



2021/0191(COD)

30.11.2021

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
on European green bonds
(COM(2021)0391 – C9-0311/2021 – 2021/0191(COD))

Committee on Economic and Monetary Affairs

Rapporteur: Paul Tang

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on European green bonds

(COM(2021)0391 – C9-0311/2021 – 2021/0191(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2021)0391),
 - having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0311/2021),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Central Bank of 5 November 2021¹,
 - having regard to the opinion of the European Economic and Social Committee of ...²,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the opinions of the Committee on Budgets and the Committee on Committee on the Environment, Public Health and Food Safety,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A9-0000/2021),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ Not yet published in the Official Journal.

² Not yet published in the Official Journal.

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) The transition to a low-carbon, **more** sustainable, resource-efficient, circular and fair economy is key to ensuring the long-term competitiveness of the economy of the Union and the well-being of its peoples. In 2016, the Union concluded the Paris Agreement³¹. Article 2(1), point (c), of the Paris Agreement sets out the objective of strengthening the response to climate change by, among other means, making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

³¹ Council Decision (EU) 2016/1841 of 5 October 2016 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (OJ L 282, 19.10.2016, p. 4).

Amendment

(1) The transition to a low-carbon, sustainable, resource-efficient, circular and fair economy is key to ensuring the long-term competitiveness of the economy of the Union and the well-being of its peoples. In 2016, the Union concluded the Paris Agreement³¹. Article 2(1), point (c), of the Paris Agreement sets out the objective of strengthening the response to climate change by, among other means, making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

³¹ Council Decision (EU) 2016/1841 of 5 October 2016 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (OJ L 282, 19.10.2016, p. 4).

Or. en

Amendment 2

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) The communication of the Commission of 22 November 2016 on Next steps for a sustainable European future links the sustainable development goals (SDGs) to the Union policy framework to ensure that all Union actions and policy initiatives take on board the SDGs. In its conclusions of 20

June 2017, the Council confirmed the commitment of the Union and its Member States to the implementation of the SDGs in a full, coherent, comprehensive, integrated and effective manner, and in close cooperation with partners and other stakeholders. The Treaty on European Union and the Treaty on the Functioning of the European Union (TFEU) reflect its social and environmental dimensions.

Or. en

Amendment 3

Proposal for a regulation Recital 2

Text proposed by the Commission

(2) The European Green Deal Investment Plan of 14 January 2020³² envisages the establishment of a standard for environmentally sustainable bonds to further increase investment opportunities and facilitate the identification of environmentally sustainable investments through a clear label. In its December 2020 conclusions, the European Council invited the Commission to put forward a legislative proposal for a green bond standard³³.

³² COM(2020) 21 final.

³³ EUCO 22/20.

Amendment

(2) The European Green Deal Investment Plan of 14 January 2020³² envisages the establishment of a standard for environmentally sustainable bonds to further increase investment opportunities and facilitate the identification of environmentally sustainable investments through a clear label. In its December 2020 conclusions, the European Council invited the Commission to put forward a legislative proposal for a green bond standard³³. ***In its resolutions of 29 May 2018 on sustainable finance^{33a} and of 13 November 2020 on the Sustainable Europe Investment Plan — How to finance the Green Deal^{33b}, the European Parliament underlined the need for a European green bond standard.***^{33a}

³² COM(2020) 21 final.

³³ EUCO 22/20.

^{33a} *OJ C 76, 9.3.2020, p. 23.*

^{33b} *OJ C 415, 13.10.2021, p. 22.*

Or. en

Amendment 4

Proposal for a regulation Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) Achieving the Union’s climate and sustainability goals requires the channelling of capital flows towards sustainable investments. In view of the scale of the challenge and the costs associated with inaction or delayed action, the Union financial system and its instruments should be gradually adapted in order to support the sustainable functioning of the economy. To that end, sustainable finance needs to become mainstream and consideration needs to be given to the sustainability impact of financial products and services. By stimulating new investments in sustainable economic activities, sustainable bonds are particularly well-placed to stimulate the transition to a green economy.

Or. en

Amendment 5

Proposal for a regulation Recital 3

Text proposed by the Commission

Amendment

(3) ***Environmentally*** sustainable bonds are one of the main instruments for financing investments related to low-carbon technologies, energy and resource efficiency as well as sustainable transport infrastructure and research infrastructure. Financial or non-financial undertakings or sovereigns can issue such bonds. Various existing initiatives for ***environmentally*** sustainable bonds do not ensure common

(3) Sustainable bonds are one of the main instruments for financing investments related to low-carbon technologies, energy and resource efficiency as well as sustainable transport infrastructure and research infrastructure. Financial or non-financial undertakings or sovereigns can issue such bonds. Various existing initiatives for sustainable bonds do not ensure common definitions of

definitions of environmentally sustainable economic activities. This prevents investors from easily identifying bonds the proceeds of which are aligned with, or are contributing to **environmental** objectives as laid down in the Paris Agreement.

environmentally **and socially** sustainable economic activities. This prevents investors from easily identifying bonds the proceeds of which are aligned with, or are contributing to **sustainability** objectives as laid down in the Paris Agreement **and the SDGs**.

Or. en

Amendment 6

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In ensuring alignment with the objectives of the Paris agreement, and given the existing divergences and absence of common rules, it is likely that Member States will adopt diverging measures and approaches, which will have a direct negative impact on, and create obstacles to, the proper functioning of the internal market, and be detrimental to issuers of environmentally sustainable bonds. The parallel development of market practices based on commercially driven priorities that produce divergent results causes market fragmentation and risks further exacerbating inefficiencies in the functioning of the internal market. Divergent standards and market practices make it difficult to compare different bonds, create uneven market conditions for issuers, cause additional barriers within the internal market, and risk distorting investment decisions.

Amendment

(5) In ensuring alignment with the objectives of the Paris agreement, and given the existing divergences and absence of common rules, it is likely that Member States will adopt diverging measures and approaches, which will have a direct negative impact on, and create obstacles to, the proper functioning of the internal market, and be detrimental to issuers of environmentally sustainable bonds. The parallel development of market practices based on commercially driven priorities that produce divergent results causes market fragmentation and risks further exacerbating inefficiencies in the functioning of the internal market. Divergent standards and market practices make it difficult to compare different bonds, create uneven market conditions for issuers, cause additional barriers within the internal market, and risk **greenwashing and** distorting investment decisions.

Or. en

Amendment 7

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The lack of harmonised rules for the procedures used by external reviewers to review **environmentally** sustainable bonds and the diverging definitions of **environmentally** sustainable activities make it increasingly difficult for investors to effectively compare bonds across the internal market with respect to their **environmental** objectives. The market for **environmentally** sustainable bonds is inherently international, with market participants trading bonds and making use of external review services from third party providers across borders. Action at Union level could reduce the risk of fragmentation of the internal market for **environmentally** sustainable bonds and bond-related external review services, and ensure the application of Regulation (EU) 2020/852 of the European Parliament and of the Council³⁴ in the market for such bonds.

³⁴ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Amendment

(6) The lack of harmonised rules for the procedures used by external reviewers to review sustainable bonds and the diverging definitions of sustainable activities make it increasingly difficult for investors to effectively compare bonds across the internal market with respect to their **sustainability** objectives. The market for sustainable bonds is inherently international, with market participants trading bonds and making use of external review services from third party providers across borders. Action at Union level could reduce the risk of fragmentation of the internal market for sustainable bonds and bond-related external review services, and ensure the application of Regulation (EU) 2020/852 of the European Parliament and of the Council³⁴ in the market for such bonds.

³⁴ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Or. en

Amendment 8

Proposal for a regulation Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) To facilitate comparison between different sustainable bond issuances and encourage standardisation of data collection in respect of green bonds, transparency requirements should apply

to all bonds that are marketed in the Union as sustainable. To foster investor protection and avoid greenwashing of bonds marketed as sustainable, the information disclosed in respect of such bonds should be subject to the same standard of external verification as that applying to European green bonds.

Or. en

Amendment 9

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Recalling the joint commitment of the European Parliament, the Council and the Commission to pursuing the principles enshrined in the European Pillar of Social Rights in support of sustainable and inclusive growth, and recognising the relevance of international standards on minimum human and labour rights, the Union has adopted a broad concept of sustainability, including environmental, social and governance aspects. In that context, and in line with the definition of sustainable investment in Regulation (EU) 2019/2088 of the European Parliament and of the Council^{1a}, environmentally sustainable activities should not harm social sustainability objectives. Accordingly, environmentally sustainable bonds should adhere to the principle of ‘do no significant harm’ referred to in Regulation (EU) 2019/2088, and take into account the regulatory technical standards adopted pursuant to that Regulation that further specify that principle. That includes alignment with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, including the declaration on

Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights. The fundamental conventions of the ILO define human and labour rights that undertakings should respect. Several of those international standards are enshrined in the Charter of Fundamental Rights of the European Union, in particular the prohibition of slavery and forced labour and the principle of non-discrimination.

^{1a} 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 (OJ L 317, 9.12.2019, p. 1).

Or. en

Amendment 10

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) The proceeds of European green bonds should be used to finance economic activities that have a lasting positive impact on the environment. Such lasting positive impact can be attained in several ways. Since fixed assets are long-term assets, a first way is to use the proceeds of such European green bonds to finance fixed tangible or fixed intangible assets that are not financial assets, provided that those fixed assets relate to economic activities that meet the requirements for environmentally sustainable economic activities set out in Article 3 of Regulation (EU) 2020/852 ('taxonomy requirements'). Since financial assets can be used to finance economic activities with a lasting

Amendment

(9) The proceeds of European green bonds should be used to finance **sustainable** economic activities that have a lasting positive impact on the environment. Such lasting positive impact can be attained in several ways. Since fixed assets are long-term assets, a first way is to use the proceeds of such European green bonds to finance fixed tangible or fixed intangible assets that are not financial assets, provided that those fixed assets relate to economic activities that meet the requirements for environmentally sustainable economic activities set out in Article 3 of Regulation (EU) 2020/852 ('taxonomy requirements'). Since financial assets can be used to finance economic activities with a lasting

positive impact on the environment, a second way is to use those proceeds to finance financial assets, provided that the proceeds from those financial assets are allocated to economic activities that meet the taxonomy requirements. Since the assets of households can also have a long-term positive impact on the environment, those financial assets should also include the assets of households. Since capital expenditure and selected operating expenditure can be used to acquire, upgrade, or maintain fixed assets, a third way is to use the proceeds of such bonds to finance capital and operating expenditures that relate to economic activities that meet the taxonomy requirements or that will meet those requirements within a reasonably short period from the issuance of the bond concerned, which can be extended however where duly justified by the specific features of the economic activities and investments concerned. For the reasons outlined above, the capital and operating expenditures should also include the expenditures of households.

positive impact on the environment, a second way is to use those proceeds to finance financial assets, provided that the proceeds from those financial assets are allocated to economic activities that meet the taxonomy requirements. Since the assets of households can also have a long-term positive impact on the environment, those financial assets should also include the assets of households. Since capital expenditure and selected operating expenditure can be used to acquire, upgrade, or maintain fixed assets, a third way is to use the proceeds of such bonds to finance capital and operating expenditures that relate to economic activities that meet the taxonomy requirements or that will meet those requirements within a reasonably short period from the issuance of the bond concerned, which can be extended however where duly justified by the specific features of the economic activities and investments concerned. For the reasons outlined above, the capital and operating expenditures should also include the expenditures of households.

Or. en

Amendment 11

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Article 10(2) of Regulation (EU) 2020/852 distinguishes environmentally sustainable activities from transitional economic activities for which there are no technologically and economically feasible low-carbon alternatives. That distinction should also be made in respect of sustainable bonds, and full transparency in the percentage of bond proceeds allocated to transitional activities should be guaranteed.

Amendment 12**Proposal for a regulation
Recital 9 b (new)***Text proposed by the Commission**Amendment*

(9b) This Regulation aims to create a gold standard for green bonds. It should therefore not undermine current best market practices. Current market practice is to not allocate the proceeds of green bonds to expenditures related to the generation of gas or nuclear energy. As such, European green bonds should not fund activities concerning electricity generation using nuclear energy generation or electricity generation from natural gas.

Or. en

Amendment 13**Proposal for a regulation
Recital 10***Text proposed by the Commission**Amendment*

(10) Sovereigns are frequent issuers of environmentally sustainable bonds and should therefore also be allowed to issue ‘European green bonds’, provided that the proceeds of such bonds are used to finance either assets or expenditure that meet the taxonomy, or assets or expenditure that will meet those requirements within a reasonably short period from the issuance of the bond concerned, which can be extended however where duly justified by the specific features of the economic activities and investments concerned.

(10) Sovereigns are frequent issuers of environmentally sustainable bonds and should therefore also be allowed to issue ‘European green bonds’, provided that the proceeds of such bonds are used to finance either assets or expenditure that meet the taxonomy, or assets or expenditure that will meet those requirements within a reasonably short period from the issuance of the bond concerned, which can be extended however where duly justified by the specific features of the economic activities and investments concerned.
Green public investment could be stimulated by granting debt and deficits in

the form of European green bonds and beneficial treatment in the Union's fiscal governance framework.

Or. en

Amendment 14

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) Union institutions and bodies should adhere to Union standards in the pursuit of sustainability objectives, including those defined by Regulation (EU) 2020/852. They should thus use the 'European green bond' standard for any issuance of a use of proceeds bond that has environmental sustainability as its objective. As a leading global issuer of green bonds, the European Investment Bank has already committed to aligning its green bond programme with the European green bond standard.

