. It seeks to implement the energy efficiency first principle.
remove market barriers, and address market failures in energy supply, transmission, storage, and use
Additionally, the Directive emphasizes the role of public procurement in driving energy efficiency
improvements and market transformation
14. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank. In the case of EU regulation, limit answers to EU (i.e. supranational) authorities.
● 1. <u>The European Commission</u>
○ 2.
○ 3.
o <b>4</b> .
o 5.
20. To provide contextual information, rate the capacity of The European Commission to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)

- o 1- Low Capacity (Please explain)
- © 2- Medium Capacity (Please explain) Regarding the procurement obligations, the European Commission may provide further guidance to national authorities and procurement officials in the application of energy efficiency requirements in the procurement process (Article 7(6) of the Directive). Additionally, Member States shall report to the Commission on the measures taken to address the barriers to uptake of energy efficiency improvements as part of their integrated national energy and climate progress reports submitted pursuant to Article 17 of Regulation (EU) 2018/1999 (Article 7(8) of the Directive). However, the actual enforcement and execution of procurement obligations lie with the Member States and their national authorities (Articles 7 and 32 of the Directive).
- 3- High Capacity (Please explain)
   Prefer not to answer
   Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			✓
entities			
2. Private companies			$\checkmark$
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)	<b>✓</b>		
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other	<b>✓</b>		

 $\underline{13.\ Other\ Text:} Contracting\ entities\ as\ defined\ in\ Article\ 7(1)\ of\ Directive\ 2014/23/EU\ and\ Article\ 4(1)$   $\underline{of}$ 

Directive 2014/25/EU

## 27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	State- owned companies	Government agencies and/or department s (national)	Government agencies and/or department s (regional - e.g. state, province, region, metropolita n region)	Government agencies and/or department s (local - e.g. county, district, municipality , city)	Government agencies and/or department s (unspecified )	Other
Minimum number of employees (Enter min number of full-time employees - FTEs)						
Minimum revenue (Enter minimum revenue) Minimum assets (Enter						
minimum assets)						
Minimum contract value (Enter minimum contract value)	Concessions of value equal or greater than EUR 5 538 000, EUR 5 538 000 for public works contracts	Concession s or public work contracts of value equal or greater than EUR 5.538.000 and public supply service contracts awarded by central government authorities and design contests organized by such authorities	Concession s or public work contracts of value equal or greater than EUR 5.538.000 and public supply service contracts awarded by sub-central government authorities and design contests organized by such authorities	Concession s or public work contracts of value equal or greater than EUR 5.538.000 and public supply service contracts awarded by sub-central government authorities and design contests organized by such authorities	Concession s or public work contracts of value equal or greater than EUR 5.538.000 and public supply service contracts awarded by sub-central government authorities and design contests organized by such authorities	Concessions or public work contracts of value equal or greater than EUR 5.538.000 and public supply service contracts awarded by subcentral government authorities and design

		of value equal or greater than EUR 143.000	of value equal or greater than EUR 221.000	of value equal or greater than EUR 221.000	of value equal or greater than EUR 221.000 (EUR 143.000 if it concerns a central government institution)	contests organized by such authorities of value equal or greater than EUR 221.000 (EUR 143.000 if it concerns a central governme nt institution)
Entity is headquarter ed in the jurisdiction						
Entities are subjected to disclosure or reporting requirements	The company must be a contractin g authority within the meaning of Article 2(14) of the Directive	The government al agency and/or department must be a contracting authority within the meaning of Article 2(14) of the Directive	The government al agency and/or department must be a contracting authority within the meaning of Article 2(14) of the Directive	The government al agency and/or department must be a contracting authority within the meaning of Article 2(14) of the Directive	The government al agency and/or department must be a contracting authority within the meaning of Article 2(14) of the Directive	The company must be a contractin g entity within the meaning of Article 2(15) of the Directive

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

o No	0				
<b>⊚</b> Y	es				

29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.

