

European Investment Bank Climate Action and Environmental Sustainability

List of eligible sectors and eligibility criteria

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European
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Revision history

Revision No.	Issue date	Amendment description
Version 1.0	25 September 2015	First version included as Annex I of the EIB climate strategy (adopted by the EIB Board of Directors on 22 September 2015)
Version 1.1	20 December 2017	Revised to bring definitions into line with the multilateral development banks' joint methodologies for tracking climate finance (2016)
Version 1.2	17 January 2020	Revised to bring definitions into line with the multilateral development banks' joint methodologies for tracking climate finance (2020) and the EIB's new energy lending policy.
Version 2.0	23 May 2022	Revised to update Climate Action criteria to reflect the updated Common Principles for Climate Mitigation Finance Tracking of the multilateral development banks (MDBs) and the International Development Finance Club (IDFC), and the EU Taxonomy Climate Delegated Act technical screening criteria for substantial contribution. This version also includes interim definitions for Environmental Sustainability.
Version 2.1	15 June 2024	Revised to update Climate Action definitions to reflect the updated Common Principles for Climate Mitigation Finance Tracking of the multilateral development banks (MDBs) and the International Development Finance Club (IDFC), and the updated EU Taxonomy Climate Delegated Act. The document also updates environmental sustainability definitions to reflect the EU Taxonomy Environmental Delegated Act.

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European Investment Bank
98 -100, boulevard Konrad Adenauer
L-2950 Luxembourg

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General

This document outlines the criteria that the EIB applies to determine the proportion of a signed project that it considers as substantially contributing to one or more of six environmental objectives.¹ The EIB tracks this as EIB Climate Action and Environmental Sustainability (CA&ES or green) finance. Version 2.1 of this document applies to projects signed as of 1 January 2024.

The Climate Bank Roadmap² explained that the EIB Group plans to gradually integrate the EU taxonomy into its Climate Action and Environmental Sustainability finance tracking methodology.³

This version of the EIB's Climate Action and Environmental Sustainability criteria incorporates the substantial contribution criteria outlined in delegated acts⁴ developed under the Taxonomy Regulation (Regulation (EU) 2020/852). The Climate Bank Roadmap also states that alternative criteria might be required for certain EIB-financed projects, for instance in sectors or activities not yet covered by the taxonomy, or when the taxonomy's technical screening criteria refer to EU legislation not applicable beyond the European Union. For climate change mitigation, these criteria will be based on the Taxonomy Regulation's principles and remain harmonised with the multilateral development banks' joint methodologies for climate finance tracking. The multilateral development banks and the International Development Finance Club (IDFC) published an updated version of the Common Principles for Climate Mitigation Finance Tracking in 2023,⁵ which will be the basis for climate mitigation criteria in these cases.

For climate change adaptation, the EIB applies the multilateral development banks' joint methodology for tracking climate change adaptation finance,⁶ which has been updated to reflect, among other things, the adaptation criteria of the EU Taxonomy, in conjunction with the EIB climate risk assessment. This is to ensure that the technical screening criteria are met for those sectors and activities that are covered by Annex II to the Climate Delegated Act, and that the key principles of the technical screening criteria are also applied to those activities and sectors not covered by the Climate Delegated Act.

In reference to Environmental Sustainability, for those activities not within the scope of the Environmental Delegated Act, the EIB will continue to use interim definitions for the four remaining environmental objectives.

In addition to the criteria for Climate Action, all projects must meet the EIB's general eligibility criteria, including the EIB Group Paris alignment framework.

The application of the criteria follows the general principles below:

1. **Credibility:** The tracking system must uphold the credibility of the EIB's reporting on the financing provided for Climate Action and Environmental Sustainability. The Climate Action and Environmental Sustainability financing tracked should therefore be traceable and auditable, based on contract signatures and, in cases of doubt or uncertainty regarding the impact on the climate or environment, excluded as Climate Action and Environmental Sustainability financing as a general principle. If data are limited or unavailable at the time of assessment, a conservative approach is applied and over-reporting should be avoided.

¹ Climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; the protection and restoration of biodiversity and ecosystems. These objectives correspond to the six environmental objectives of the EU taxonomy.

² [The EIB Group Climate Bank Roadmap](#).

³ The mid-term review of the Climate Bank Roadmap, published in 2023, provided an update on progress made in integrating the EU taxonomy in the EIB Climate Action and Environmental Sustainability tracking system.

⁴ Climate Delegated Act: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2139> and Environmental Delegated Act: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202302486. It should be noted that in 2022, the European Commission adopted a Complementary Climate Delegated Act covering natural gas and nuclear energy activities. As stated in the mid-term review of the EIB Group Climate Bank Roadmap, at this stage this delegated act has not been taken into account in the EIB's Climate Action criteria due to the ongoing legal challenges. Later, in 2023, the European Commission adopted an amendment to the Climate Delegated Act, which is instead fully taken into account in the EIB's Climate Action criteria presented in this document.