Or. en

Amendment 15

Proposal for a regulation Recital 11

Text proposed by the Commission

Amendment

(11) Article 4 of Regulation (EU) 2020/852 requires Member States and the Union to apply the criteria set out in Article 3 of that Regulation to determine whether an economic activity qualifies as environmentally sustainable for the purposes of any measure setting out requirements for financial market participants or issuers in respect of financial products or corporate bonds that

(11) Article 4 of Regulation (EU) 2020/852 requires Member States and the Union to apply the criteria set out in Article 3 of that Regulation to determine whether an economic activity qualifies as environmentally sustainable for the purposes of any measure setting out requirements for financial market participants or issuers in respect of financial products or corporate bonds that

are made available as environmentally sustainable. It is therefore logical that the technical screening criteria referred to in Article 3, point (d), of Regulation (EU) 2020/852 should determine which fixed assets, expenditures and financial assets can be financed by the proceeds of European green bonds. In view of the expected technological progress in the field of environmental sustainability, the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are likely to be reviewed and amended over time.

Regardless of such changes, in order to provide legal certainty to issuers and investors and prevent amendments to the technical screening criteria from having a negative impact on the price of European green bonds that have already been issued, issuers should be able to apply the technical screening criteria applicable at the moment the European green bond was issued when allocating the proceeds of such bonds to eligible fixed assets or expenditures, until maturity of the bond. To ensure legal certainty for European green bonds whose proceeds are allocated to financial assets, it is necessary to clarify that the underlying economic activities funded by those financial assets should comply with the technical screening criteria applicable at the moment the financial assets were created. Where the relevant delegated acts are amended, the issuer should allocate proceeds by applying the amended delegated acts within five years.

are made available as environmentally sustainable. It is therefore logical that the technical screening criteria referred to in Article 3, point (d), of Regulation (EU) 2020/852 should determine which fixed assets, expenditures and financial assets can be financed by the proceeds of European green bonds. In view of the expected technological progress in the field of environmental sustainability, the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are likely to be reviewed and amended over time.

Regardless of such changes, in order to provide legal certainty to issuers and investors and prevent amendments to the technical screening criteria from having a negative impact on the price of European green bonds that have already been issued, issuers should be able to apply the technical screening criteria applicable at the moment the European green bond was issued when allocating the proceeds of such bonds to eligible fixed assets or expenditures, until maturity of the bond. To ensure legal certainty for European green bonds whose proceeds are allocated to financial assets, it is necessary to clarify that the underlying economic activities funded by those financial assets should comply with the technical screening criteria applicable at the moment the financial assets were created. Where the relevant delegated acts are amended, the issuer should allocate proceeds by applying the amended delegated acts within five years. ***Previously allocated proceeds should not be required to be reallocated following a change to the delegated acts.***

Or. en

Amendment 16

Proposal for a regulation Recital 12 a (new)

(12a) Issuers of European green bonds should use such bonds as part of their overarching sustainability strategy. As such, issuers should adhere to certain entity-level sustainability requirements. That includes adherence to the principle of ‘do no significant harm’ referred to in Regulation (EU) 2019/2088, through the consideration of principal adverse impacts in investment decisions, and by aligning to minimum safeguards as set out in Article 18 of Regulation (EU) 2020/852. Issuers should also not be engaged in tax avoidance practices via countries on the EU list of non-cooperative jurisdictions for tax purposes.

Or. en

Amendment 17

Proposal for a regulation Recital 12 b (new)

(12b) European green bonds are aimed at helping companies transition towards sustainability. As such, European green bonds should be used only by companies that have a credible pathway to becoming sustainable and that adhere to the Paris Agreement, to Regulation (EU) 2021/1119 of the European Parliament and of the Council^{1a} (‘European Climate Law’) and to a 1.5 °C global net warming scenario. Therefore, issuers of European green bonds should develop a transition plan indicating how they will ensure adherence to the 1.5 °C global warming scenario and reach climate neutrality by 2050.

^{1a} Regulation (EU) 2021/1119 of the European Parliament and of the Council

of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law')(OJ L 243, 9.7.2021, p. 1.)

Or. en

Amendment 18

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) Investors should be provided with all information necessary to evaluate the environmental impact of **European green** bonds, and to compare such bonds with each other. For that purpose, specific and standardised disclosure requirements need to be set out which provide transparency about how the issuer intends to allocate the bond proceeds to eligible fixed assets, expenditures and financial assets and how those proceeds have actually been allocated. Such transparency can best be achieved by means of European **green** bond factsheets and annual allocation reports. To strengthen the comparability of **European green** bonds and to facilitate the localisation of relevant information, it is necessary to lay down templates for the disclosure of such information.

Amendment

(13) Investors should be provided with all information necessary to evaluate the environmental impact of **sustainable** bonds, and to compare such bonds with each other. For that purpose, specific and standardised disclosure requirements need to be set out which provide transparency about how the issuer intends to allocate the bond proceeds to eligible fixed assets, expenditures and financial assets and how those proceeds have actually been allocated. ***The same should also be done for sustainable bonds which do not allocate proceeds to specific economic activities but are linked to the overall sustainability performance of a company.*** Such transparency can best be achieved by means of European **sustainable** bond factsheets and annual allocation reports. To strengthen the comparability of **sustainable** bonds and to facilitate the localisation of relevant information, it is necessary to lay down templates for the disclosure of such information.

Or. en

Amendment 19

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) Investors should benefit from cost-effective access to reliable information about the **European green** bonds. Issuers of **European Green** Bonds should therefore contract external reviewers to provide a pre-issuance review of the **European green** bond factsheet, and post-issuance reviews of **European green** bond annual allocation reports.

Amendment

(14) Investors should benefit from cost-effective access to reliable information about the **sustainable** bonds. Issuers of **sustainable** bonds should therefore contract external reviewers to provide a pre-issuance review of the **sustainable** bond factsheet, and post-issuance reviews of **sustainable** bond annual allocation reports.

Or. en

Amendment 20

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) Issuers of European green bonds should abide by their commitments to investors and allocate the proceeds of their bonds within a reasonably short time after issuance. At the same time, issuers should not be penalised for allocating bond proceeds to economic activities that do not yet meet the taxonomy requirements, but will do so within the five year period (or extended ten year period). Issuers should in any case allocate all proceeds of their European green bonds before the maturity of each bond.

Amendment

(15) Issuers of European green bonds should abide by their commitments to investors and allocate the proceeds of their bonds within a reasonably short time after issuance. At the same time, issuers should not be penalised for allocating bond proceeds to economic activities that do not yet meet the taxonomy requirements, but will do so within the five year period (or extended ten year period). ***In that case, issuers should draft a taxonomy-alignment plan setting out when those activities will meet the taxonomy requirements and how alignment will be guaranteed. Taxonomy-alignment plans should set out annual intermediary steps that are to be verified by an external reviewer.*** Issuers should in any case allocate all proceeds of their European green bonds before the maturity of each bond.

Amendment 21**Proposal for a regulation
Recital 15 a (new)***Text proposed by the Commission**Amendment*

(15a) ESMA should be mandated to develop draft regulatory technical standards to specify the form and content of taxonomy-alignment plans. The Commission should be empowered to adopt those regulatory technical standards by means of a delegated act pursuant to Article 290 TFEU and in accordance with Article 10 to 14 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council^{1a}.

^{1a} Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

Or. en

Amendment 22**Proposal for a regulation
Recital 17***Text proposed by the Commission**Amendment*

(17) Certain financial undertakings that have a portfolio of ***European green*** bonds may not be able to identify, for each ***European green*** bond, the distinct financial assets to which the proceeds of

(17) Certain financial undertakings that have a portfolio of ***sustainable*** bonds may not be able to identify, for each ***sustainable*** bond, the distinct financial assets to which the proceeds of said bond have been

said bond have been allocated. This is due to a mismatch between, on the one hand, the time to maturity and the volume of funding of those bonds, and on the other hand the time to maturity and volume of the financial assets on the balance sheet of the financial undertaking. Financial undertakings should in such cases be required to disclose the allocation of the aggregate proceeds of their portfolio of **European green** bonds to a portfolio of **environmentally** sustainable financial assets on the undertaking's balance sheet. Those financial undertakings should **then** demonstrate in annual allocation reports **that** the related environmentally sustainable financial assets complied with the taxonomy requirements at the time they were created. In order to ensure that all proceeds of European green bonds are allocated to environmentally sustainable economic activities, the financial undertakings should also demonstrate that the amount of those environmentally sustainable financial assets exceeds or equals the amount of European green bonds that have not yet matured. To ensure that the information provided remains complete and up to date, an external reviewer should review the annual allocation reports each year. That external reviewer should in particular focus on those financial assets that were not on the issuer's balance sheet in the previous year's allocation report.

allocated. This is due to a mismatch between, on the one hand, the time to maturity and the volume of funding of those bonds, and on the other hand the time to maturity and volume of the financial assets on the balance sheet of the financial undertaking. Financial undertakings should in such cases be required to disclose the allocation of the aggregate proceeds of their portfolio of **sustainable** bonds to a portfolio of sustainable financial assets on the undertaking's balance sheet. Those financial undertakings should **also** demonstrate in annual allocation reports **the degree to which** the related environmentally sustainable financial assets complied with the taxonomy requirements at the time they were created. **For European green bonds, there should be full alignment.** In order to ensure that all proceeds of European green bonds are allocated to environmentally sustainable economic activities, the financial undertakings should also demonstrate that the amount of those environmentally sustainable financial assets exceeds or equals the amount of European green bonds that have not yet matured. To ensure that the information provided remains complete and up to date, an external reviewer should review the annual allocation reports each year. That external reviewer should in particular focus on those financial assets that were not on the issuer's balance sheet in the previous year's allocation report.

Or. en

Amendment 23

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) To improve transparency, issuers should also disclose the **environmental**

Amendment

(18) To improve transparency, issuers should also disclose the **sustainability**

impact of their bonds by means of the publication of impact reports, which should be published at least once during the lifetime of the bond. In order to provide investors with all information relevant to assess the environmental impact of **European green** bonds, impact reports should clearly specify the metrics, methodologies and assumptions applied in the assessment of the environmental impacts. To strengthen the comparability of **European green** bonds and to facilitate the localisation of relevant information, it is necessary to lay down templates for the disclosure of such information.

impact of their bonds by means of the publication of impact reports, which should be published at least once during the lifetime of the bond. In order to provide investors with all information relevant to assess the environmental **and social** impact of **sustainable** bonds, impact reports should clearly specify the metrics, methodologies and assumptions applied in the assessment of the environmental **and social** impacts. **Impact reports should also include an outline of the issuer's transition plan.** To strengthen the comparability of **sustainable** bonds and to facilitate the localisation of relevant information, it is necessary to lay down templates for the disclosure of such information. **To ensure accuracy of impact reports and protect investors from greenwashing, impact reports should be subject to an external review for accuracy.**

Or. en

Amendment 24

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) To ensure the efficiency of the market for **European green** bonds, issuers should publish on their websites details about the **European green** bonds they issue. To ensure the reliability of information and investor confidence, they shall also publish the pre-issuance review **as well as** any post-issuance reviews.

Amendment

(20) To ensure the efficiency of the market for **sustainable** bonds, issuers should publish on their websites details about the **sustainable** bonds they issue. To ensure the reliability of information and investor confidence, they shall also publish the pre-issuance review, any post-issuance reviews **and the sustainability impact report.**

Or. en

Amendment 25

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) To improve transparency on how external reviewers reach their conclusions, to ensure that external reviewers have adequate qualifications, professional experience, and independence, and to reduce the risk of potential conflicts of interests, and thus to ensure adequate investor protection, issuers of **European green** bonds should only make use of external reviewers, including from third-countries, that have been registered and are subject to ongoing supervision by the European Securities and Markets Authority (ESMA).

Amendment

(21) To improve transparency on how external reviewers reach their conclusions, to ensure that external reviewers have adequate qualifications, professional experience, and independence, and to reduce the risk of potential conflicts of interests, and thus to ensure adequate investor protection, issuers of **sustainable** bonds should only make use of external reviewers, including from third-countries, that have been registered and are subject to ongoing supervision by the European Securities and Markets Authority (ESMA).

Or. en

Amendment 26

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To ensure the independence of external reviewers, external reviewers should avoid situations of conflict of interest and manage those conflicts adequately when they are unavoidable. External reviewers should therefore disclose conflicts of interest in a timely manner. They should also keep records of all significant threats to their independence, to that of their employees and to that of other persons involved in the external review process. They should also keep records of the safeguards applied to mitigate those threats.

Amendment

(24) To ensure the independence of external reviewers, external reviewers should **comply with organisational requirements and rules of conduct to mitigate and** avoid situations of conflict of interest and manage those conflicts adequately when they are unavoidable. External reviewers should therefore disclose conflicts of interest in a timely manner. They should also keep records of all significant threats to their independence, to that of their employees and to that of other persons involved in the external review process. They should also keep records of the safeguards applied to mitigate those threats.

Amendment 27

Proposal for a regulation Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) ESMA should be mandated to develop draft regulatory technical standards to specify further the requirements on external reviewers to avoid conflicts of interest from arising. They should develop those standards in response to market developments generating risks of conflicts of interest or following cases where conflicts of interest occurred. The Commission should be empowered to adopt those regulatory technical standards by means of a delegated act pursuant to Article 290 TFEU and in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 28

Proposal for a regulation Recital 28

Text proposed by the Commission

Amendment

(28) Issuers of ***European green*** bonds may seek access to the services of third country external reviewers. It is therefore necessary to lay down a third-country regime for external reviewers on the basis of an equivalence assessment, recognition or endorsement under which third country external reviewers may provide external review services.

(28) Issuers of ***sustainable*** bonds may seek access to the services of third country external reviewers. It is therefore necessary to lay down a third-country regime for external reviewers on the basis of an equivalence assessment, recognition or endorsement under which third country external reviewers may provide external review services.