Public procurement specific provisions do not apply when compliance is not technically feasible  (Article 7(1) of the Directive) or when it undermines public security or impedes the response to public
health emergencies (Article 7(2) of the Directive).
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
<ul><li>Operations within jurisdiction only</li></ul>
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
□ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
Not specified Member States are required to lay down the rules on penalties applicable to infringements of national provisions adopted pursuant to this Directive (Article 32 of the Directive). However, these penalties remain unspecified. Regular procurement penalties are likely to apply (e.g. fines, award of the concession is null and void, etc.).
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average

o Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
37. Have the climate-specific provisions in this instrument ever been enforced?
• No (If relevant, explain) Member States are required to transpose the directive by 11 October 2025.
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

<u>Pursuant to Article 7(5) of the Directive, Member States are required to report to the European</u>

<u>Commission on the measures taken to address barriers to energy efficiency improvements in public</u>

procurement. This includes making publicly available information on the energy efficiency impact of
contracts with a value equal to or greater than the thresholds set out in the Directive.
44 D
41. Does the policy tool recommend or require periodic impact assessments?
○ No
<ul> <li>Recommended</li> </ul>
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
○ Other
43. Does the policy tool recommend or require periodic reviews?
∘ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
<ul><li>● 2-5 years</li></ul>

o 5-10 years
o 10 or more years
o Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Member States shall support contracting authorities and contracting entities in the uptake of energy
efficiency requirements, including at regional and local level, by providing clear rules and guidelines including methodologies on the assessment of life cycle costs and environment impacts and costs,
setting up competence support centres, encouraging cooperation amongst contracting authorities, including across borders, and using aggregated procurement and digital procurement where possible (Article 7(5)).

Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

Domain-Specific Questions: Pub	lic Procurement Question	S	
200. Does the policy tool allow, with national and/or subnational	•	e alignment of public p	rocurement spending
∘ No			
Allowed and/or recommended	b		
<ul><li>Required</li></ul>			
201. Describe the obligation to a climate targets, referencing the	• .		
Member States shall ensure tha	t the total final energy cor	nsumption of all public	bodies combined is
reduced by at least 1,9 % each y	· · · · · · · · · · · · · · · · · · ·	021 (Article 5). The sa	me section contains
public procurement specific prov	<u>visions (Article 7).</u>		
X			
202. Does the policy tool set targ	gets in relation to climate-	aligned procurement?	Select all that apply.
	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must			

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related criteria			₩ W W W W W W W W W W W W W W W W W W W
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			✓
Targets for the reduction of fossil fuel energy			

consumption associated with		
tenders/contracts		
Targets for the procurement		
of products which have a		
third-party sustainability		
certification/ ecolabel/		
voluntary sustainability		
standard		
Other (Please describe and		<b>✓</b>
reference the		
section/subsection/paragraph		
of the policy tool relevant to		
other climate-aligned		
procurement targets)		
<u>Other Text:</u>		
Procurement Cycle		

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			$\checkmark$
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set			
aside a portion of their			
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			
include emissions from			
procurement in their			
carbon budget			
Procuring entities			
follow guidance on			
calculating			
procurement-related			
emissions			
Procuring entities			
inform and/or consult			
with market actors in			
advance of publishing			
the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or dialogue)			
Other allowances,			<b>✓</b>
recommendations or			
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			

Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
○ No
Allow and/or recommend
○ Require
218. Describe the obligation to use life-cycle costing or whole-life costing to capture climate-related
impacts, referencing the relevant section/subsection/paragraph of the policy tool.
Member States shall support contracting authorities and contracting entities in the uptake of energy efficiency requirements, including at regional and local level, by providing clear rules and guidelines including methodologies on the assessment of life cycle costs and environment impacts and costs (Article 7(5) of the Directive).
219. Does the allowance, recommendation, and/or requirement to apply life-cycle costing or whole-life costing only apply to certain types of contract/tender?
No
o Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool)
220. Does the policy tool allow, recommend, or require a methodology or tool for calculating life-cycle, whole-life costs? If so, describe and reference the relevant section/subsection/paragraph of the policy tool.
○ No
Allow/recommend <u>Guidelines</u> , including methodologies on the assessment of life cycle costs are to

be published by Member States(Article 7(5)).

o Require				
Tendering or S	Solicitation Stag	ge		

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or			
debarment grounds			
based on compliance			
with climate			
obligations			
Qualification or			
selection criteria			
related to climate			
change			<b>✓</b>
Including climate or environmental			
considerations when			
calculating value for			
money, including			
through the use of life-			
cycle or whole-life			
costing			
Technical		✓	
specifications (e.g.			
setting minimum levels			
of energy efficiency or			
maximum product			
carbon emissions)			
Contract award	✓		
criteria or value for			
money evaluation			
frameworks (e.g.			
minimum			
scores/performance			
levels under climate-			
related criteria,			
preferences for climate			
or sustainable			
products)	_	_	
Other procurement			
stage allowances, recommendations or			
requirements			
Technical specifications			
. commean specifications			