⁵ Common Principles for Climate Mitigation Finance Tracking: [mdb_idfc_mitigation_common_principles_en.pdf \(eib.org\)](#).

⁶ Multilateral development banks' joint methodology for tracking climate change adaptation finance: <https://www.eib.org/en/publications/20220242-mdbs-joint-methodology-for-tracking-climate-change-adaptation-finance>.

2. Clarity in driving operations: To have maximum impact on the Bank’s lending operations, it should be possible to identify whether a project will be tracked as contributing to Climate Action and Environmental Sustainability as early as possible in the project cycle, preferably at the pre-appraisal stage.
3. Granularity: Where possible and relevant, the EIB will seek to record only the project’s components that specifically contribute to Climate Action and Environmental Sustainability.
4. No double counting: The cost of projects and/or components that contribute to multiple Climate Action and Environmental Sustainability objectives may be recorded as contributing to more than one objective but should not result in the financing being counted more than once in the overall Climate Action and Environmental Sustainability indicator.
5. Intermediated financing: Climate Action and Environmental Sustainability in intermediated financing must be contractually earmarked as activities eligible for Climate Action or Environmental Sustainability.⁷

Climate Action: Climate change mitigation

Table 1 below shows the source of criteria to be applied when assessing the Climate Action attribution of EIB financing. The texts defining the criteria are not reproduced in this document. Instead, the table indicates the specific sections or reference tables of the source documents from which the criteria are taken for different activities. In addition, the table highlights any specific comments relating to the EIB’s implementation of the criteria.

For activities and sectors located outside the European Union, the EIB will, in general, apply criteria from the Climate Delegated Act. In a limited number of cases, however, the criteria will need to be adapted locally, while still following the principles of the taxonomy and remaining in line with the joint multilateral development bank approach. This is the case, for example, with new building construction.

In certain cases, the Climate Delegated Act requires verified greenhouse gas assessments according to certain standards. If promoters do not have an appropriate greenhouse gas assessment verified to the required standards,⁸ the EIB will apply its project carbon footprint methodologies⁹ to assess compliance with the greenhouse gas threshold.

Table 1: Source of EIB criteria for Climate Action – Climate Change Mitigation

Sector	Activity	Source of criteria	Section or reference table	Notes
Forestry	Afforestation	EU Taxonomy Climate Delegated Act	1.1	See note above on greenhouse gas assessment.
	Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event		1.2	
	Forest management		1.3	
	Conservation forestry		1.4	
Environmental protection and restoration activities	Restoration of wetlands	EU Taxonomy Climate Delegated Act	2.1	

⁷ This earmarking could either be in form of a contractual commitment at signature level or in the form of clearly identifiable Climate Action and Environmental Sustainability allocations post-signature during the year of signature. In addition, analysis of data on actual investments from intermediated lending in previous reporting periods may be used in certain products to estimate a standard Climate Action and Environmental Sustainability indicator for reporting on new signatures.

⁸ As part of the EIB project appraisal process, data are gathered from promoters to enable an assessment of greenhouse gas emissions. The EIB’s annual carbon footprint of projects contained within the EIB Group Sustainability Report is subject to an external audit.

⁹ <https://www.eib.org/en/about/cr/footprint-methodologies.htm>

Sector	Activity	Source of criteria	Section or reference table	Notes
Agriculture, land use and fisheries	Reduction in energy consumption in operations	MDB/IDFC Common Principles	Table 5, Activity 1	
	Agricultural projects that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures		Table 5, Activity 2	
	Reduction of non-CO ₂ greenhouse gas emissions from agricultural practices or technologies		Table 5, Activity 3	
	Projects that reduce methane or other greenhouse gas emissions from livestock		Table 5, Activity 4	
	Livestock projects that improve carbon sequestration through rangeland management		Table 5, Activity 5	
	Projects that reduce greenhouse gas emissions from the degradation of marine ecosystems or other water-based ecosystems		Table 5, Activity 7	
	Projects that reduce CO ₂ e intensity in fisheries or aquaculture		Table 5, Activity 8	
	Projects that reduce food losses or waste or promote lower-carbon diets		Table 5, Activity 9	
	Projects that contribute to reduction of greenhouse gas emissions through production of biomaterials		Table 5, Activity 10	
	Greening of urban areas		Table 9, Activity 3	
Manufacturing	Manufacture of renewable energy technologies	EU Taxonomy Climate Delegated Act	3.1	
	Manufacture of equipment for the production and use of hydrogen		3.2	
	Manufacture of low-carbon technologies for transport		3.3	