Or. en

Amendment 29

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) In order to facilitate the provision of services by third-country external reviewers to issuers of **European green** bonds, an endorsement regime should be laid down, allowing, under certain conditions, registered external reviewers located in the Union to endorse services provided by a third country external reviewer. An external reviewer that has endorsed services provided by a third country external reviewer should be fully responsible for such endorsed services and for ensuring that such third country external reviewer complies with the requirements laid down in this Regulation.

Amendment

(30) In order to facilitate the provision of services by third-country external reviewers to issuers of **sustainable** bonds, an endorsement regime should be laid down, allowing, under certain conditions, registered external reviewers located in the Union to endorse services provided by a third country external reviewer. An external reviewer that has endorsed services provided by a third country external reviewer should be fully responsible for such endorsed services and for ensuring that such third country external reviewer complies with the requirements laid down in this Regulation.

Or. en

Amendment 30

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) In order to encourage external reviewers to provide their services to the issuers of European green bonds as of the entry into application of this Regulation, this Regulation sets out a transitional regime for the first 30 months following the entry into force of this Regulation.

Amendment

(36) In order to encourage external reviewers to provide their services to the issuers of European green bonds as of the entry into application of this Regulation, this Regulation sets out a transitional regime for the first 30 months following the entry into force of this Regulation. ***Sustainable bonds already issued at the date of [entry into force][application] of this Regulation are not required to comply with this Regulation as regards disclosure requirements and the use of external reviewers.***

Amendment 31**Proposal for a regulation
Recital 36 a (new)***Text proposed by the Commission**Amendment*

(36a) The application of this Regulation should be reviewed in order to assess, inter alia, the uptake of the European green bond standard, the functioning of the market of external reviewers, expanding the scope of this Regulation beyond environmentally sustainable economic activities in order to cover social objectives, and the mandatory application of the European green bond framework to all bonds marketed as environmentally sustainable.

Or. en

Amendment 32**Proposal for a regulation
Recital 37***Text proposed by the Commission**Amendment*

(37) The objectives of this Regulation are ***twofold***. ***On the one hand***, it aims to ensure that uniform requirements apply to the use of the designation of ‘European green bond’ or ‘EuGB’. ***On the other hand***, it aims to establish a simple registration system and supervisory framework for external reviewers by entrusting a single supervisory authority with the registration and supervision of external reviewers in the Union. ***Both*** aims should facilitate capital raising for projects that pursue environmentally sustainable objectives. Since those objectives cannot be sufficiently achieved by the Member

(37) The objectives of this Regulation are ***threefold***. ***First***, it aims to ensure that uniform ***transparency*** requirements apply to ***bonds that are marketed in the Union as sustainable***. ***Second, it lays down uniform requirements for*** the use of the designation of ‘European green bond’ or ‘EuGB’. ***Third***, it aims to establish a simple registration system and supervisory framework for external reviewers by entrusting a single supervisory authority with the registration and supervision of external reviewers in the Union. ***Those*** aims should facilitate capital raising for projects that pursue environmentally

States but can be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,

sustainable objectives. Since those objectives cannot be sufficiently achieved by the Member States but can be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,

Or. en

Amendment 33

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

This Regulation lays down uniform requirements for issuers of bonds that wish to use the designation ‘European green bond’ or ‘EuGB’ for their environmentally sustainable bonds ***made available to investors in the Union***, and establishes a registration system and supervisory framework for external reviewers of ***European green*** bonds.

Amendment

This Regulation lays down ***transparency requirements for bonds that are marketed in the Union as sustainable, stipulates*** uniform requirements for issuers of bonds that wish to use the designation ‘European green bond’ or ‘EuGB’ for their environmentally sustainable bonds, and establishes a registration system and supervisory framework for external reviewers of ***sustainable*** bonds.

Or. en

Amendment 34

Proposal for a regulation Article 2 – paragraph 1 – point 1

Text proposed by the Commission

(1) ‘issuer’ means any ***legal*** entity that issues bonds;

Amendment

(1) ‘issuer’ means any entity that issues bonds;

Or. en

Amendment 35

Proposal for a regulation

Article 2 – paragraph 1 – point 3 – point f

Text proposed by the Commission

(f) a company of private law fully owned by one or more of the entities referred to in points (a) to (e);

Amendment

deleted

Or. en

Amendment 36

Proposal for a regulation

Article 2 – paragraph 1 – point 5 a (new)

Text proposed by the Commission

Amendment

(5a) ‘home Member State’ means a home Member State as defined in Article 2, point (m), of Regulation (EU) 2017/1129^{1a};

^{1a} Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168, 30.6.2017, p. 19).

Or. en

Amendment 37

Proposal for a regulation

Article 2 – paragraph 1 – point 5 b (new)

Text proposed by the Commission

Amendment

(5b) ‘host Member State’ means a host Member State as defined in Article 2,

point (n), of Regulation (EU) 2017/1129;^a

Or. en

Amendment 38

Proposal for a regulation

Article 2 – paragraph 1 – point 5 c (new)

Text proposed by the Commission

Amendment

(5c) ‘sustainable investment’ means sustainable investments as defined in Article 2, point 17, of Regulation (EU) 2019/2088;

Or. en

Amendment 39

Proposal for a regulation

Article 2 – paragraph 1 – point 5 d (new)

Text proposed by the Commission

Amendment

(5d) ‘sustainable bond’ means any type of bond instrument that has as its stated objective to finance sustainable investment, including bonds issued in accordance with market standards on green, social or sustainability-linked bonds;

Or. en

Amendment 40

Proposal for a regulation

Article 2 – paragraph 1 – point 5 e (new)

Text proposed by the Commission

Amendment

(5e) ‘use of proceeds bond’ means any type of bond instrument where the

proceeds are allocated to specific economic activities;

Or. en

Amendment 41

Proposal for a regulation

Article 2 – paragraph 1 – point 5 f (new)

Text proposed by the Commission

Amendment

(5f) ‘sustainability linked bond’ means any type of bond instrument for which the financial or structural characteristics can vary depending on whether the issuer achieves a predefined sustainability or environmental, social and governance (ESG) objective;

Or. en

Amendment 42

Proposal for a regulation

Article 2 – paragraph 1 – point 5 g (new)

Text proposed by the Commission

Amendment

(5g) ‘sustainability risk’ means sustainability risk as defined in Article 2, point 22, of Regulation (EU) 2019/2088;

Or. en

Amendment 43

Proposal for a regulation

Article 2 – paragraph 1 – point 5 h (new)

Text proposed by the Commission

Amendment

(5h) ‘sustainability factor’ means sustainability factor as defined in Article

Amendment 44

Proposal for a regulation Article 2 – paragraph 1 – point 5 i (new)

Text proposed by the Commission

Amendment

(5i) ‘reviewed entity’ means any entity receiving a review of its sustainable bond issuance from an external reviewer in accordance with this Regulation;

Amendment 45

Proposal for a regulation Title II – title

Text proposed by the Commission

Amendment

Conditions for the use of the designation
‘European green bond’ or ‘EuGB’

Conditions for the use of the designation
‘European green bond’ or ‘EuGB’ ***and
transparency requirements for sustainable
bonds***

Amendment 46

Proposal for a regulation Article 4 – paragraph 3

Text proposed by the Commission

Amendment

3. A European green bond may be refinanced by issuing a new European green bond.

3. A European green bond may be refinanced by issuing a new European green bond ***provided that the use of proceeds of the refinanced bond comply***

with the requirements set out in Article 6 at the time of the refinancing.

Or. en

Amendment 47

Proposal for a regulation

Article 5 – paragraph 1 – point a

Text proposed by the Commission

(a) *debt*;

Amendment

(a) *a financial claim*;

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

Justification

Correct accounting term according to ECB

Amendment 48

Proposal for a regulation

Article 5 – paragraph 1 – point b

Text proposed by the Commission

(b) equity.

Amendment

(b) equity *instrument of another entity*.

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

Justification

Correct accounting term according to ECB

Amendment 49

Proposal for a regulation

Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The use of proceeds referred to in Article 4 shall *relate* to economic activities that meet the taxonomy requirements, or that will meet the taxonomy requirements within a defined period of time as set out in a taxonomy-alignment plan.

Amendment

The use of proceeds referred to in Article 4 shall *be allocated* to economic activities that meet the taxonomy requirements, or that will meet the taxonomy requirements within a defined period of time as set out in a taxonomy-alignment plan.

Or. en

Amendment 50

Proposal for a regulation

Article 6 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The period referred to in the first and second subparagraph shall not exceed five years from bond issuance, unless a longer period of up to ten years is justified by the specific features of the economic activities concerned as documented in a taxonomy-alignment plan.

Amendment

The period referred to in the first and second subparagraph shall not exceed five years from bond issuance, unless a longer period of up to ten years is *duly* justified by the specific features of the economic activities concerned as documented in a taxonomy-alignment plan, *such as a particularly long lifetime of physical assets*.

Or. en

Amendment 51

Proposal for a regulation

Article 6 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Where the use of proceeds referred to in Article 4 of this Regulation is in line with the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2)

or 15(2) of Regulation (EU) 2020/852 but data is not yet available to demonstrate compliance with Article 17 of that Regulation, the taxonomy-alignment plan shall include a description of the actions and expenditures necessary to gather the relevant data.

Or. en

Amendment 52

Proposal for a regulation Article 6 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The taxonomy-alignment plan referred to in paragraph 1 shall describe the annual intermediate steps to be achieved in order for an economic activity to meet the taxonomy requirements. Whether or not those steps are achieved shall be verified by the external reviewer. Where intermediate steps are not achieved twice in a row, the issuer shall no longer be authorised to use the designation of European green bond for the bond issuance concerned by that taxonomy-alignment plan.

Or. en

Amendment 53

Proposal for a regulation Article 6 – paragraph 2 c (new)

Text proposed by the Commission

Amendment

**2c. ESMA shall develop draft regulatory technical standards specifying the content and the form of taxonomy-alignment plans.
ESMA shall submit those draft regulatory technical standards to the Commission by**

[12 months after the date of entry into force of this Regulation].

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph of this paragraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 54

Proposal for a regulation

Article 7 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Issuers shall allocate bond proceeds to the uses set out in Article 4(1) points (a), (b) and (c), Article 4(2), or the equity referred to in Article 5(1), point (b) by applying the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 applicable at the point in time when the bond was issued.

Amendment

Issuers shall allocate bond proceeds to the uses set out in Article 4(1) points (a), (b) and (c), Article 4(2), or the equity ***instrument of another entity*** referred to in Article 5(1), point (b) by applying the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 applicable at the point in time when the bond was issued.

Or. en

Amendment 55

Proposal for a regulation

Article 7 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Where the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are amended following the issuance of the bond, the issuer shall allocate bond proceeds to the uses referred to in the first subparagraph by applying the amended delegated acts within five years after their

Amendment

Where the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are amended following the issuance of the bond, the issuer shall allocate bond proceeds to the uses referred to in the first subparagraph by applying the amended delegated acts within five years after their

entry into application.

entry into application. ***Allocated bond proceeds shall not be required to be reallocated following a change to the delegated acts.***

Or. en

Amendment 56

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 1

Text proposed by the Commission

When allocating bond proceeds to the ***debt*** referred to in Article 5(1), point (a), issuers shall apply the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 applicable at the point in time when the ***debt*** was created.

Amendment

When allocating bond proceeds to the ***financial claim*** referred to in Article 5(1), point (a), issuers shall apply the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 applicable at the point in time when the ***financial claim*** was created.

Or. en

Amendment 57

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Where, at the time of the creation of the ***debt*** referred to in the first subparagraph, no delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were in force, issuers shall apply the first delegated acts that were adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852.

Amendment

Where, at the time of the creation of the ***financial claim*** referred to in the first subparagraph, no delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were in force, issuers shall apply the first delegated acts that were adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852.

Or. en

Amendment 58

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 3

Text proposed by the Commission

Where the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are amended following the creation of the debt referred to in the first subparagraph, the issuer shall allocate bond proceeds to the debt referred to in the first subparagraph by applying the amended delegated acts within five years after their entry into application.

Amendment

Where the delegated acts adopted pursuant to Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 are amended following the creation of the debt referred to in the first subparagraph, the issuer shall allocate bond proceeds to the debt referred to in the first subparagraph by applying the amended delegated acts within five years after their entry into application. ***Allocated bond proceeds shall not be required to be reallocated following a change to the delegated acts.***

Or. en

Amendment 59

Proposal for a regulation

Article 7 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. By way of derogation from paragraphs 1 and 2, the designation of ‘European green bond’ and ‘EuGB’ shall not be used when any of the proceeds are allocated to:

- (a) nuclear power generation; or***
- (b) electricity generation, or cogeneration from heat/cool and power, or production of heat/cool from fossil gaseous fuels unless the life-cycle GHG emissions are lower than 100gCO₂e/kWh.***

Or. en

Amendment 60

Proposal for a regulation

Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7a

Entity level requirements to issuers of European green bonds

1. Issuers of European green bonds shall adhere to the principle of ‘do no significant harm’ referred to in Regulation (EU) 2019/2088 and in the regulatory technical standards adopted pursuant to that Regulation that further specify that principle.

For the purposes of the first subparagraph, issuers of European green bonds shall demonstrate that they have considered all of the following prior to issuing such bonds:

(a) the principal adverse impacts of investment decisions on sustainability factors;

(b) the integration of sustainability risks in the investment decision-making process; and

(c) alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

2. Non-sovereign issuers and any of their related third parties that are located in jurisdictions listed in Annex I or II to the EU list of non-cooperative jurisdictions for tax purposes shall not be authorised to use the designation of ‘European green bond’ or ‘EuGB’, unless they can demonstrate real economic

activity in the listed jurisdiction.

Sovereign issuers that are listed in Annex I or II to the EU list of non-cooperative jurisdictions for tax purposes shall not be authorised to use the designation of ‘European green bond’ or ‘EuGB’.

3. Issuers shall disclose the requirements stipulated in this Article in the template for the European sustainable bond factsheet laid down in Annex I.

