The European Plastic Pipes & Fittings Association



**TEPPFA** publishes EU Taxonomy sector Guidelines

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TEPPFA, The European Trade Association of Plastic Pipes and Fittings Manufacturers, publishes today its EU Taxonomy sector guidelines. The publication of the Taxonomy Guidelines for the EU Plastic Pipes and Fittings industry is a first step in a process to increase the eligibility and alignment of TEPPFA's sectoral activities.

TEPPFA General Manager Ludo Debever: "TEPPFA welcomes the opportunity to enter in a positive dialogue with the European Commission through the EU Taxonomy Stakeholders Request Mechanism to potentially cover low impact industrial activities into EU Taxonomy.

Taxonomy is of major importance for our member companies and fully in line with TEPPFA's strategic vision. However, our members regret that their activities are currently not included, since the European Commission decided to focus on the sectors of the main greenhouse gas emitters.

The manufacturing of plastic piping systems and their use have a low carbon footprint.

Our member companies and their customers offer among others a substantial contribution to mitigate the consequences of climate change, such as drinking water supply with the lowest possible leakage, or collection and controlled redistribution of stormwater at times of heavy precipitation."

The new EU Taxonomy Regulation is designed to support the transformation of the EU economy to meet its European Green Deal objectives, including the 2050 climate-neutrality target. As a classification tool, it seeks to provide clarity for companies, capital markets, and policy makers on which economic activities are sustainable. As a screening tool, it seeks to support investment flows into those activities.

While the Taxonomy is primarily a classification tool, it has other functions. For example, it requires certain entities to disclose information concerning the degree of alignment of their activities with the Taxonomy.

Any undertaking subject to the NFRD (Non-Financial reporting Directive) needs to disclose how, and to what extent, its activities are associated with activities that are considered as environmentally sustainable. It will also apply to the expanded list of entities captured by the EU's new Corporate Sustainability Reporting Directive (CSRD).

The Taxonomy has several potential benefits, including helping to direct investment towards sustainable activities, improving transparency and comparability of investments, and facilitating the implementation of environmental policies and regulations. However, it also has some challenges, including the complexity of the subject, the need for consistent and reliable data to assess the environmental performance of economic activities and the potential for unintended consequences, such as the exclusion of activities that may have environmental benefits but do not meet the technical screening criteria.

Due to its complexity, TEPPFA commissioned Ecoinnovazione consultant to support its industry. Ecoinnovazione primarily provided a common understanding related to the identification of "eligible activities" for our sector and how to consider the "alignment" with both Climate and Environmental Taxonomy, with a focus on Circular Economy.

The analysis revealed that there is potential in contributing to the alignment of activities performed by downstream users of plastic piping systems, such as for example activity 3.1 Construction of new buildings & 3.2 Renovation of existing buildings.

Ludo Debever concluded that "Bringing low impact industrial activities under EU Taxonomy will support companies such as TEPPFA members in achieving their sustainability objectives."

Download the Taxonomy Guidelines for the EU Plastic Pipes and Fittings industry <u>here</u> and the Executive Summary <u>here</u>.

Further EU Taxonomy information: EU Taxonomy for Sustainable Activities

## End of News Release

## About TEPPFA

TEPPFA is the European Plastic Pipes and Fittings Association founded in 1991 with headquarters in Brussels. TEPPFA's 14 multinational company members and 15 national associations across Europe represent 350 companies that manufacture plastic pipes and fittings. TEPPFA members' final products have an annual production volume of 3 million tonnes directly employing 40,000 people with €12 billion combined annual sales. TEPPFA positions itself as polymer neutral. TEPPFA members' final products are subdivided into two application groups: above ground systems for hot and cold water, surface heating and cooling, waste water discharge and rainwater drainage, and below ground systems for sewers, stormwater and drainage, drinking water and gas supply and, cable ducts.

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