Sector	Activity	Source of criteria	Section or reference table	Notes
	Manufacture of batteries		3.4	
	Manufacture of energy efficiency equipment for buildings		3.5	
	Manufacture of other low-carbon technologies		3.6	See note above on greenhouse gas assessment.
	Manufacture of cement		3.7	
	Manufacture of aluminium		3.8	
	Manufacture of iron and steel		3.9	
	Manufacture of hydrogen		3.10	See note above on greenhouse gas assessment.
	Manufacture of carbon black		3.11	
	Manufacture of soda ash		3.12	
	Manufacture of chlorine		3.13	
	Manufacture of organic basic chemicals		3.14	
	Manufacture of anhydrous ammonia		3.15	
	Manufacture of nitric acid		3.16	
	Manufacture of plastics in primary form		3.17	
	Manufacture of automotive and mobility components			3.18
	Manufacture of rail constituents	3.19		
	Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	3.20		
	Manufacturing of aircraft	3.21		

Sector	Activity	Source of criteria	Section or reference table	Notes
	Highly efficient or low-carbon greenfield manufacturing facilities or greenfield supplementary equipment or production lines at an existing manufacturing facility	MDB/IDFC Common Principles	Table 4, Activity 3	These categories apply for manufacturing activities not covered by the EU Taxonomy Climate Delegated Act.
	Brownfield industrial energy or resource-use efficiency improvement		Table 4, Activity 1	
	Brownfield replacement of equipment or processes based on fossil fuels with electrical equipment or process components		Table 4, Activity 4	
	Retrofit of existing industrial infrastructure resulting in avoidance of industrial greenhouse gases, a switch to industrial greenhouse gases with lower global warming potential, or implementation of technologies or practices that minimise leakages		Table 4, Activity 5	
	Improvements to existing industrial processes, new processes or advanced manufacturing technology solutions, leading to a reduction in consumption of non-energy primary resources through changes in processes or process inputs		Table 4, Activity 6	
Energy	Electricity generation using solar photovoltaic technology	EU Taxonomy Climate Delegated Act	4.1	
	Electricity generation using concentrated solar power technology	EU Taxonomy Climate Delegated Act	4.2	
	Electricity generation from wind power	EU Taxonomy Climate Delegated Act	4.3	
	Electricity generation from ocean energy technologies	EU Taxonomy Climate Delegated Act	4.4	
	Electricity generation from hydropower	EU Taxonomy Climate Delegated Act	4.5	See note above on greenhouse gas assessment.

Sector	Activity	Source of criteria	Section or reference table	Notes
	Electricity generation from geothermal energy	EU Taxonomy Climate Delegated Act	4.6	See note above on greenhouse gas assessment.
	Electricity generation from renewable non-fossil gaseous and liquid fuels	EU Taxonomy Climate Delegated Act	4.7	See note above on greenhouse gas assessment.
	Electricity generation from bioenergy	EU Taxonomy Climate Delegated Act	4.8	
	Transmission and distribution of electricity	EU Taxonomy Climate Delegated Act MDB/IDFC Common Principles	4.9 Table 2, Activity 9	The EU taxonomy and MDB/IDFC Common Principles are used according to applicability in particular geographic areas.
	Storage of electricity	EU Taxonomy Climate Delegated Act MDB/IDFC Common Principles	4.10 Table 2, Activity 8	The EU taxonomy and MDB/IDFC Common Principles are used according to applicability in particular geographic areas.
	Storage of thermal energy	EU Taxonomy Climate Delegated Act	4.11	
	Storage of hydrogen	EU Taxonomy Climate Delegated Act	4.12	
	Storage of renewable and low-carbon gases	MDB/IDFC Common Principles	Table 2, Activity 8	
	Manufacture of biogas, biofuels and bioliquids	EU Taxonomy Climate Delegated Act	4.13	
	Transmission and distribution networks for renewable and low-carbon gases	EU Taxonomy Climate Delegated Act	4.14	
	District heating/cooling distribution	EU Taxonomy Climate Delegated Act	4.15	
	Installation and operation of electric heat pumps	EU Taxonomy Climate Delegated Act	4.16	
	Cogeneration of heating/cooling and power from solar energy	EU Taxonomy Climate Delegated Act	4.17	
	Cogeneration of heating/cooling and power from geothermal energy	EU Taxonomy Climate Delegated Act	4.18	See note above on greenhouse gas assessment.
	Cogeneration of heating/cooling and power from renewable	EU Taxonomy Climate Delegated Act	4.19	See note above on greenhouse gas assessment.

Sector	Activity	Source of criteria	Section or reference table	Notes
	non-fossil gaseous and liquid fuels			
	Cogeneration of heating/cooling and power from bioenergy	EU Taxonomy Climate Delegated Act	4.20	
	Production of heating/cooling from solar thermal heating	EU Taxonomy Climate Delegated Act	4.21	
	Production of heating/cooling from geothermal energy	EU Taxonomy Climate Delegated Act	4.22	See note above on greenhouse gas assessment.
	Production of heating/cooling from renewable non-fossil gaseous and liquid fuels	EU Taxonomy Climate Delegated Act	4.23	See note above on greenhouse gas assessment.
	Production of heating/cooling from bioenergy	EU Taxonomy Climate Delegated Act	4.24	
	Production of heating/cooling using waste heat	EU Taxonomy Climate Delegated Act	4.25	
	Carbon capture of CO ₂	MDB/IDFC Common Principles	Table 12, Activity 5	This category supplements the EU Taxonomy Climate Delegated Act's separate activities "Transport of CO ₂ " and "Underground permanent geological storage of CO ₂ ," to cover full carbon capture and storage chains. It provides criteria for the carbon capture component of carbon capture and storage projects that are not otherwise covered by the wider economic activities of the EU Taxonomy Climate Delegated Act.
	Transport of CO ₂	EU Taxonomy Climate Delegated Act	5.11	
	Underground permanent geological storage of CO ₂	EU Taxonomy Climate Delegated Act	5.12	
	Energy-efficient street lighting	MDB/IDFC Common Principles	Table 9, Activity 3	