Or. en

Amendment 61

Proposal for a regulation Article 7 b (new)

Text proposed by the Commission

Amendment

Article 7b

Transition plan

1. Issuers of European green bonds and issuers of sustainability-linked bonds shall develop a transition plan outlining how they will adhere to a 1.5 °C global warming scenario and reach climate neutrality by 2050. The transition plan shall include annual and verifiable targets.

2. ESMA shall develop draft regulatory technical standards specifying minimum requirements for transition plans.

ESMA shall submit those draft regulatory standards to the Commission by [18 months after the date of entry into force of this Regulation].

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph of this paragraph in accordance with Articles 10 to 14 of Regulation (EU) No

Amendment 62

**Proposal for a regulation
Article 7 c (new)**

Text proposed by the Commission

Amendment

Article 7c

***Use of the European green bond standard
by Union institutions and bodies***

***Union institutions and bodies shall use
the European green bond standard and
apply the criteria of Articles 4 to 7a for
any issuance of use of proceeds bond that
has environmental sustainability as its
objective.***

Or. en

Amendment 63

**Proposal for a regulation
Article 8 – title**

Text proposed by the Commission

Amendment

European **green** bond factsheet and pre-issuance review of the European **green** bond factsheet

European **sustainable** bond factsheet and pre-issuance review of the European **sustainable** bond factsheet

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

Justification

As disclosure requirements are harmonized for all sustainable bond issuances in the Union, a change of title helps promote clarity

Amendment 64

Proposal for a regulation

Article 8 – paragraph 1 – introductory part

Text proposed by the Commission

1. Prior to issuing a **European green** bond, issuers shall:

Amendment

1. Prior to issuing a bond **that is marketed in the Union and has sustainable investment as its objective**, issuers shall:

Or. en

Amendment 65

Proposal for a regulation

Article 8 – paragraph 1 – point a

Text proposed by the Commission

(a) complete the European **green** bond factsheet laid down in Annex I;

Amendment

(a) complete the European **sustainable** bond factsheet laid down in Annex I;

Or. en

Amendment 66

Proposal for a regulation

Article 8 – paragraph 1 – point b

Text proposed by the Commission

(b) ensure that the completed European **green** factsheet has been subject to a pre-issuance review with a positive opinion by an external reviewer.

Amendment

(b) ensure that the completed European **sustainable bond** factsheet has been subject to a pre-issuance review with a positive opinion by an external reviewer.

Or. en

Amendment 67

Proposal for a regulation

Article 8 – paragraph 2

Text proposed by the Commission

2. A European **green** bond factsheet **may** relate to one **or** several **European green bond issuances**.

Amendment

2. **Each** European **sustainable** bond factsheet **shall** relate to one **individual sustainable bond**. Several **factsheets may be published jointly**.

Or. en

Justification

this promotes automated data collection and comparability of data across different bond issuances

Amendment 68

Proposal for a regulation

Article 8 – paragraph 3 – point a

Text proposed by the Commission

(a) an assessment of whether the completed **green** bond factsheet complies with Articles 4 to 7 of this Regulation and Annex I to this Regulation;

Amendment

(a) **for European green bonds**, an assessment of whether the completed **European sustainable** bond factsheet complies with Articles 4 to **7b** of this Regulation and Annex I to this Regulation;

Or. en

Amendment 69

Proposal for a regulation

Article 8 – paragraph 3 – point a a (new)

Text proposed by the Commission

Amendment

(aa) for other sustainable bonds, an assessment of whether the information provided in the completed European sustainable bond factsheet complies with the stated sustainability objective of the bond and an assessment of the extent to which the completed European sustainable bond factsheet complies with Articles 4 to 7b and Annex I;

Amendment 70

Proposal for a regulation Article 9 – paragraph 1

Text proposed by the Commission

1. Every year and until the full allocation of the proceeds of the **European green** bond concerned, issuers of **European green** bonds shall draw up a European **green** bond allocation report by using the template laid down in Annex II, demonstrating **that the proceeds of any European green bonds concerned from their issuance date and until the end of the year the report refers to have been allocated in accordance with Articles 4 to 7.**

Amendment

1. Every year and until the full allocation of the proceeds of the **sustainable** bond concerned, issuers of **sustainable bonds that are use of proceeds** bonds shall draw up a European **sustainable** bond allocation report by using the template laid down in Annex II, demonstrating:

Or. en

Amendment 71

Proposal for a regulation Article 9 – paragraph 1 – point i (new)

Text proposed by the Commission

Amendment

(i) for European green bonds, that the proceeds from their issuance date and until the end of the year the report refers to have been allocated in accordance with Articles 4 to 7;

Or. en

Amendment 72

Proposal for a regulation Article 9 – paragraph 1 – point ii (new)

Text proposed by the Commission

Amendment

(ii) for other sustainable bonds, whether the proceeds have been allocated in accordance with the stated sustainability objective of the bond and the degree to which the proceeds have been allocated in accordance with Articles 4 to 7.

Or. en

Amendment 73

Proposal for a regulation Article 9 – paragraph 2

Text proposed by the Commission

Amendment

2. A European green bond allocation report **may** relate to one **or** several **issuances of European green bonds**.

2. A European green bond allocation report **shall** relate to one **individual sustainable bond**. Several **allocation reports may be published jointly**.

Or. en

Justification

This helps automatic data collection and comparability across sustainable bonds

Amendment 74

Proposal for a regulation Article 9 – paragraph 3

Text proposed by the Commission

Amendment

3. Issuers of **European green** bonds shall obtain a post-issuance review by an external reviewer of the allocation report drawn up after the full allocation of the proceeds of the **European green** bond in accordance with Articles 4 to 7.

3. Issuers of **sustainable** bonds shall obtain a post-issuance review by an external reviewer of the allocation report drawn up after the full allocation of the proceeds of the **sustainable** bond in accordance with Articles 4 to 7.

Or. en

Amendment 75

Proposal for a regulation Article 9 – paragraph 4

Text proposed by the Commission

4. Where, following the publication of the allocation report in accordance with Article 13(1), point (c), the allocation of proceeds is corrected, issuers of the **European green bonds** concerned shall amend the allocation report and obtain a post-issuance review by an external reviewer of that amended allocation report.

Amendment

4. Where, following the publication of the allocation report in accordance with Article 13(1), point (c), the allocation of proceeds is corrected, issuers of the **sustainable bond** concerned shall amend the allocation report and obtain a post-issuance review by an external reviewer of that amended allocation report.

Or. en

Amendment 76

Proposal for a regulation Article 9 – paragraph 5

Text proposed by the Commission

5. By way of derogation from paragraph 3, every allocation report from issuers that are financial undertakings that allocate proceeds from a portfolio of several **European green** bonds to a portfolio of financial assets as referred to in Article 5 shall be subject to a post-issuance review by an external reviewer. The external reviewer shall pay particular attention to those financial assets that were not included in any previously published allocation report.

Amendment

5. By way of derogation from paragraph 3, every allocation report from issuers that are financial undertakings that allocate proceeds from a portfolio of several **sustainable** bonds to a portfolio of financial assets as referred to in Article 5 shall be subject to a post-issuance review by an external reviewer. The external reviewer shall pay particular attention to those financial assets that were not included in any previously published allocation report.

Or. en

Amendment 77

Proposal for a regulation Article 9 – paragraph 6

Text proposed by the Commission

6. Issuers of **European green bonds** shall provide the allocation reports referred to in paragraph 3, 4, and 5 to an external reviewer within 30 days following the end of the year to which the allocation reports refer. The post-issuance review must be made public within 90 days following the receipt of the allocation report.

Amendment

6. Issuers of **a sustainable bond** shall provide the allocation reports referred to in paragraph 3, 4, and 5 to an external reviewer within 30 days following the end of the year to which the allocation reports refer. The post-issuance review must be made public within 90 days following the receipt of the allocation report.

Or. en

Amendment 78

Proposal for a regulation

Article 9 – paragraph 7 – point a

Text proposed by the Commission

(a) an assessment of whether the issuer has allocated the proceeds of the bond in compliance with Articles 4 to 7 based on the information provided to the external reviewer;

Amendment

(a) **for European green bonds**, an assessment of whether the issuer has allocated the proceeds of the bond in compliance with Articles 4 to 7 based on the information provided to the external reviewer;

Or. en

Amendment 79

Proposal for a regulation

Article 9 – paragraph 7 – point a a (new)

Text proposed by the Commission

Amendment

(aa) for other sustainable bonds, an assessment of whether the issuer has allocated the proceeds of the bond in accordance with the stated sustainability objective of the bond and an assessment of the degree to which the issuer has allocated the proceeds of the bond in compliance with Articles 4 to 7 based on the information provided to the external

reviewer;

Or. en

Amendment 80

Proposal for a regulation

Article 9 – paragraph 7 – point b

Text proposed by the Commission

(b) an assessment of whether the issuer has complied with the intended use of proceeds set out in the *green* bond factsheet based on the information provided to the external reviewer;

Amendment

(b) an assessment of whether the issuer has complied with the intended use of proceeds set out in the *sustainable* bond factsheet based on the information provided to the external reviewer;

Or. en

Amendment 81

Proposal for a regulation

Article 9 – paragraph 8

Text proposed by the Commission

8. *Where bond proceeds are allocated to tax relief as referred to in Article 4(2), point (c) or subsidies as referred to in Article 4(2), point (d), the post-issuance review shall only assess compliance with Articles 4 to 7 of the terms and conditions under which those expenditures or transfers have been disbursed.*

Amendment

deleted

Or. en

Amendment 82

Proposal for a regulation

Article 10 – title

Text proposed by the Commission

Amendment

European **green** bond impact report

European **sustainable** bond impact report
(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Or. en

Justification

as this report is mandatory for all sustainable bonds issued in the Union, a name change will add to clarity

Amendment 83

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

Amendment

1. Issuers of European green **bonds** shall, after the full allocation of the proceeds of such bonds and at least once during the lifetime of the bond, draw up a European **green** bond impact report on the **environmental** impact of the use of the bond proceeds by using the template laid down in Annex III.

1. Issuers of **a** European green **bond** shall, after the full allocation of the proceeds of such bonds and at least once during the lifetime of the bond, draw up a European **sustainable** bond impact report on the **issuer's overall sustainability strategy and the sustainability** impact of the use of the bond proceeds by using the template laid down in Annex III.

Or. en

Amendment 84

Proposal for a regulation
Article 10 – paragraph 2

Text proposed by the Commission

Amendment

2. *A single* impact report *may cover* several **issuances of European green bonds**.

2. **Each** impact report **shall relate to one individual sustainable bond**. Several **impact reports may be published jointly**.

Or. en

Amendment 85

Proposal for a regulation Article 10 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Issuers of a sustainable bond shall obtain a review by an external reviewer of the impact report.

Or. en

Amendment 86

Proposal for a regulation Article 10 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The review of the impact report referred to in paragraph 2a shall contain all of the following:

(a) an assessment of whether the bond issuance aligns with the broader sustainability strategy of the issuer;

(b) for European green bond issuances and for sustainability-linked bonds, an assessment of the transition plan outlining how the issuer will align to a 1.5 °C global warming scenario and reach climate neutrality by 2050;

(c) for bonds that comply with the use of proceeds bonds, a verification of the projects financed by the bond proceeds and, where applicable, whether the taxonomy-alignment plan was adhered to;

(d) an assessment of the indicated sustainability impact of the bond proceeds;

(e) the elements set out in Annex IV.

Or. en

Amendment 87

Proposal for a regulation Article 11 – paragraph 1

Text proposed by the Commission

An issuer that is a sovereign may obtain pre-issuance and post-issuance reviews from an external reviewer, or from a state auditor or any other public entity that is mandated by the sovereign to assess compliance with this Regulation.

Amendment

An issuer that is a sovereign may obtain pre-issuance and post-issuance reviews from an external reviewer, or from a state auditor or any other public entity that is mandated by the sovereign to assess compliance with this Regulation. ***For non-Union sovereign issuers, the state auditor or other public entity shall be required to receive pre-approval from ESMA in line with Title III Chapter 1.***

Or. en

Amendment 88

Proposal for a regulation Article 12 – title

Text proposed by the Commission

Prospectus for ***European green*** bonds

Amendment

Prospectus for ***sustainable*** bonds

Or. en

Amendment 89

Proposal for a regulation Article 12 – paragraph 1

Text proposed by the Commission

1. Where a prospectus is to be published pursuant to Regulation (EU) 2017/1129, that prospectus shall clearly state, where required to provide information on the use of proceeds, ***that the*** European green bond is issued in

Amendment

1. ***For issuances of a sustainable bond,*** where a prospectus is to be published pursuant to Regulation (EU) 2017/1129, that prospectus shall clearly state, where required to provide information on the use of proceeds, ***whether it concerns a*** European green

accordance with this Regulation.

bond **that** is issued in accordance with this Regulation **or any other sustainable bond**.

Or. en

Amendment 90

Proposal for a regulation Article 12 – paragraph 2

Text proposed by the Commission

2. For the purposes of Article 19(1), point (c), of Regulation (EU) 2017/1129, ‘regulated information’ shall include the information contained in the European green bond factsheet referred to in Article 8(1), point (a) of this Regulation.