243. To which of the following do the technical specifications relate? Select all that apply.
Energy efficiency
☐ Product carbon emissions
□ Carbon disclosure or reporting requirements
□ An absolute or intensity-based emissions cap
□ Percentage of energy from renewable sources
□ Percentage of recycled materials (e.g. paper, concrete)
☐ Use of low or zero-carbon energy/fuel technology (e.g. electric vehicles, heat pumps, solar panels)
□ Production methods (e.g. organic food or textiles, cold-mix asphalt, deforestation-free products)
□ End-of-life requirements (e.g. reuse, recycling, anaerobic digestion)
□ Availability of life-cycle assessment (LCA) data
☐ Third-party certification/ecolabels
☐ Supply chain considerations
□ Other (Please describe)
Contract Award Criteria
Continuent Doubournames
Contract Performance
249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?
No
Allowed and/or recommended
o Required

Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
○ No
o Allowed and/or recommended
253. Does the policy tool specify the entity responsible for monitoring and reporting?
○ No
● Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool) <u>To ensure transparency in the application of energy efficiency requirements in the procurement process.</u> Member States shall ensure that contracting authorities and contracting entities make publicly available information on the energy efficiency impact of contracts. by publishing that information in the respective notices on Tenders Electronic Daily (TED), in accordance with Directives 2014/23/EU, 2014/24/EU and 2014/25/EU, and Commission Implementing Regulation (EU) 2019/1780 (Article 7(5) of the Directive)
254. Are targeted entities recommended or required to monitor and/or report any of the following data? Select all that apply.
$\hfill\square$ Adoption of a climate-aligned and/or environmentally sustainable procurement plan or policy
$\hfill\square$ Staff training related to climate-aligned and/or environmentally sustainable procurement
□ Number of tenders/contracts which include climate-related criteria
□ Value of tenders/contracts which include climate-related criteria
Content of climate-related criteria
□ Level of ambition of climate-related criteria
□ Reasons for not including climate-related criteria in tenders
☐ Market response to climate-related criteria (e.g. number of tenders rejected, average or lowest/highest score awarded, feedback received)

□ Outcome of tenders in which climate-related criteria are applied (e.g. impact on award decision, costs, or other factors)
☐ Audits of contractors' compliance with climate-related criteria during contract performance
Climate impact or outcomes of tenders/contracts
□ Other
256. Which of the following impacts are monitored and/or reported upon? Select all that apply.
☐ Expected GHG emission savings/volume
☐ Actual GHG emission savings/volume
□ Expected air pollutant emission savings/volume
Expected fossil fuel energy savings or consumption
Actual fossil fuel energy savings or consumption
☐ Impacts linked to land use or land use change
□ Other climate-related impacts
258. Is it allowed, recommended or required that monitoring and reporting data be published?
∘ No
Allowed and/or recommended
Required
259. Is there a central publication point?
○ No
© Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool) <u>Tenders</u> <u>Electronic Daily (TED)</u> , in accordance with <u>Directives 2014/23/EU</u> , <u>2014/24/EU</u> and <u>2014/25/EU</u> , and
Commission Implementing Regulation (EU) 2019/1780(Article 7(5) of the Directive).

260. What is the recommended or required frequency of published reports?
o Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
Standards, Frameworks, and Guidelines

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
1.5		_	referenced
1. Paris Agreement			
2. The jurisdiction's			<b>(</b>
Nationally Determined			
Contribution (NDC)			<b>✓</b>
3. IFRS S1			
4. IFRS S2			
5. Task Force on Climate-			
related Financial Disclosures			
(TCFD)		_	
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			
initiative (SBTi)			
10. Science Based Targets			
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development		_	
Goals (SDGs)			
12. ISO 20400 Sustainable			<b>✓</b>
Procurement			
13. EU Green Public	$\checkmark$		
Procurement criteria and			
guidance			
14. UNEP Sustainable Public			
Procurement			
Implementation Guidelines			
15. OECD MAPS -			
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			$\checkmark$
Bank Guidelines for			
Sustainable Procurement		_	
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American					
Development Bank Green					
Procurement Guidelines					
19. EDBR Project					
Requirements/Environmental					
and Social Action Plan					
20. World Bank			<b>✓</b>		
Environmental and Social					
Framework					
21. Other			$\checkmark$		
Additional Important Information					
•					

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.