Sector	Activity	Source of criteria	Section or reference table	Notes
Water supply, sewerage, waste management and remediation	Construction, extension and operation of water collection, treatment and supply systems	EU Taxonomy Climate Delegated Act	5.1	
	Renewal of water collection, treatment and supply systems	EU Taxonomy Climate Delegated Act	5.2	
	Construction, extension and operation of waste water collection and treatment	EU Taxonomy Climate Delegated Act	5.3	
	Energy efficiency and demand management in water supply (considered as greenfield activities) Energy efficiency in sewerage systems	MDB/IDFC Common Principles	Table 6, Activities 3 and 4	
	Wastewater reuse	MDB/IDFC Common Principles	Table 6, Activity 8	
	Renewal of waste water collection and treatment	EU Taxonomy Climate Delegated Act	5.4	
	Collection and transport of waste in source segregated fractions	EU Taxonomy Climate Delegated Act MDB/IDFC Common Principles	5.5 Table 7, Activity 1	The EIB scope includes hazardous waste collection, which is an eligible activity in the MDB/IDFC Common Principles. Although it is not within the scope of Section 5.5 of the EU Taxonomy Climate Delegated Act, it is mentioned in the Technical Expert Group's taxonomy report as an activity for future consideration in the taxonomy where it enables material recovery.
	Anaerobic digestion of sewage sludge	EU Taxonomy Climate Delegated Act	5.6	
	Anaerobic digestion of bio-waste	EU Taxonomy Climate Delegated Act	5.7	
	Composting of bio-waste	EU Taxonomy Climate Delegated Act	5.8	
Material recovery from waste	EU Taxonomy Climate Delegated Act	5.9	The EIB scope includes material recovery from hazardous waste	

Sector	Activity	Source of criteria	Section or reference table	Notes
		MDB/IDFC Common Principles	Table 7, Activity 5	since it is an eligible activity in the MDB/IDFC Common Principles. Although it is not within the scope of Section 5.9 of the EU Taxonomy Climate Delegated Act, hazardous waste treatment recovery is mentioned in the Technical Expert Group's taxonomy report as an activity for future consideration in the taxonomy where it enables material recovery.
	Landfill gas capture and utilisation	EU Taxonomy Climate Delegated Act	5.10	
	Other types of recovery and valorisation of bio-waste	MDB/IDFC Common Principles	Table 7, Activity 8	
	Material recovery from separately collected or pre-sorted waste involving processes other than mechanical processes	MDB/IDFC Common Principles	Table 7, Activity 5	Section 5.9 of the EU Taxonomy Climate Delegated Act specifies mechanical recycling only. The EIB scope also includes chemical recycling of plastics, since it is recognised in Section 3.17 of the Climate Delegated Act as an eligible source of secondary material for the manufacture of primary plastics. The scope notably includes material recovery of rubber, textile and hazardous waste streams using physico-chemical, chemical and thermo-chemical processes (see further justification above).
Transport	Passenger interurban rail transport	EU Taxonomy Climate Delegated Act	6.1	

Sector	Activity	Source of criteria	Section or reference table	Notes
	Freight rail transport	EU Taxonomy Climate Delegated Act	6.2	
	Urban and suburban transport, road passenger transport	EU Taxonomy Climate Delegated Act	6.3	
	Operation of personal mobility devices, cycle logistics	EU Taxonomy Climate Delegated Act	6.4	
	Transport by motorbikes, passenger cars and light commercial vehicles	EU Taxonomy Climate Delegated Act	6.5	
	Freight transport services by road	EU Taxonomy Climate Delegated Act	6.6	
	Inland passenger water transport	EU Taxonomy Climate Delegated Act	6.7	
	Inland freight water transport	EU Taxonomy Climate Delegated Act	6.8	
	Retrofitting of inland water passenger and freight transport	EU Taxonomy Climate Delegated Act	6.9	
	Sea and coastal freight water transport, vessels for port operations and auxiliary activities	EU Taxonomy Climate Delegated Act	6.10	
	Sea and coastal passenger water transport	EU Taxonomy Climate Delegated Act	6.11	
	Retrofitting of sea and coastal freight and passenger water transport	EU Taxonomy Climate Delegated Act	6.12	
	Infrastructure for personal mobility, cycle logistics	EU Taxonomy Climate Delegated Act	6.13	
	Infrastructure for rail transport	EU Taxonomy Climate Delegated Act	6.14	For criteria related to the need for a plan for electrification, a longer timescale may be defined for some developing countries, where justified in exceptional circumstances.
	Infrastructure enabling low-carbon road transport and public transport	EU Taxonomy Climate Delegated Act	6.15	
	Infrastructure enabling low-carbon water transport	EU Taxonomy Climate Delegated Act	6.16	