Amendment

2. For the purposes of Article 19(1), point (c), of Regulation (EU) 2017/1129, ‘regulated information’ shall include the information contained in the European green bond factsheet referred to in Article 8(1), point (a) of this Regulation. ***That information shall be fully integrated in the prospectus referred to in paragraph 1 of this Article by using the template laid down in Annex I of this Regulation.***

Or. en

Justification

This helps data automatisisation and comparability of bonds

Amendment 91

Proposal for a regulation Article 13 – paragraph 1 – introductory part

Text proposed by the Commission

1. Issuers of **European green** bonds shall publish on their website, in a distinct section titled ‘**European green** bonds’ and make available free of charge until at least the maturity of the bonds concerned, all of the following:

Amendment

1. Issuers of **sustainable** bonds shall publish on their website, in a distinct section titled ‘**sustainable** bonds’ and make available free of charge until at least the maturity of the bonds concerned, all of the following:

Or. en

Amendment 92

Proposal for a regulation

Article 13 – paragraph 1 – point a

Text proposed by the Commission

(a) the completed **European green** bond factsheet referred to in Article 8, before the issuance of the bond;

Amendment

(a) the completed **European sustainable** bond factsheet referred to in Article 8, before the issuance of the bond;

Or. en

Amendment 93

Proposal for a regulation

Article 13 – paragraph 1 – point b

Text proposed by the Commission

(b) the pre-issuance review related to the **European green** bond factsheet referred to in Article 8, before the issuance of the bond;

Amendment

(b) the pre-issuance review related to the **European sustainable** bond factsheet referred to in Article 8, before the issuance of the bond;

Or. en

Amendment 94

Proposal for a regulation

Article 13 – paragraph 1 – point c

Text proposed by the Commission

(c) **the European green** bond annual allocation reports referred to in Article 9, every year until the full allocation of the proceeds of the **European green** bond concerned, no later than three months following the end of the year it refers to;

Amendment

(c) **Where available, the sustainable** bond annual allocation reports referred to in Article 9, every year until the full allocation of the proceeds of the **sustainable** bond concerned, no later than three months following the end of the year it refers to;

Or. en

Amendment 95

Proposal for a regulation

Article 13 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(ca) *where available, the taxonomy-alignment plan referred to in Article 6;*

Or. en

Amendment 96

Proposal for a regulation

Article 13 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) the post-issuance reviews of the **European green** bond allocation reports referred to in Article 9;

(d) *where available*, the post-issuance reviews of the **sustainable** bond allocation reports referred to in Article 9;

Or. en

Amendment 97

Proposal for a regulation

Article 13 – paragraph 1 – point e

Text proposed by the Commission

Amendment

(e) the **European green** bond impact report referred to in Article 10.

(e) the **sustainable** bond impact report referred to in Article 10.

Or. en

Amendment 98

Proposal for a regulation

Article 13 – paragraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) where available, the transition plan referred to in Article 7b;

Or. en

Amendment 99

Proposal for a regulation Article 13 – paragraph 2 – point a

Text proposed by the Commission

Amendment

(a) where the **European green** bonds are offered to the public or are listed on a market in only one Member State, in a language accepted by the competent authority, as referred to in Article 36 of this Regulation, of that Member State;

(a) where the **sustainable** bonds are offered to the public or are listed on a market in only one Member State, in a language accepted by the competent authority, as referred to in Article 36 of this Regulation, of that Member State;

Or. en

Amendment 100

Proposal for a regulation Article 13 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) where the **European green** bonds are offered to the public or are listed on a market in two or more Member States, either in a language accepted by the competent authority, as referred to in Article 37 of this Regulation, of each Member State, or in a language customary in the sphere of international finance, at the choice of the issuer.

(b) where the **sustainable** bonds are offered to the public or are listed on a market in two or more Member States, either in a language accepted by the competent authority, as referred to in Article 37 of this Regulation, of each Member State, or in a language customary in the sphere of international finance, at the choice of the issuer.

Or. en

Amendment 101

Proposal for a regulation Article 13 – paragraph 3

Text proposed by the Commission

3. By way of derogation from paragraph 2, where a prospectus for the **European green** bond is to be published in accordance with Regulation (EU) 2017/1129, the information contained in the documents referred to in paragraph 1, points (a), (c) and (e), shall be provided in the language or languages of that prospectus.

Amendment

3. By way of derogation from paragraph 2, where a prospectus for the **sustainable** bond is to be published in accordance with Regulation (EU) 2017/1129, the information contained in the documents referred to in paragraph 1, points (a), (c) and (e), shall be provided in the language or languages of that prospectus.

Or. en

Amendment 102

Proposal for a regulation Article 13 – paragraph 4

Text proposed by the Commission

4. Issuers of **European green** bonds shall notify the National Competent Authority referred to in Article 36 of the publication of all the documents referred to in paragraph 1 without undue delay.

Amendment

4. Issuers of **sustainable** bonds shall notify the National Competent Authority referred to in Article 36 of the publication of all the documents referred to in paragraph 1 without undue delay.

Or. en

Amendment 103

Proposal for a regulation Article 13 – paragraph 5

Text proposed by the Commission

5. Issuers of **European green** bonds shall notify ESMA of the publication of all the documents referred to in paragraph 1 within 30 days.

Amendment

5. Issuers of **sustainable** bonds shall notify ESMA of the publication of all the documents referred to in paragraph 1 within 30 days.

Amendment 104

Proposal for a regulation Title III – title

Text proposed by the Commission

External reviewers for **European Green**
Bonds

Amendment

External reviewers for **sustainable** bonds

Or. en

Amendment 105

Proposal for a regulation Title III – Chapter I – title

Text proposed by the Commission

Conditions for taking up activities as
external reviewer for **European green**
bonds

Amendment

Conditions for taking up activities as
external reviewer for **sustainable** bonds

Or. en

Amendment 106

Proposal for a regulation Article 14 – paragraph 1

Text proposed by the Commission

1. External reviewers for **European green** bonds shall, before taking up their activities, register with ESMA.

Amendment

1. External reviewers for **sustainable** bonds shall, before taking up their activities, register with ESMA.

Or. en

Amendment 107

Proposal for a regulation

Article 14 – paragraph 3

Text proposed by the Commission

3. State auditors and other public entities mandated by sovereign issuers to assess compliance with this Regulation shall not be subject to Title III and Title IV of this Regulation.

Amendment

3. State auditors and other public entities mandated by sovereign issuers **from the Union** to assess compliance with this Regulation shall not be subject to Title III and Title IV of this Regulation.

Or. en

Amendment 108

Proposal for a regulation

Article 15 – title

Text proposed by the Commission

Application for registration as an external reviewer for **European Green Bonds**

Amendment

Application for registration as an external reviewer for **sustainable** bonds

Or. en

Amendment 109

Proposal for a regulation

Article 15 – paragraph 1 – introductory part

Text proposed by the Commission

1. An application for registration as an external reviewer for **European green** bonds shall contain all of the following information:

Amendment

1. An application for registration as an external reviewer for **sustainable** bonds shall contain all of the following information:

Or. en

Amendment 110

Proposal for a regulation

Article 15 – paragraph 1 – point d a (new)

Text proposed by the Commission

Amendment

(da) the business plans and governance structures of the applicant;

Or. en

Amendment 111

Proposal for a regulation

Article 16 – paragraph 2 – subparagraph 3

Text proposed by the Commission

Amendment

ESMA shall submit those draft implementing technical standards to the Commission by [PO: Please insert date **12** months after the date of entry into force].

ESMA shall submit those draft implementing technical standards to the Commission by [PO: Please insert date **24** months after the date of entry into force].

Or. en

Justification

ESMA request to phase in RTSs

Amendment 112

Proposal for a regulation

Article 18 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Amendment

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **12** months after the date of entry into force].

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **36** months after the date of entry into force].

Or. en

Justification

ESMA request to phase in RTSs

Amendment 113

Proposal for a regulation

Article 21 – paragraph 4 – subparagraph 2

Text proposed by the Commission

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **12** months after the date of entry into force].

Amendment

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **24** months after the date of entry into force].

Or. en

Justification

ESMA request to phase in RTSs

Amendment 114

Proposal for a regulation

Article 22 – paragraph 3 – subparagraph 2

Text proposed by the Commission

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **12** months after the date of entry into force].

Amendment

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **24** months after the date of entry into force].

Or. en

Justification

ESMA request to phase in RTSs

Amendment 115

Proposal for a regulation

Article 23 – paragraph 3 – subparagraph 2

Text proposed by the Commission

ESMA shall submit those draft regulatory technical standards to the Commission by

Amendment

ESMA shall submit those draft regulatory technical standards to the Commission by

[PO: Please insert date **12** months after the date of entry into force].

[PO: Please insert date **24** months after the date of entry into force].

Or. en

Justification

ESMA request to phase in RTSs

Amendment 116

Proposal for a regulation Article 24 – paragraph 1

Text proposed by the Commission

1. External reviewers that become aware of errors in their assessment methodologies or in their application that have a material impact on a pre-issuance review as referred to in Article 8 or a post-issuance review as referred to in Article 9 shall immediately notify and explain those errors to ESMA and the issuers of the affected ***European green*** bonds.

Amendment

1. External reviewers that become aware of errors in their assessment methodologies or in their application that have a material impact on a pre-issuance review as referred to in Article 8 or a post-issuance review as referred to in Article 9 shall immediately notify and explain those errors to ESMA and the issuers of the affected ***sustainable*** bonds.

Or. en

Amendment 117

Proposal for a regulation Article 25 – paragraph 2

Text proposed by the Commission

2. External reviewers shall not outsource their compliance function.

Amendment

2. External reviewers shall ***duly motivate a decision to outsource a part of their assessment activities. External reviewers shall*** not outsource ***all of their assessment activities, or*** their compliance function.

Or. en

Amendment 118

Proposal for a regulation Article 25 – paragraph 3

Text proposed by the Commission

3. External reviewers shall notify ESMA about those of its assessment activities which are to be outsourced, including a specification of the level of human and technical resources needed to carry out each of those activities.

Amendment

3. External reviewers shall notify ESMA about those of its assessment activities which are to be outsourced, including a specification of the level of human and technical resources needed to carry out each of those activities. ***ESMA shall, within 30 days after the date of receipt of that notification, approve or reject the outsourcing arrangements. ESMA shall reject the outsourcing arrangements if it considers that the external reviewer does not adhere to the requirements of paragraph 1, 2 and 4.***

Or. en

Amendment 119

Proposal for a regulation Article 25 – paragraph 7 – point b

Text proposed by the Commission

(b) the criteria to ensure that the performance of assessment activities does not materially impair the quality of the external reviewers' internal control or the ability of ESMA to supervise the external reviewers' compliance with this Regulation.

Amendment

(b) the criteria to ensure that the performance of assessment activities does not materially impair the quality of the external reviewers' internal control or the ability of ESMA to supervise the external reviewers' compliance with this Regulation, ***including potential limits regarding the assessment activities that can be outsourced.***

Or. en

Amendment 120

Proposal for a regulation Article 26 – paragraph 3

Text proposed by the Commission

3. Where ESMA has withdrawn the registration of an external reviewer in accordance with Article 51(1), that external reviewer shall ensure that the records and documents are kept for an additional five years. Records and documents which set out the respective rights and obligations of the external reviewer and the issuer of the **European green** bond under an agreement to provide assessment services shall be retained for the duration of the relationship with that issuer.

Amendment

3. Where ESMA has withdrawn the registration of an external reviewer in accordance with Article 51(1), that external reviewer shall ensure that the records and documents are kept for an additional five years. Records and documents which set out the respective rights and obligations of the external reviewer and the issuer of the **sustainable** bond under an agreement to provide assessment services shall be retained for the duration of the relationship with that issuer.

Or. en

Amendment 121

Proposal for a regulation
Article 27 – paragraph 1

Text proposed by the Commission

1. External reviewers shall identify, eliminate, manage and disclose in a transparent manner any actual or potential conflicts of interest, irrespective of whether that conflict of interest concerns their analysts or employees, any person that is contractually related to the external reviewers and that is directly involved in assessment activities, or persons approving pre-issuance reviews and post-issuance reviews.

Amendment

1. External reviewers shall identify, eliminate, manage and disclose in a transparent manner any actual or potential conflicts of interest, irrespective of whether that conflict of interest concerns their analysts or employees, **shareholders**, any person that is contractually related to the external reviewers and that is directly involved in assessment activities, or persons approving pre-issuance reviews and post-issuance reviews.

For the purposes of this Regulation, the term “shareholder” includes beneficial owners, as defined in Article 3, point (6), of Directive (EU) 2015/849 of the European Parliament and of the Council^{1a}.

^{1a} ***Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the***

purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141 5.6.2015, p. 73).

Or. en

Amendment 122

Proposal for a regulation Article 27 – paragraph 2

Text proposed by the Commission

2. Fees charged by external reviewers for assessment services shall not depend on the result of the pre-issuance or post-issuance review, or on any other result or outcome of the work performed.

Amendment

2. Fees charged by external reviewers for assessment services shall ***be agreed by the reviewer and the issuer prior to the review and shall*** not depend on the result of the pre-issuance or post-issuance review, or on any other result or outcome of the work performed.

Or. en

Amendment 123

Proposal for a regulation Article 27 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. An external reviewer shall not issue a review in any of the following circumstances and, in the case of an existing review, shall immediately disclose where such review is potentially affected by any of the following:

(a) the external reviewer or a person referred to in paragraph 1, directly or indirectly owns financial instruments of the reviewed entity or a related third party or has any other direct or indirect

ownership interest in that entity or party, other than holdings in diversified collective investment schemes, including managed funds such as pension funds or life insurance;

(b) a shareholder or member of the external reviewer holding 10 % or more of either the capital or the voting rights of that reviewer or being otherwise in a position to exercise significant influence on the business activities of the reviewer, holds 10 % or more of either the capital or the voting rights of the reviewed entity or of a related third party, or of any other ownership interest in that reviewed entity or third party, excluding holdings in diversified collective investment schemes and managed funds such as pension funds or life insurance, which do not put him in a position to exercise significant influence on the business activities of the scheme;

(c) the external review is issued with respect to the reviewed entity or a related third party directly or indirectly linked to the external reviewer by control;

(d) the external review is issued with respect to a reviewed entity or a related third party which holds 10 % or more of either the capital or the voting rights of that external reviewer;

(e) a person referred to in paragraph 1 is a member of the administrative or supervisory board of the reviewed entity or a related third party;

(f) a shareholder or member of an external reviewer holding 10 % or more of either the capital or the voting rights of that external reviewer or being otherwise in a position to exercise significant influence on the business activities of the external reviewer, is a member of the administrative or supervisory board of the reviewed entity or a related third party; or

(g) a rating analyst who participated in determining a review outcome, or a person who approved a review, has had a

relationship with the reviewed entity or a related third party which might cause a conflict of interests.

