



*The European built environment speaking with a single voice*

**The Construction 2050 Alliance calls for the EU taxonomy to create the conditions to support the transition to sustainable construction**

**Brussels, 18<sup>th</sup> October** - Today, the *Construction 2050 Alliance* hosted a public event on **Sustainable Finance** and the impact of the **EU taxonomy** on the **construction** sector.

**On this occasion the Alliance shared the following 6 key messages.**

- 1. The Taxonomy underlines again the construction sector's huge potential for achieving the EU Green Deal goals.**
  - The taxonomy once again underlines the industry's enormous potential for contributing to the EU's **sustainability** and climate objectives, in particular as regards **circular economy**, and making the block climate neutral by 2050.
- 2. The Taxonomy may offer a European approach of "sustainable construction" based on existing EU Regulations and European sustainability assessment standards, but some criteria should be improved, and reporting methodologies clarified.**

- A dialogue should be established between the European Commission and the construction sector to improve problematic criteria, as well as to facilitate the exchange with industry on how to report taxonomy alignment and eligibility. Many companies lack clear guidance on how to make full use of the current standards under the climate delegated act

### **3. The Taxonomy can set a new benchmark for competitiveness of the construction sector.**

- It sends important signals out to companies about which construction products and practices they can offer to foster their competitiveness in the internal market. This will also help drive innovative solutions in construction and foster circular economy.

### **4. The Taxonomy must create the conditions of mobilising capital to support the transition to sustainable construction.**

- It is important that the criteria are designed in such a way that they enable a fair assessment of construction products, systems and buildings, according to their contribution to the environmental objectives, and that they properly consider the complex nature of building solutions, therefore rewarding all manufacturing, construction and service activities necessary for the achievement of the environmental objectives.

### **5. Sustainability reporting obligations under the Taxonomy must be simple and proportionate.**

- It is of the highest importance that the reporting requirements are proportionate, and sufficient time must be given to SMEs to adapt to the new reporting rules. The Commission should provide clear guidance and even set up a Help Desk to help companies interpret the requirements they will face in reporting.

### **6. Non-alignment with the Taxonomy must not cut off companies from financing and funding.**

- The *C2050 Alliance* believes that the ‘sustainability’ of a company should not be assessed solely based on the eligibility and alignment of its economic activities to Taxonomy.
- Non-alignment must not lead to discriminatory practices from investors and cut off companies from financing, at a time when the sector faces unprecedented challenges (e.g., rising material prices and costs of living of clients, shortage of workers and skills, investment needs to scale up innovative low carbon solutions, absence of low carbon infrastructures at scale, ...).

The **EU Taxonomy** must become a facilitator of the **green transition** and enable the construction sector to effectively contribute to the EU’s **climate targets**. Non-alignment must not cut off construction products manufacturers and construction companies, especially the vast majority of **SMEs** composing the industry, from financing.

### About the Construction 2050 Alliance

A partnership established in 2020 made of more than 50 European organisations representing the actors of the built environment working together to advance the needs and priorities of the wider construction and built-environment sector.

It has been established to coordinate common political messages of the construction value chain and raise the political importance of the sector at the European level.

Our founding paper can be found at this [link](#).



[www.euconstruction2050.eu](http://www.euconstruction2050.eu)