Sector	Activity	Source of criteria	Section or reference table	Notes
	Other water transport infrastructure projects	MDB/IDFC Common Principles	Table 8, Activity 5	This category covers elements not covered in Section 6.16 of the EU Taxonomy Climate Delegated Act, in particular modal shift, which is an area identified in Recital 34 of the Climate Delegated Act as requiring further consideration.
	Low-carbon airport infrastructure	EU Taxonomy Climate Delegated Act	6.17	
Leasing of aircraft	EU Taxonomy Climate Delegated Act		6.18	
	Passenger and freight air transport	EU Taxonomy Climate Delegated Act	6.19	
	Ground handling operations	EU Taxonomy Climate Delegated Act	6.20	
	Transport demand management policy or associated intelligent transport systems	MDB/IDFC Common Principles	Table 8, Activity 8	
	Efficient air traffic management	MDB/IDFC Common Principles	Table 8, Activity 10	
Construction and real estate activities	Construction of new buildings	EU Taxonomy Climate Delegated Act	7.1	Outside the European Union, the adoption of best energy standards is required as compared to a baseline which is defined on a case-by-case basis. For example, internationally recognised certification schemes with an energy baseline defined through a transparent, practical method (IFC Edge certification, LEED, BREEAM, etc.), and the achievement of energy levels 20% below the baseline. Criteria requiring air-tightness and

Sector	Activity	Source of criteria	Section or reference table	Notes
				<p>thermal integrity testing for buildings larger than 5 000 m² apply only to projects in the European Union. Application of these criteria for projects outside the European Union will be reviewed regularly.</p> <p>The EIB gives project promoters flexibility in the calculation of life-cycle global warming potential (GWP) for buildings larger than 5 000 m² given the lack of market readiness and the technical/financial burden on project promoters in applying such a requirement .</p>
	Renovation of existing buildings	EU Taxonomy Climate Delegated Act	7.2	<p>An alternative approach to major renovation is applied where projects outside the European Union adopt best energy standards as compared to a different baseline, for example internationally recognised green building certification standards, while retaining the threshold of at least 30% energy reduction. In specific cases outside the European Union where the split of renewable energy is not possible or if the certification schemes used do not implement such a split, reductions in net primary energy demand through renewable energy</p>

Sector	Activity	Source of criteria	Section or reference table	Notes
				sources may be taken into account.
	Installation, maintenance and repair of energy efficiency equipment	EU Taxonomy Climate Delegated Act	7.3	
	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	EU Taxonomy Climate Delegated Act	7.4	
	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	EU Taxonomy Climate Delegated Act	7.5	
	Installation, maintenance and repair of renewable energy technologies	EU Taxonomy Climate Delegated Act	7.6	
Information and communication	Data processing, hosting and related activities	EU Taxonomy Climate Delegated Act	8.1	
	Data-driven solutions for greenhouse gas emissions reductions	EU Taxonomy Climate Delegated Act	8.2	See note above on greenhouse gas assessment.
	Telecommunications networks with energy efficiency levels that meet best international practices	MDB/IDFC Common Principles	Table 10, Activity 3	
	Digitalisation of service delivery or internal operations, leading to a substantial reduction in travel or material use	MDB/IDFC Common Principles	Table 10, Activity 4	
Professional, scientific and technical activities	Close to market research, development and innovation	EU Taxonomy Climate Delegated Act	9.1	See note above on greenhouse gas assessment.
	Research, development and innovation for direct air capture of CO ₂	EU Taxonomy Climate Delegated Act	9.2	See note above on greenhouse gas assessment.
	Other research, development and innovation (RDI)	MDB/IDFC Common Principles	Table 11, Activity 1	To cover early-stage research, development and innovation, large RDI programmes and RDI in climate change mitigation activities not covered by the EU

Sector	Activity	Source of criteria	Section or reference table	Notes
				Taxonomy Climate Delegated Act.
	Professional services related to energy performance of buildings	EU Taxonomy Climate Delegated Act	9.3	
Cross-sectoral	New or replacement stand-alone energy-efficient appliances or equipment	MDB/IDFC Common Principles	Table 9, Activity 5	For activities not covered elsewhere in this table.
	Policy action, technical assistance and programmes in support of the eligible activities	MDB/IDFC Common Principles	Introductory text	
	Activities that enable energy and resource-use efficiency across the supply chain (upstream or downstream)	MDB/IDFC Common Principles	Table 12, Activity 1	

Climate Action: Climate change adaptation

Adaptation action is location- and context-specific and responds to specific climate vulnerabilities resulting, for example, from increases in temperature, rising sea levels, and an increase in the frequency and intensity of floods, droughts, storms and other climate hazards. As a result, EIB criteria for a substantial contribution to climate change adaptation are process-based and applicable to all sectors, within and beyond the European Union.