Or. en

Amendment 124

Proposal for a regulation Article 27 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. Upon determining that the provisions in this Article are not sufficient to avoid conflicts of interest from arising that might be detrimental to the credibility of the sustainable bond market, ESMA may develop draft regulatory technical standards to specify further targeted requirements to avoid conflicts of interest of external reviewers.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in the first subparagraph of this paragraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 125

Proposal for a regulation Article 28 – paragraph 1

Text proposed by the Commission

Amendment

External reviewers that provide services other than assessment activities shall ensure that those other services do not create conflicts of interest with their assessment activities concerning ***European green*** bonds. Such external reviewers shall disclose in their pre-issuance and post-

External reviewers that provide services other than assessment activities shall ensure that those other services do not create conflicts of interest with their assessment activities concerning ***sustainable*** bonds. Such external reviewers shall disclose in their pre-issuance and

issuance reviews any other services provided for the assessed entity or any related third party.

post-issuance reviews any other services provided for the assessed entity or any related third party.

Or. en

Amendment 126

Proposal for a regulation Article 30 – paragraph 1 – point a

Text proposed by the Commission

(a) in a separate section titled '**European green bond standard** - Pre-issuance reviews' pre-issuance reviews that it issued;

Amendment

(a) in a separate section titled '**Sustainable bonds** - Pre-issuance reviews' pre-issuance reviews that it issued;

Or. en

Amendment 127

Proposal for a regulation Article 30 – paragraph 1 – point b

Text proposed by the Commission

(b) in a separate section titled '**European green bond standard** - Post-issuance reviews' post-issuance reviews that it issued.

Amendment

(b) in a separate section titled '**Sustainable bonds** - Post-issuance reviews' post-issuance reviews that it issued;

Or. en

Amendment 128

Proposal for a regulation Article 30 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

*(ba) in a separate section titled '**Sustainable bonds** - reviews of impact reports' reviews of impact reports that it*

issued.

Or. en

Amendment 129

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

3. The post-issuance reviews referred to in paragraph 1, point (b), shall be made available to the public without delay following the assessment of the allocation reports by the external reviewer.

Amendment

3. The post-issuance reviews referred to in paragraph 1, point (b) **and the reviews of impact reports referred to in paragraph 1, point (ba)**, shall be made available to the public without delay following the assessment of the allocation reports by the external reviewer.

Or. en

Amendment 130

Proposal for a regulation

Article 30 – paragraph 4

Text proposed by the Commission

4. The pre-issuance reviews referred to in paragraph 1, point (a), **and** the post-issuance reviews referred to in paragraph 1, point (b), shall remain publicly available until at least the maturity of the bond after their publication on the website of the external reviewer.

Amendment

4. The pre-issuance reviews referred to in paragraph 1, point (a), the post-issuance reviews referred to in paragraph 1, point (b), **and the reviews of impact reports referred to in paragraph 1, point (ba)**, shall remain publicly available until at least the maturity of the bond after their publication on the website of the external reviewer.

Or. en

Amendment 131

Proposal for a regulation

Article 31 – paragraph 1

Text proposed by the Commission

1. A third-country external reviewer may provide its services in accordance with this Regulation to issuers that issue **European green** bonds where that third-country external reviewer is registered in the register of third-country external reviewers kept by ESMA in accordance with Article 59.

Amendment

1. A third-country external reviewer may provide its services in accordance with this Regulation to issuers that issue **sustainable** bonds where that third-country external reviewer is registered in the register of third-country external reviewers kept by ESMA in accordance with Article 59.

Or. en

Amendment 132

**Proposal for a regulation
Article 31 – paragraph 10**

Text proposed by the Commission

10. Third-country external reviewers providing services in accordance with this Article shall, before providing any service in relation to issuers of **European green** bonds established in the Union, offer to submit any disputes relating to those services to the jurisdiction of a court or arbitral tribunal in a Member State.

Amendment

10. Third-country external reviewers providing services in accordance with this Article shall, before providing any service in relation to issuers of **sustainable** bonds established in the Union, offer to submit any disputes relating to those services to the jurisdiction of a court or arbitral tribunal in a Member State.

Or. en

Amendment 133

**Proposal for a regulation
Article 32 – paragraph 4**

Text proposed by the Commission

4. A third-country external reviewer established in a country whose legal and supervisory framework has been recognised to be effectively equivalent in accordance with paragraph 1, and which is registered in the register referred to in Article 59, shall be able to provide the

Amendment

4. A third-country external reviewer established in a country whose legal and supervisory framework has been recognised to be effectively equivalent in accordance with paragraph 1, and which is registered in the register referred to in Article 59, shall be able to provide the

services covered under the registration to issuers of **European green** bonds throughout the Union.

services covered under the registration to issuers of **sustainable** bonds throughout the Union.

Or. en

Amendment 134

Proposal for a regulation Article 33 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) ESMA has referred the matter to the competent authority of the third country and that third-country competent authority has not taken the appropriate measures needed to protect investors and the proper functioning of the markets in the Union or has failed to demonstrate that the third-country external reviewer concerned complies with the requirements applicable to it in the third country;

deleted

Or. en

Amendment 135

Proposal for a regulation Article 33 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) ESMA has informed the third-country competent authority of its intention to withdraw the registration of the third-country external reviewer at least 30 days before the withdrawal.

deleted

Or. en

Amendment 136

Proposal for a regulation

Article 33 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Upon confirming that one or more of the conditions set out in the first subparagraph is met, ESMA shall refer the matter to the competent authority of the third country. If that third-country competent authority has not taken the appropriate measures needed to protect investors and the proper functioning of the markets in the Union or has failed to demonstrate that the third-country external reviewer concerned complies with the requirements applicable to it in the third country, ESMA shall withdraw the registration of the third-country external reviewer at least 30 days after having notified the third-country competent authority of its intention to withdraw the registration.

Or. en

Amendment 137

Proposal for a regulation

Article 34 – paragraph 5 – subparagraph 1

Text proposed by the Commission

Amendment

ESMA shall assess whether the application for prior recognition from ESMA is complete within **20** working days after receipt of the application.

ESMA shall assess whether the application for prior recognition from ESMA is complete within **30** working days after receipt of the application.

Or. en

Amendment 138

Proposal for a regulation

Article 34 – paragraph 5 – subparagraph 4

Text proposed by the Commission

Within **45** working days of receipt of the complete application referred to in the first subparagraph of this paragraph, ESMA shall verify that the conditions laid down in paragraphs 2 and 3 are fulfilled.

Amendment

Within **60** working days of receipt of the complete application referred to in the first subparagraph of this paragraph, ESMA shall verify that the conditions laid down in paragraphs 2 and 3 are fulfilled.

Or. en

Amendment 139

Proposal for a regulation

Article 34 – paragraph 7 – subparagraph 2

Text proposed by the Commission

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **16** months after the date of entry into force].

Amendment

ESMA shall submit those draft regulatory technical standards to the Commission by [PO: Please insert date **24** months after the date of entry into force].

Or. en

Amendment 140

Proposal for a regulation

Article 37 – paragraph 1 – point e

Text proposed by the Commission

(e) to suspend an offer of **European green** bonds **for a maximum of 10 consecutive working days on any single occasion** where there are reasonable grounds for suspecting that Articles 8 to 13 of this Regulation have been infringed;

Amendment

(e) to suspend an offer of **sustainable** bonds where there are reasonable grounds for suspecting that Articles 8 to 13 of this Regulation have been infringed;

Or. en

Amendment 141

Proposal for a regulation

Article 37 – paragraph 1 – point f

Text proposed by the Commission

(f) to prohibit or suspend advertisements or require issuers of **European green** bonds or financial intermediaries concerned to cease or suspend advertisements **for a maximum of 10 consecutive working days on any single occasion** where there are reasonable grounds for believing that Articles 8 to 13 of this Regulation have been infringed;

Amendment

(f) to prohibit or suspend advertisements or require issuers of **sustainable** bonds or financial intermediaries concerned to cease or suspend advertisements where there are reasonable grounds for believing that Articles 8 to 13 of this Regulation have been infringed;

Or. en

Amendment 142

Proposal for a regulation

Article 37 – paragraph 1 – point g

Text proposed by the Commission

(g) to make public the fact that an issuer of **European green** bonds is failing to comply with its obligations under Articles 8 to 13 of this Regulation;

Amendment

(g) to make public the fact that an issuer of **sustainable** bonds is failing to comply with its obligations under Articles 8 to 13 of this Regulation **and to require the issuer to publish that information on its website and inform investors in the sustainable bond of the failure to comply**;

Or. en

Amendment 143

Proposal for a regulation

Article 37 – paragraph 1 – point g a (new)

Text proposed by the Commission

Amendment

(ga) to prohibit an issuer from issuing European green bonds or sustainable bonds for a period of time not exceeding

10 years;

Or. en

Amendment 144

Proposal for a regulation

Article 41 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) infringements of Articles 8 to 13;

(a) infringements of Articles 4 to 13;

Or. en

Amendment 145

Proposal for a regulation

Article 41 – paragraph 1 – subparagraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) failure to adhere to the taxonomy-alignment plan referred to in Article 6;

Or. en

Amendment 146

Proposal for a regulation

Article 41 – paragraph 1 – subparagraph 1 – point b b (new)

Text proposed by the Commission

Amendment

(bb) failure to adhere to the transition plan referred to in Article 7b.

Or. en

Amendment 147

Proposal for a regulation

Article 41 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission

(a) a public statement indicating the natural person or the **legal** entity responsible and the nature of the infringement in accordance with Article 37(1), point (g);

Amendment

(a) a public statement indicating the natural person or the entity responsible and the nature of the infringement in accordance with Article 37(1), point (g);

Or. en

Amendment 148

Proposal for a regulation

Article 41 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

(b) an order requiring the natural person or **legal** entity responsible to cease the conduct constituting the infringement;

Amendment

(b) an order requiring the natural person or entity responsible to cease the conduct constituting the infringement;

Or. en

Amendment 149

Proposal for a regulation

Article 41 – paragraph 2 – subparagraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) an order prohibiting the natural person or legal entity responsible from issuing European green bonds or sustainable bonds for a period of time not exceeding 10 years;

Or. en

Amendment 150

Proposal for a regulation Article 60 – paragraph 6

Text proposed by the Commission

6. A delegated act adopted pursuant to Articles on Procedural rules for taking supervisory measures and imposing fines, Registration, recognition, and supervisory fees shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of [**two** months] of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by [**two** months] at the initiative of the European Parliament or of the Council.

Amendment

6. A delegated act adopted pursuant to Articles on Procedural rules for taking supervisory measures and imposing fines, Registration, recognition, and supervisory fees shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of [**three** months] of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by [**three** months] at the initiative of the European Parliament or of the Council.

Or. en

Amendment 151

Proposal for a regulation Article 62 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Sustainable bonds issued prior to ...[the date of entry into application of this Regulation], are not required to fulfil the requirements of this Regulation

Or. en

Amendment 152

Proposal for a regulation Article 63 a (new)

Article 63a

Review

1. By December 2023, and every three years thereafter, the Commission shall, based on the input from the Platform on Sustainable Finance, submit a report to the European Parliament and to the Council on the application of this Regulation. That report shall evaluate at least the following:

(a) the uptake of the European green bond standard and its market share, both in the Union and globally;

(b) the impact of this Regulation on the transition to a sustainable economy;

(c) the functioning of the market of external reviewers, specifying market concentration and the impartiality of external reviewers;

(d) the ability of ESMA and national competent authorities to exercise their supervisory duties;

(e) the appropriateness of funding of ESMA through recognition, endorsement and supervisory fees;

(f) the appropriateness of third country regimes foreseen in Title III, Chapter IV;

(e) the continued existence of greenwashing in the sustainable bond market.

The first time that a report is submitted in accordance with the first subparagraph, it shall include a section on the deadline for and the practicalities of making the European green bond label mandatory for bonds marketed as environmentally sustainable, between 2025 and 2028. Subsequent reports shall propose a revision of this Regulation to make the European green bond label mandatory for bonds marketed as environmentally sustainable by the set deadline.