In line with Article 11(1) of Regulation (EU) 2020/852, in conjunction with the technical screening criteria of Annex II to the Climate Delegated Act and its subsequent amendments and integrations, there are two types of eligible activities:

- Adapted activities: activities that integrate measures to reduce material physical climate risks (in line with Article 11(1)(a));
- Activities enabling adaptation: products, services, technologies and other solutions that contribute to the adaptation of other people or assets (in line with Article 11(1)(b)).

An adapted activity is an activity that has implemented physical and non-physical measures to reduce the potential impact that may result from current and future changes in the climate. This potential impact has been identified using robust climate data. Examples of adapted activities include expanding the capacity of stormwater systems to cope with more severe rainfall and flooding, and increasing ventilation and shading in buildings to improve indoor comfort during heatwaves. Only the proportion of financing for implementing the adaptation solutions in the activity is reported.

An activity enabling adaptation is an activity that reduces physical climate risks beyond the boundaries of the activity itself. Activities enabling adaptation address systemic knowledge, technological or other barriers to adaptation through the provision of a specific technology, service, practice or product. Examples of activities enabling adaptation include research and development of drought-resistant crop varieties that ensure crop production yields despite an increased risk of droughts, research and development of communication technologies for early warnings

of floods, wildfires and/or droughts (early warning systems), and assets like marine vessels for collecting raw atmospheric or oceanic data for climate research.

Table 2 below shows the criteria for a substantial contribution to climate change adaptation in EIB financing. The texts defining the criteria are not reproduced in this document. These criteria apply for activities and sectors located within and beyond the European Union. The EU Taxonomy Climate Delegated Act is the main source of criteria. The EIB applies the multilateral development banks’ joint methodology for tracking climate change adaptation finance,¹⁰ which has been updated to reflect, among other things, the adaptation technical screening criteria of the EU taxonomy. This is to ensure that the criteria are met for those sectors and activities that are covered by the Climate Delegated Act, as well as those that are not covered by the Climate Delegated Act.¹¹

In addition to criteria for Climate Action, all projects must meet the EIB’s general eligibility criteria.

Table 2: Source of EIB criteria for substantial contribution to climate change adaptation

Type	Sector	Activity	Source of criteria
Adapted activities	Sectors covered by the EU taxonomy	Activities in sectors covered by the EU taxonomy	EU Taxonomy Climate Delegated Act
	Sectors not covered by the EU taxonomy	Activities in sectors not covered by the EU taxonomy	MDB joint methodology for tracking climate change adaptation finance (type 1 and 2 activities)
Activities enabling adaptation	Arts, entertainment and recreation	Creative, arts and entertainment activities Libraries, archives, museums and cultural activities Motion picture, video and television programme production, sound recording and music publishing activities	EU Taxonomy Climate Delegated Act
	Disaster risk management	Emergency services Flood risk prevention and protection infrastructure	EU Taxonomy Climate Delegated Act
	Education	Education	EU Taxonomy Climate Delegated Act
	Environmental protection and restoration activities	Restoration of wetlands	EU Taxonomy Climate Delegated Act
	Financial and insurance activities	Non-life insurance: underwriting of climate-related perils Reinsurance	EU Taxonomy Climate Delegated Act

¹⁰ Multilateral development banks’ joint methodology for tracking climate change adaptation finance: <https://www.eib.org/en/publications/20220242-mdbs-joint-methodology-for-tracking-climate-change-adaptation-finance>

¹¹ Pages 26-27 of the Taxonomy Report Technical Annex: https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf

	Forestry	Afforestation Conservation forestry Forest management Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event	EU Taxonomy Climate Delegated Act
	Information and communication	Programming and broadcasting activities Software enabling physical climate risk management and adaptation	EU Taxonomy Climate Delegated Act
	Professional, scientific and technical activities	Close to market research, development and innovation Consultancy for physical climate risk management and adaptation Engineering activities and related technical consultancy dedicated to adaptation to climate change	EU Taxonomy Climate Delegated Act
	Water supply, sewerage, waste management and remediation	Desalination	EU Taxonomy Climate Delegated Act
	Sectors not covered by the EU taxonomy	Activities not covered by the EU taxonomy	MDB joint methodology for tracking climate change adaptation finance (type 3 activities) in line with the screening criteria set out in the final report of the EU technical expert group on sustainable finance. ¹²

¹² https://finance.ec.europa.eu/publications/technical-expert-group-sustainable-finance-teg_en

Environmental Sustainability

Table 3 below shows the source of criteria to be applied when assessing the Environmental Sustainability attribution of EIB financing.¹³ It refers to the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486) developed under the Taxonomy Regulation (Regulation (EU) 2020/852). The texts defining the criteria are not reproduced in this document. Instead, the table indicates the specific section of the Environmental Delegated Act from which the criteria are taken for different activities. In addition, the table highlights any specific comments relating to the EIB’s implementation of the criteria.