2. Accompanying any proposed revision of Regulation (EU) 2020/852, the Commission shall assess whether the proposed revision merits a review of this Regulation, specifically when such revisions are related to an extension of the scope of Regulation (EU) 2020/852 to other sustainability objectives, such as social objectives, or to other categories for environmental objectives

Or. en

Amendment 153

Proposal for a regulation Annex I – title

Text proposed by the Commission

EUROPEAN **GREEN** BOND
FACTSHEET

Amendment

EUROPEAN **SUSTAINABLE** BOND
FACTSHEET

Or. en

Amendment 154

Proposal for a regulation Annex I – point 1 – indent 1

Text proposed by the Commission

— [Date of the publication of the
European **green** bond factsheet]

Amendment

– [Date of the publication of the
European **sustainable** bond factsheet]

Or. en

Amendment 155

Proposal for a regulation Annex I – point 1 – indent 2

Text proposed by the Commission

— [The legal name of the issuer]
[**where available**, LEI], [website address
providing investors with information on
how to get in contact, and a telephone

Amendment

– [The legal name of the issuer]
[LEI], [website address providing investors
with information on how to get in contact,
and a telephone number]

number]

Or. en

Amendment 156

Proposal for a regulation Annex I – point 1 – indent 3

Text proposed by the Commission

– [Name of the bond assigned by the issuer] [**where available**, international securities identification numbers (ISIN)]

Amendment

– [Name of the bond assigned by the issuer] [international securities identification numbers (ISIN)]

Or. en

Amendment 157

Proposal for a regulation Annex I – point 2 – paragraph 1

Text proposed by the Commission

[A statement **showing that** the issuer of the given bond **voluntarily adheres to** the requirements of this Regulation]

Amendment

[A statement indicating whether the issuer of the given bond issues:

- **a ‘European green bond’, in accordance with the requirements of this Regulation, or**
- **another type of bond marketed as sustainable, indicating the standard used and an explanation of why the bond was not issued in line with the ‘European green bond’ standard]**

Or. en

Amendment 158

Proposal for a regulation Annex I – point 3

Text proposed by the Commission

3. **Environmental** strategy and rationale

Amendment

3. **Sustainability** strategy and rationale

Or. en

Amendment 159

Proposal for a regulation Annex I – point 3 – indent 1

Text proposed by the Commission

– [Information on how the bond aligns with the broader *environmental* strategy of the issuer]

Amendment

– [Information on how the bond aligns with the broader *sustainability* strategy of the issuer]

Or. en

Amendment 160

Proposal for a regulation Annex I – point 3 – indent 1 a (new)

Text proposed by the Commission

Amendment

– [*For sustainable bonds other than ‘European green bonds’: Information on the criteria used for the allocation of bonds*]

Or. en

Amendment 161

Proposal for a regulation Annex I – point 3 – indent 2

Text proposed by the Commission

– [The environmental objectives referred to in Article 9 of Regulation 2020/852 pursued by the bond]

Amendment

– [*Where the sustainable bond indicated a proportion of taxonomy-aligned activities, the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 pursued by the bond*]

Or. en

Amendment 162

Proposal for a regulation Annex I – point 3 – indent 2 a (new)

Text proposed by the Commission

Amendment

- **[Other sustainability objectives pursued as referred to in Article 2(17) of Regulation (EU) 2019/2088]**

Or. en

Amendment 163

Proposal for a regulation Annex I – point 3 – indent 2 b (new)

Text proposed by the Commission

Amendment

- **[For sustainability linked bonds: information on what sustainability targets are set when issuing the bond, whether environmental targets are science-based and social objectives are policy-based, and what annual results should be achieved.]**

Or. en

Amendment 164

Proposal for a regulation Annex I – point 4 – point 4.2

Text proposed by the Commission

Amendment

4.2 Process for selecting **green** projects and estimated environmental impact

4.2 Process for selecting **sustainable** projects and estimated environmental **and social** impact

Or. en

Amendment 165

Proposal for a regulation Annex I – point 4 – point 4.2 – indent 1

Text proposed by the Commission

Amendment

– [A description of the processes by which the issuer will determine how projects align with the taxonomy requirements]

– [A description of the processes by which the issuer will determine how projects align with the **determined strategy for allocating bond proceeds, or, where the sustainable bond indicated a**

proportion of taxonomy-aligned activities, with the taxonomy requirements]

Or. en

Amendment 166

Proposal for a regulation

Annex I – point 4 – point 4.2 – indent 2

Text proposed by the Commission

– [A description of the relevant technical screening criteria referred to in Articles 10 to 15 of Regulation (EU) 2020/852, and a specification of which delegated acts adopted under Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852 are taken into account]

Amendment

– [***Where the sustainable bond indicated a proportion of taxonomy-aligned activities***, a description of the relevant technical screening criteria referred to in Articles 10 to 15 of Regulation (EU) 2020/852, and a specification of which delegated acts adopted under Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852 are taken into account]

Or. en

Amendment 167

Proposal for a regulation

Annex I – point 4 – point 4.2 – indent 3

Text proposed by the Commission

– [Where available: information on the methodology and assumptions to be used for the calculation of key impact metrics in accordance with delegated acts adopted under Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852, and for any additional impact metrics. Where this information is not available, this must be justified.]

Amendment

– [***Where the sustainable bond indicated a proportion of taxonomy-aligned activities and*** where available: information on the methodology and assumptions to be used for the calculation of key impact metrics in accordance with delegated acts adopted under Articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852, and for any additional impact metrics. Where this information is not available, this must be justified.]

Or. en

Amendment 168

Proposal for a regulation

Annex I – point 4 – point 4.2 – indent 5 a (new)

Text proposed by the Commission

Amendment

- *[For taxonomy-aligned projects:
A description of how the sustainable project adheres to the minimum social safeguards as referred to in Article 18 of Regulation (EU) 2020/852]*
- *[A description of how the projects will contribute to the sustainability targets and actions set by the company at entity-level]*
- *[Where the sustainable bond indicated a proportion of taxonomy-aligned activities, the proportion of taxonomy-aligned activities at entity level before the issuance of the sustainable bond and a forward-looking indicative estimation of the proportion of taxonomy-aligned activities that will be reached at entity-level after the full allocation of proceeds of the sustainable bond and specifying the methodology to comply with that disclosure obligation]*

Or. en

Amendment 169

Proposal for a regulation

Annex I – point 5 – indent 2

Text proposed by the Commission

Amendment

- [An indication of whether allocation reports will include project-by-project information on amounts disbursed and the expected positive and negative *environmental* impacts]

- [An indication of whether allocation reports will include project-by-project information on amounts disbursed and the expected positive and negative *sustainability* impacts]

Or. en

Amendment 170

Proposal for a regulation Annex I – point 5 a (new)

Text proposed by the Commission

Amendment

5a. Entity level requirements

- *[An explanation of how or, for sustainable bonds other than European green bonds, to what extent the issuing entity adheres to the principle of ‘do no significant harm’ referred to in Regulation (EU) 2019/2088, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*
- *[A statement on due diligence policies with respect to principal adverse impacts of investment decisions on sustainability factors, taking due account of the size, the nature and scale of the issuer’s activities; the manner in which sustainability risks are integrated into their investment decision; and possible financial impacts of sustainability risks. Where the issuer does not issue a European green bond and does not consider principal adverse impacts, a statement on why they do not consider them and whether and when they intend to consider such adverse impacts]*
- *[An indication of the issuer’s activity in jurisdictions listed in Annex I and Annex II to the EU list of non-cooperative jurisdictions for tax havens and their real economic presence in these jurisdictions in terms of assets, full time employees, sales and taxes paid in these jurisdictions]*
- *[A weblink to the company’s*

transition plan referred to in Article 7b.]

Or. en

Amendment 171

Proposal for a regulation Annex I – point 6 – indent 1 (new)

Text proposed by the Commission

Amendment

– *[Fees and expenses borne by the issuer in relation to the issuance]*

Or. en

Amendment 172

Proposal for a regulation Annex II – title

Text proposed by the Commission

Amendment

EUROPEAN **GREEN** BOND ANNUAL ALLOCATION REPORT

EUROPEAN **SUSTAINABLE** BOND ANNUAL ALLOCATION REPORT

Or. en

Amendment 173

Proposal for a regulation Annex II – point 2 – paragraph 1

Text proposed by the Commission

Amendment

[A statement showing that proceeds have been allocated according to *the requirements* of this Regulation]

[A statement showing that proceeds *of the ‘European green bond’* have been allocated according to *Articles 4 to 7b* of this Regulation *or, if the bond is not a ‘European green bond’, the percentage of proceeds that have been allocated according to these requirements*]

Or. en

Amendment 174

Proposal for a regulation Annex II – point 3 – point A – indent 1

Text proposed by the Commission

- The environmental objectives referred to in Article 9 of Regulation 2020/852

Amendment

- The environmental objectives referred to in Article 9 of Regulation 2020/852 **or any other sustainability objective referred to in Article 2(17) of Regulation 2019/2088**

Or. en

Amendment 175

**Proposal for a regulation
Annex II – point 3 – point A – indent 2 a (new)**

Text proposed by the Commission

- Confirmation of compliance with Point (c) of Article 3 of Regulation (EU) 2020/852 (minimum safeguards)

Amendment

- ***[Whether the project concerns an economic activity that is a transitional activity in accordance with Article 10(2) of Regulation (EU) 2020/852]***

Or. en

Amendment 176

**Proposal for a regulation
Annex II – point 3 – point A – indent 8**

Text proposed by the Commission

- Confirmation of compliance with Point (c) of Article 3 of Regulation (EU) 2020/852 (minimum safeguards)

Amendment

- ***Where the project is part of the indicated proportion of taxonomy-aligned activities, a confirmation of compliance with Point (c) of Article 3 of Regulation (EU) 2020/852 (minimum safeguards)***

Or. en

Amendment 177

**Proposal for a regulation
Annex II – point 3 – point A – indent 9**

Text proposed by the Commission

- [An indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of

Amendment

- ***[Where the project is part of the indicated proportion of taxonomy-aligned activities, an***

Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, and their application dates]

indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, and their application dates]

Or. en

Amendment 178

Proposal for a regulation Annex II – point 3 – point B

Text proposed by the Commission

For issuers that are financial undertakings that allocate proceeds from a portfolio of several *European green* bonds to a portfolio of financial assets as referred to in Article 5:

Amendment

For issuers that are financial undertakings that allocate proceeds from a portfolio of several *sustainable* bonds to a portfolio of financial assets as referred to in Article 5:

Or. en

Amendment 179

Proposal for a regulation Annex II – point 3 – point B – paragraph 1 – indent 1

Text proposed by the Commission

– An overview over all outstanding European green bonds, indicating their individual and combined value.

Amendment

– An overview over all outstanding sustainable bonds, indicating their individual and combined value.

Or. en

Amendment 180

Proposal for a regulation Annex II – point 3 – point B – paragraph 1 – indent 2 – point b

Text proposed by the Commission

b) the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852

Amendment

b) the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 *or any other sustainability objective referred to in Article 2(17) of Regulation (EU) 2019/2088*

Amendment 181

Proposal for a regulation

Annex II – point 3 – point B – paragraph 1 – indent 2 – point ca (new)

Text proposed by the Commission

Amendment

ca) the percentage of assets relating to activities that are environmentally sustainable as defined by the Regulation (EU) 2020/852 and the delegated acts pursuant to that Regulation.

Or. en

Amendment 182

Proposal for a regulation

Annex II – point 3 – point B – paragraph 1 – indent 2 – point da (new)

Text proposed by the Commission

Amendment

da) the percentage of assets relating to transitional activities according to Article 10(2) of Regulation (EU) 2020/852

Or. en

Amendment 183

Proposal for a regulation

Annex II – point 3 – point B – paragraph 1 – indent 2 – point e

Text proposed by the Commission

Amendment

e) an indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, at least at sector and country level, and where applicable, at individual asset level,

e) ***For the proportion of taxonomy-aligned activities:*** an indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, at least at sector and country level, and where applicable, at individual asset level,

Or. en

Amendment 184

Proposal for a regulation

Annex II – point 3 – point B – paragraph 1 – indent 3

Text proposed by the Commission

– A comparison of the total value of outstanding **European green** bonds and the total amortised value of eligible financial assets as referred to in Article 5. The comparison shall show that the latter is either equal to or higher than the former.

Amendment

– A comparison of the total value of outstanding **sustainable** bonds and the total amortised value of eligible financial assets as referred to in Article 5. The comparison shall show that the latter is either equal to or higher than the former.

Or. en

Amendment 185

Proposal for a regulation

Annex II – point 3 – point B – paragraph 1 – indent 4

Text proposed by the Commission

– For the purposes of the above comparison, the total outstanding value of **European green** bonds shall be based on the yearly average of quarter-end values of such bonds issued by that issuer, and the total amortised value of the financial assets shall be based on the yearly average of quarter-end values of such assets on the issuer's balance sheet.]

Amendment

– For the purposes of the above comparison, the total outstanding value of **sustainable** bonds shall be based on the yearly average of quarter-end values of such bonds issued by that issuer, and the total amortised value of the financial assets shall be based on the yearly average of quarter-end values of such assets on the issuer's balance sheet.]

Or. en

Amendment 186

Proposal for a regulation

Annex III – Title

Text proposed by the Commission

EUROPEAN **GREEN** BOND IMPACT REPORT

Amendment

EUROPEAN **SUSTAINABLE** BOND IMPACT REPORT

Or. en

Amendment 187

Proposal for a regulation Annex III – point 1 – indent 2

Text proposed by the Commission

– [The legal name of the issuer] [*where available*, LEI], [website address providing investors with information on how to get in contact, and a telephone number]

Amendment

– [The legal name of the issuer] [LEI], [website address providing investors with information on how to get in contact, and a telephone number]

Or. en

Amendment 188

Proposal for a regulation Annex III – point 1 – indent 3

Text proposed by the Commission

– [Name of the bond assigned by the issuer] [*where available*, ISIN]

Amendment

– [Name of the bond assigned by the issuer] [ISIN]

Or. en

Amendment 189

Proposal for a regulation Annex III – point 2

Text proposed by the Commission

2. **Environmental** strategy and rationale

Amendment

2. **Sustainability** strategy and rationale

Or. en

Amendment 190

Proposal for a regulation Annex III – point 2 – indent 2

Text proposed by the Commission

– [Where applicable, an explanation of any changes to broader **environmental** strategy of the issuer since the publication of the factsheet]

Amendment

– [Where applicable, an explanation of any changes to broader **sustainability** strategy of the issuer since the publication of the factsheet]

Amendment 191

Proposal for a regulation Annex III – point 2 – indent 3 a (new)

Text proposed by the Commission

Amendment

- ***[The overarching sustainability strategy of the issuer, including its efforts to promote social sustainability objectives and good governance principles as referred to in Article 2(17) of Regulation (EU) 2019/2088 and its efforts to ensure adherence to the principle of ‘do no significant harm’ referred to in Article 2a of Regulation (EU) 2019/2088]***

Or. en

Amendment 192

Proposal for a regulation Annex III – point 3

Text proposed by the Commission

Amendment

3. Allocation of bond proceeds

3. Allocation of bond proceeds ***(for use of proceeds bonds)***

Or. en

Amendment 193

Proposal for a regulation Annex III – point 3 – paragraph 1 – indent 1

Text proposed by the Commission

Amendment

- The environmental objectives referred to in Article 9 of Regulation 2020/852

- the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 ***or any other sustainability objective referred to in Article 2(17) of Regulation (EU) 2019/2088***

Or. en

Amendment 194

Proposal for a regulation

Annex III – point 3 – paragraph 1 – indent 1a (new)

Text proposed by the Commission

Amendment

- ***Whether the project is related to a transitional activity according to Article 10(2) of Regulation (EU) 2020/852***

Or. en

Amendment 195

Proposal for a regulation

Annex III – point 3 – paragraph 1 – indent 6

Text proposed by the Commission

Amendment

- Where applicable, an indication of those assets that were concerned by a taxonomy alignment plan, the duration of each plan, ***and*** the date of completion of each asset

- Where applicable, an indication of those assets that were concerned by a taxonomy alignment plan, the duration of each plan, the date of completion of each asset ***and a weblink to the relevant taxonomy alignment plan***

Or. en

Amendment 196

Proposal for a regulation

Annex III – point 3 – paragraph 1 – indent 7

Text proposed by the Commission

Amendment

- an indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, at least at sector and country level, and where applicable, at individual asset level,

- ***Where the project is part of the indicated proportion of taxonomy-aligned activities***, an indication of which delegated acts adopted in accordance with Articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2) of Regulation (EU) 2020/852 were used to determine the taxonomy technical screening criteria, at least at sector and country level, and where applicable, at individual asset level,

Or. en

Amendment 197

Proposal for a regulation

Annex III – point 4

Text proposed by the Commission

4. **Environmental** impact of bond proceeds

Amendment

4. **Sustainability** impact of bond proceeds

Or. en

Amendment 198

Proposal for a regulation

Annex III – point 4 – indent 1

Text proposed by the Commission

– [An estimation of positive and adverse environmental impacts in aggregated form]

Amendment

– [An estimation of positive and adverse environmental **and social** impacts in aggregated form]

Or. en

Amendment 199

Proposal for a regulation

Annex III – point 4 – indent 2

Text proposed by the Commission

– [Information on the methodology and assumptions used to evaluate the impacts of projects, where the European **green** bond factsheet of the bond did not include this information]

Amendment

– [Information on the methodology and assumptions used to evaluate the impacts of projects, where the European **sustainable** bond factsheet of the bond did not include this information]

Or. en

Amendment 200

Proposal for a regulation

Annex III – point 4 – indent 3 a (new)

Text proposed by the Commission

Amendment

– **[information about the projects' positive and negative social impacts and, where available, related metrics. Where**

this information is not available at project level, this must be justified]

Or. en

Amendment 201

Proposal for a regulation Annex III – point 4 – indent 3 b (new)

Text proposed by the Commission

Amendment

- *[where they do not consider adverse impacts of investment decisions on sustainability factors, clear reasons for why they do not do so, including, where relevant, information as to whether and when they intend to consider such adverse impacts]*

Or. en

Amendment 202

Proposal for a regulation Annex III – point 4 a (new)

Text proposed by the Commission

Amendment

4a. Transition plan (for issuers of European green bonds and sustainability linked bonds)

- *[a statement indicating that the issuer aligns with a global net warming scenario of 1.5 °C and the emission reduction the issuer needs to achieve by 2030 and 2050 to align with that scenario;*
- *An overview of the governance processes regarding the plan, including the role of the issuer’s board and senior management, the allocation of responsibilities and incentive structures in place to reward the achieving of goals;*
- *a strategy for reaching net 0, including an outline of annual quantifiable intermediary targets, actionable initiatives to achieve these steps and future investment needs to*

reach the targets;

– *an analysis of the risk factors and uncertainties that might prevent the issuer from reaching net 0 and intermediary targets;*

– *A weblink to the full transition plan of the issuer]*

Or. en

Amendment 203

Proposal for a regulation Annex IV – point 1 – indent 3

Text proposed by the Commission

– [Name of the bond assigned by the issuer] [*where available*, ISIN]

Amendment

– [Name of the bond assigned by the issuer] [ISIN]

Or. en

Amendment 204

Proposal for a regulation Annex IV – point 2 – paragraph 1 – indent 1

Text proposed by the Commission

– A statement that an external reviewer has assessed the completed European *green* bond factsheet laid down in Annex I in accordance with this Regulation;

Amendment

– A statement that an external reviewer has assessed the completed European *sustainable* bond factsheet laid down in Annex I in accordance with this Regulation;

Or. en

Amendment 205

Proposal for a regulation Annex IV – point 2 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

[for impact report reviews:

– *A statement that an external reviewer has assessed the completed impact report laid down in Annex III;*

- *A statement that that impact report review represents an independent opinion of the external reviewer;*
- *A statement that the independent opinion of the external review is to be relied upon only to a limited degree;]*

Or. en

Amendment 206

Proposal for a regulation Annex IV – point 3 – paragraph 1

Text proposed by the Commission

[a statement regarding the compliance of the **European green** bond with this Regulation, and in particular:

Amendment

[a statement regarding the compliance of the **sustainable** bond with this Regulation, and in particular:

Or. en

Amendment 207

Proposal for a regulation Annex IV – point 3 – paragraph 1 – point a

Text proposed by the Commission

(a) where the opinion expressed by the independent reviewer is positive, a statement that the bond meets the requirements of this Regulation and that the designation ‘European green bond’ can be applied to that bond;

Amendment

(a) where the opinion expressed by the independent reviewer is **that the bond adheres to all requirements for use of the designation ‘European green bond’**, a statement that the bond meets the requirements of this Regulation and that the designation ‘European green bond’ can be applied to that bond;

Or. en

Amendment 208

Proposal for a regulation Annex IV – point 3 – paragraph 1 – point b

Text proposed by the Commission

(b) where the opinion expressed by the independent reviewer is negative, a statement that the bond does not meet the

Amendment

(b) where the opinion expressed by the independent reviewer is **that the bond does not adhere to all requirements for the use**

requirements of this Regulation and that the designation ‘European green bond’ cannot be applied to that bond;

*of designation ‘European green bond’, a statement that the bond does not meet the requirements of this Regulation and that the designation ‘European green bond’ cannot be applied to that bond, **indicating which requirements have not been met and whether the information provided by the issuer was accurate;***

Or. en

Amendment 209

Proposal for a regulation

Annex IV – point 5 – paragraph 1 – indent 1

Text proposed by the Commission

– A detailed assessment of whether the completed **green** bond factsheet complies with Articles 4 to 7 of this Regulation

Amendment

– **For European green bonds:** A detailed assessment of whether the completed **sustainable** bond factsheet complies with Articles 4 to 7b of this Regulation.

Or. en

Amendment 210

Proposal for a regulation

Annex IV – point 5 – paragraph 1 – indent 1 a (new)

Text proposed by the Commission

Amendment

– **For other sustainable bonds:** A detailed assessment of whether the completed **sustainable bond factsheet adheres to the sustainability strategy set out by the issuer.**

Or. en

Amendment 211

Proposal for a regulation

Annex IV – point 5 – paragraph 2 – indent 1

Text proposed by the Commission

– A detailed assessment of whether the issuer has allocated the proceeds of the

Amendment

– A detailed assessment of whether **or, for non-European green bonds, the**

bond in compliance with Articles 4 to 7 of this Regulation, based on the information provided to the external reviewer

extent to which the issuer has allocated the proceeds of the bond in compliance with Articles 4 to **7b** of this Regulation, based on the information provided to the external reviewer

Or. en

Amendment 212

Proposal for a regulation Annex IV – point 5 – paragraph 2 – indent 2

Text proposed by the Commission

– An assessment of whether the issuer has complied with the intended use of proceeds set out in the **green** bond factsheet, based on the information provided to the external reviewer

Amendment

– An assessment of whether the issuer has complied with the intended use of proceeds set out in the **sustainable** bond factsheet, based on the information provided to the external reviewer

Or. en

Amendment 213

Proposal for a regulation Annex IV – point 5 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

[for impact report reviews:

- ***an assessment of whether the bond issuance aligns with the broader sustainability strategy of the issuer;***
- ***for use of proceeds bonds, a verification of the projects financed by the bond proceeds and, where applicable, whether the taxonomy-alignment plan was adhered to;***
- ***an assessment of the announced sustainability impact of the bond proceeds;***
- ***an assessment of the transition plan of the issuer;***
- ***the opinion of the external reviewer on the four assessment referred to directly above.***

EXPLANATORY STATEMENT

The proposal for a Regulation on a European green bond standard is part of the EU's agenda on sustainability finance. According to the Commission's strategy for Financing the Transition to a Sustainable Economy, Europe will need some EUR 350 billion in additional investment per year over this decade to meet its 2030 emissions-reduction target in energy systems alone, alongside the EUR 130 billion it will need for other environmental goals. By stimulating the issuances of bonds that finance sustainable investments, a voluntary European green bond standard helps companies and sovereigns finance the transition to a sustainable future. In addition, by providing for comparable disclosure requirements and the trustworthy external review of these disclosures, the regulation helps the green bond market gain the trust of investors and reduces the risk of adverse financial consequences to investors due to greenwashing.

To this effect, the proposed regulation consists of three parts. First, it requires the issuers of European green bonds to use the proceeds of the bonds in line with the EU taxonomy for sustainable investments. Second, it requires these issuers to disclose details of the projects they finance, their alignment with the taxonomy objectives and their overall sustainability strategy. Third, it creates a supervisory framework to ensure the trustworthiness of disclosures through an obligatory review by an external party. These external reviewers are to be supervised by ESMA. National Competent Authorities should have the power to ensure issuers adhere to the requirements of this regulation.

The Rapporteur welcomes the proposal and seeks to ensure that European green bonds live up to their potential to finance the transition to a sustainable economy. To achieve this, four main principles should be adhered to. First, money raised through European green bonds should be directed to activities and companies that fit in the sustainable economy to which Europe is transitioning. Second, the benefits of using or investing in European green bonds should be clear to the market so that all those that could use the standard, will in fact use it. Third, the standard should be credible through a transparent and credible review process. Fourth, the standard should lead to a deep and liquid market for European green bonds.

To avoid further fragmentation of the green bond market, the European standard should fully adhere to Europe's ambition to transition to a sustainable economy. However, to ensure that all proceeds of European green bonds go to projects and issuers that fit in the sustainable economy, introducing a 100% taxonomy-alignment of bond proceeds is necessary but not sufficient. Only issuers that have an overall strategy in place for their adaptation and continued viability in a sustainable economy will be able to use the European green bond standard for its intended use as a transition tool. As such the Rapporteur obliges issuers of European green bonds to adopt transition plans to reach net 0 by 2050. According to the same rationale, and given their long life-span, fossil gas powered energy plants do not fit in Europe's ambition to reach climate neutrality by 2050 and should not be financed using European green bonds. This is in line with current market practices on green bonds. In addition, the Rapporteur believes that creating a truly sustainable economy requires the Union to combine environmental with social ambitions. Only a socially inclusive transition will be acceptable to citizens. As such, issuers of European green bonds cannot pursue tax avoidance through countries listed on the EU list of non-cooperative jurisdictions for tax purposes, and must factor in principle adverse impacts of their investments on sustainability factors, including social factors such as inequality, social cohesion, social integration and labour

relations.

To ensure the benefits of using European green bonds are clear to the market, such bonds should be comparable to other sustainable bond issuances. Comparable data is necessary for investors to make an informed decision between different types of sustainable bonds. As such, the Rapporteur seeks to introduce a standardised format of disclosures for each issuance of a sustainable bond, whether they are European green bonds or other types of sustainable bonds. To ensure the reliability of these disclosures, they should be verified through the same process of external reviewers as European green bonds. The introduction of disclosure requirements for the entire sustainable bond market has the additional benefit to reduce the scope for greenwashing through such alternative sustainable bonds, including through sustainability-linked bonds. This will limit potential harms to investors in such bonds and increase the trustworthiness in the entire sustainable bond market.

To ensure a credible review process, the independence of external reviewers should be guaranteed to the highest possible degree. To achieve this, the Rapporteur suggests additional requirements relating to possible conflicts of interest, including through shareholders, reduces the ability of external reviewers to outsource vital aspects of the reviewing process, and gives ESMA the mandate to further strengthen conflict of interest measures based on the experience they will gain from supervising the market. The Rapporteur also introduces transparency on the fees paid and the obligation to agree on fees before the review takes place.

A deep and liquid market for European green bonds is essential to incentivise investment in and further issuances of European green bonds. A deep market can be stimulated firstly by obliging EU bodies and institutions to use the European green bond label for all their environmentally sustainable bonds. Secondly, the bond should adhere to the wishes of potential investors. As such, it is essential that, in line with current market practice on green bond issuances, nuclear power generation is not financed by European green bonds. Thirdly, the standard should be phased in and investors should be aware that it will become the obligatory standard for environmentally sustainable bond issuances in the near future. Lastly, the bond standard should be easy to use and accessible to issuers. To this end, the Rapporteur seeks to ensure that in case of changes to the delegated acts under the Taxonomy regulation, issuers do not have to re-allocate their bond proceeds. The Rapporteur also seeks to allow for some leniency in the financing of projects with the proceeds from European green bonds where no data has yet been collected to demonstrate that no significant harm has been caused to any environmental objective under the Taxonomy regulation. In addition, the Rapporteur introduces a review mechanism in which the Commission can assess potential bottlenecks in the issuance of European green bonds.

The Rapporteur is looking forward to engaging with potential issuers of European green bonds to further finetune the proposal and incentivise the issuance of European green bonds to guarantee a successful tool for the transition to a sustainable economy.