For activities and sectors located outside the European Union, the EIB will, in general, apply substantial contribution technical screening criteria from the Environmental Delegated Act. In some cases, however, the criteria will need to be adapted locally, while still following the principles of the taxonomy.

Table 3: Source of EIB criteria for Environmental Sustainability objectives (taxonomy-eligible activities only)

Sector	Activity	Environmental Sustainability objective	Environmental Delegated Act section	Notes/comments
Manufacturing	Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	Water	Annex I, 1.1	
	Manufacture of plastic packaging goods	Circular economy	Annex II, 1.1	
	Manufacture of electrical and electronic equipment	Circular economy	Annex II, 1.2	Only applicable to manufactured products. For manufacturing processes, EIB internal criteria are used. To make it easier to apply the Environmental Delegated Act criteria related to substances of very high concern (SVHC), in general no such substances are permitted, except for certain limited/specific applications where there are no alternatives or technologies currently being developed.
	Manufacture of active pharmaceutical ingredients (API) or active substances	Pollution prevention and control	Annex III, 1.1	Only biodegradable products are to be considered. As such, criterion 1.2 does not apply. For this application, stricter requirements have been placed on the use of substances of very high concern (no SVHC permitted).
	Manufacture of medicinal products	Pollution prevention and control	Annex III, 1.2	Only biodegradable products are to be considered. As such, criterion 1.2 does not apply. For this application, stricter requirements have been placed on the

¹³ Environmental sustainability objectives cover all non-climate-related objectives of the EU Taxonomy, namely: sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

Sector	Activity	Environmental Sustainability objective	Environmental Delegated Act section	Notes/comments
				use of substances of very high concern (no SVHC permitted).
Water supply, sewerage, waste management and remediation	Water supply	Water	Annex I, 2.1	
	Urban waste water treatment	Water	Annex I, 2.2	
	Sustainable urban drainage systems (SUDS)	Water	Annex I, 2.3	
	Phosphorus recovery from waste water	Circular economy	Annex II, 2.1	
	Production of alternative water resources for purposes other than human consumption	Circular economy	Annex II, 2.2	
	Collection and transport of non-hazardous and hazardous waste	Circular economy	Annex II, 2.3	
	Treatment of hazardous waste	Circular economy	Annex II, 2.4	
	Recovery of bio-waste by anaerobic digestion or composting	Circular economy	Annex II, 2.5	
	Depollution and dismantling of end-of-life products	Circular economy	Annex II, 2.6	
	Sorting and material recovery of non-hazardous waste	Circular economy	Annex II, 2.7	Criterion 2. A defined framework for assessing compliance has not yet been established.
	Collection and transport of hazardous waste	Pollution prevention and control	Annex III, 2.1	
	Treatment of hazardous waste	Pollution prevention and control	Annex III, 2.2	
	Remediation of legally non-conforming landfills and abandoned or illegal waste dumps	Pollution prevention and control	Annex III, 2.3	
	Remediation of contaminated sites and areas	Pollution prevention and control	Annex III, 2.4	
Construction and real estate activities	Construction of new buildings	Circular economy	Annex II, 3.1	Where applicable, besides the use of levels, alternative evidence that follows the principles of the criteria is acceptable, for example green building

Sector	Activity	Environmental Sustainability objective	Environmental Delegated Act section	Notes/comments
				<p>certification credits, local law requirements, tender document specifications, design reports or national tools.</p> <p>Criterion 1 — The 90% threshold is applicable only to operations that include the demolition of existing buildings, thus generating large quantities of construction and demolition waste. For all the other operations, the 70% threshold applies.</p> <p>Criterion 2 — The EIB gives project promoters flexibility in the calculation of life-cycle global warming potential (GWP) for buildings larger than 5 000 m² given the lack of market readiness and the technical/financial burden on project promoters in applying such a requirement.</p> <p>Criterion 4 — Until wider market adoption, in line with the basic principle of the criteria related to the increased use of secondary materials in construction, and focusing on the materials with the highest embodied carbon, the project may make use of building materials that comply with the following minimum amounts of secondary raw materials used, measured by mass in kilograms or any other method proposed by the promoter:</p> <ul style="list-style-type: none"> a. 25% secondary raw material for the entire building OR b. 30% secondary raw material for the concrete structural frame OR c. 70% secondary raw material for the steel structural frame. <p>Criterion 5 — The requirement for an environmental product declaration (EPD) is set to a minimum of five permanently installed products sourced from at least three different manufacturers. The EPD should cover the materials that traditionally have the highest embodied carbon: concrete, steel, aluminium and insulation.</p> <p>The requirement to use the information management systems provided by national tools is considered mandatory only for projects located in municipalities/cities/countries where such tools exist.</p>

Sector	Activity	Environmental Sustainability objective	Environmental Delegated Act section	Notes/comments
	Renovation of existing buildings	Circular economy	Annex II, 3.2	<p>Where applicable, besides the use of Level(s) methodology, alternative evidence that follows the principles of the criteria is acceptable, for example green building certification credits, local law requirements, tender document specifications, design reports or national tools.</p> <p>Criterion 2 — The EIB gives project promoters flexibility in the calculation of life-cycle global warming potential (GWP) for buildings larger than 5 000 m² given the lack of market readiness and the technical/financial burden on project promoters in applying such a requirement.</p> <p>Criterion 5 — Until wider market adoption, in line with the basic principle of the criteria related to the increased use of secondary materials in construction, the project may make use of building materials with a total amount of at least 20% secondary raw materials for the entire building, measured by mass in kilograms or any other method proposed by the promoter.</p> <p>Criterion 6 — The requirement for an environmental product declaration (EPD) is set to a minimum of five permanently installed products sourced from at least three different manufacturers. The EPD should cover the materials that traditionally have the highest embodied carbon: concrete, steel, aluminium and insulation.</p> <p>The requirement to use the information management systems provided by national tools is considered mandatory only for projects located in municipalities/cities/countries where such tools exist.</p>
	Demolition and wrecking of buildings and other structures	Circular economy	Annex II, 3.3	
	Maintenance of roads and motorways	Circular economy	Annex II, 3.4	
	Use of concrete in civil engineering	Circular economy	Annex II, 3.5	
Services	Repair, refurbishment and remanufacturing	Circular economy	Annex II, 5.1	
	Sale of spare parts	Circular economy	Annex II, 5.2	

Sector	Activity	Environmental Sustainability objective	Environmental Delegated Act section	Notes/comments
	Preparation for reuse of end-of-life products and product components	Circular economy	Annex II, 5.3	
	Sale of second-hand goods	Circular economy	Annex II, 5.4	
	Product-as-a-service and other circular use- and result-oriented service models	Circular economy	Annex II, 5.5	Criterion 2 of the Environmental Delegated Act does not have any agreed methodological reference to allow for an objective verification.
	Marketplace for the trade of second-hand goods for reuse	Circular economy	Annex II, 5.6	Data storage requirements under criterion 2 of the Environmental Delegated Act are not under the control of the entity financed by the EIB when these services are hosted externally (e.g. Amazon Web Services).
Information and communication	Provision of IT/OT data-driven solutions for leakage reduction	Water	Annex I, 4.1	
	Provision of IT/OT data-driven solutions	Circular economy	Annex II, 4.1	
Disaster risk management	Nature-based solutions for flood and drought risk prevention and protection	Water	Annex I, 3.1	
Environmental protection and restoration activities	Conservation, including restoration, of habitats, ecosystems and species	Biodiversity	Annex IV, 1.1	
Accommodation activities	Hotels, holiday, camping grounds and similar accommodation	Biodiversity	Annex IV, 2.1	

For activities not within the scope of the Environmental Delegated Act (i.e. not taxonomy eligible), Table 4 below provides an extract from the EU Taxonomy Regulation in relation to the other four environmental objectives. At this stage, interim criteria defining substantial contribution for these objectives have been established based on the structure and eligible areas of activity in Table 4 below. The interim criteria will be reviewed should a delegated act including relevant activities be adopted.

Table 4: Extract from the EU Taxonomy Regulation in relation to the other four environmental objectives (taxonomy-non-eligible activities only)

Objectives	Eligible areas of activity
Sustainable use and protection of water and	<ul style="list-style-type: none"> (a) Protecting the environment from the effects of urban/industrial wastewater discharge (b) Protecting human health and increasing access to clean drinking water (c) Water efficiency/reuse (d) Sustainable use of marine ecosystem services or contributing to the good environmental status of marine waters (e) Enabling activities

Transition to a circular economy	<ul style="list-style-type: none"> (a) Efficient use of natural resources (b) Increasing the durability, reparability, upgradability or reusability of products (c) Increasing the recyclability of products (d) Reducing the content of hazardous substances and substituting substances of very high concern in materials and products (e) Prolonging the use of products (f) Increasing the use of secondary raw materials and their quality (g) Preventing/reducing waste generation (h) Increasing reuse/recycling (i) Increasing the development of waste management infrastructure for prevention, reuse and recycling (j) Minimising incineration/avoiding the disposal of waste (k) Avoiding/reducing litter (l) Enabling activities
Pollution prevention and control	<ul style="list-style-type: none"> (a) Preventing/reducing polluting emissions (air, water and soil) (b) Improving levels of air, water or soil quality (c) Minimising the adverse effects of the production, use or disposal of chemicals (d) Cleaning up litter and pollution (e) Enabling activities
Protection and restoration of biodiversity and ecosystems	<ul style="list-style-type: none"> (a) Conservation, protection and restoration of nature/terrestrial and marine ecosystems and their services (b) Sustainable land use and management (c) Sustainable agricultural practices (d) Sustainable forest management (e) Enabling activities

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List of eligible sectors and eligibility criteria

