ISO 14034 ETV
A tool helping demonstrate alignment of green innovations with Green Taxonomy criteria

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6 TH ETV STAKEHOLDERS FORUM :
New contexts, partnerships and pathways for market acceptance and recognition of Environmental Technology Verification as a catalyst of green transformation
Warsaw, 18 June 2024

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Our campaign

- √ Raise awareness of ETV
- √ **Validate an ETV use case to support EU Green Taxonomy**
- √ Validate ISO 14034 ETV as a basis for sector specific programme building (RES technologies)

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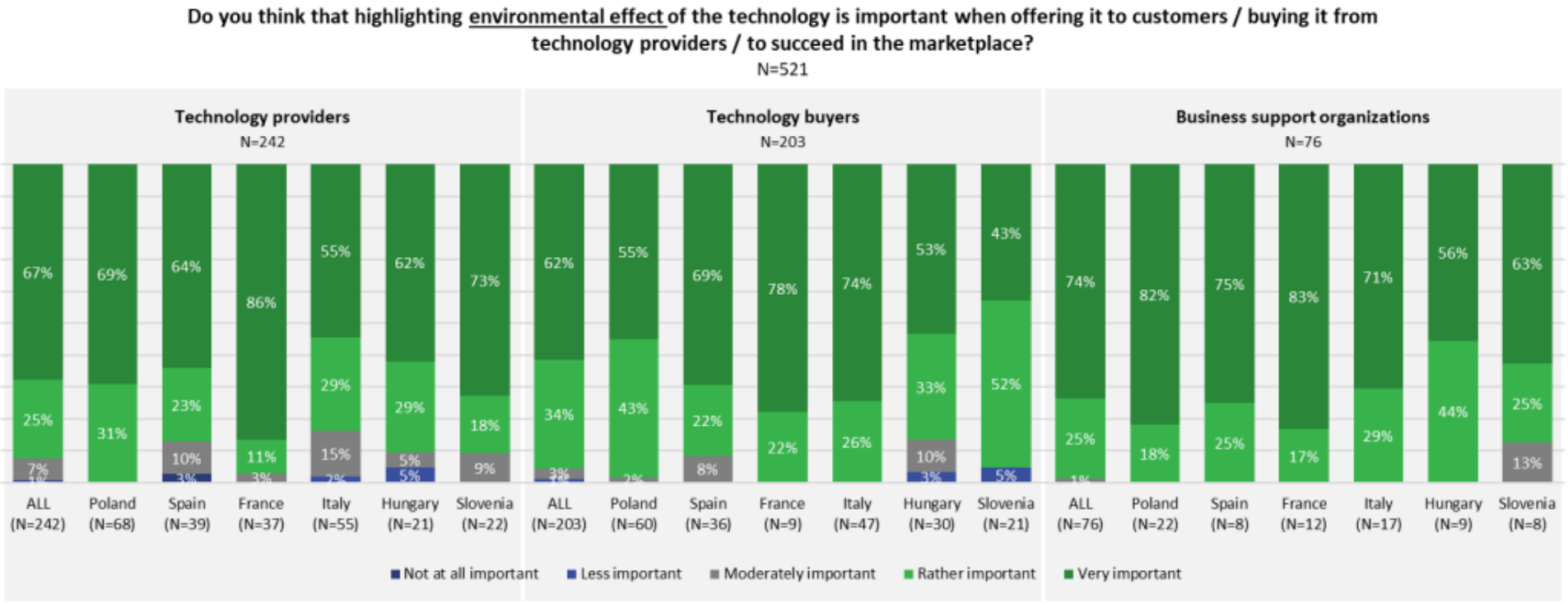
Importance of demonstration of environmental effect



45% of technology providers (n=242) and 78% of technology buyers (n=203) consider certificates as a preferred way of communicating innovation and environmental effects of a technology.

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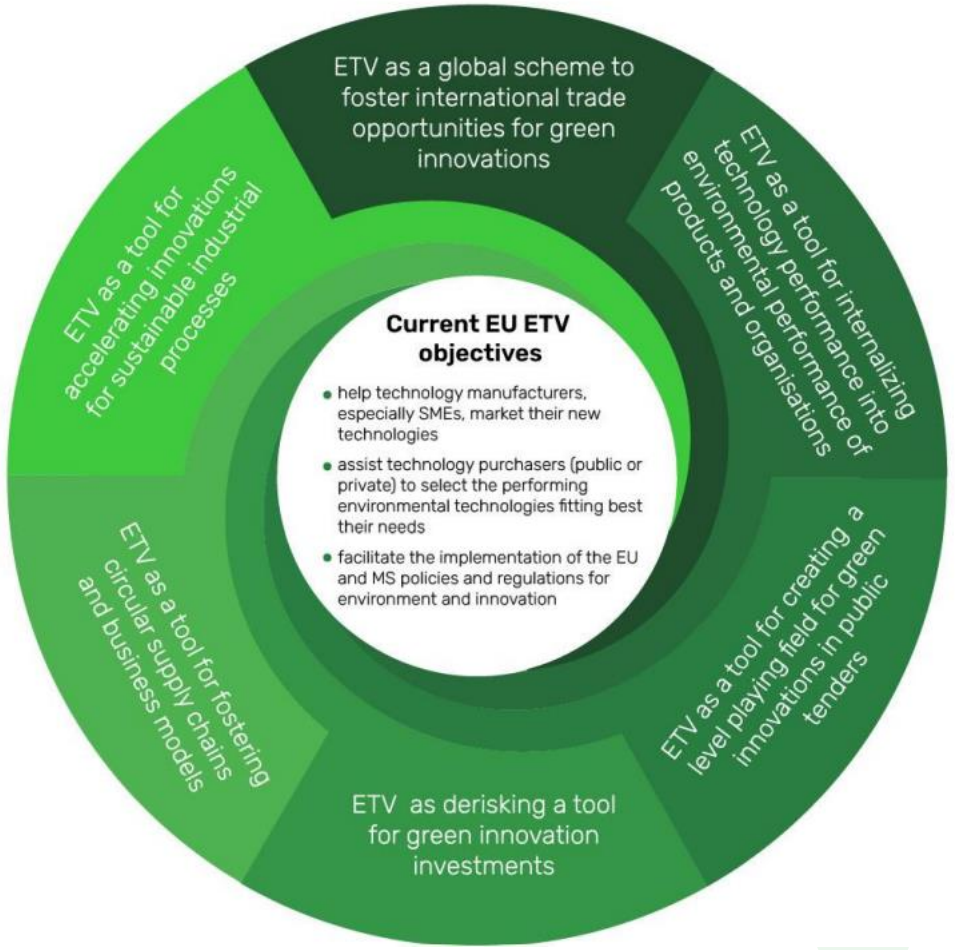
ETV business case

ETV needs a strong business case and extended objectives to be recognised by the market

- The case could be demonstrated by showcasing the compatibility with other schemes/regulations
- Green taxonomy is a powerful tool stimulating green/cleantech market
- ETV could play a role as an investment derisking tool



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Why Green Taxonomy?

The EU Taxonomy Regulation a green classification system that translates the EU climate and environmental objectives into criteria for specific economic activities for investment purposes with the following objectives

- Help companies navigate and finance their green transition in line with defined parameters sustainability
- Help scale up projects and investments in new technologies (delivery and application) that make green transition possible
- Help incentivise investments into sectors/industries to align them better with climate change and EU environmental objectives while protecting investors from greenwashing

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CSRD and SFRD: information disclosure

Reporting of Non-financial actors

Corporate Sustainability Reporting Directive (CSRD) mandates that all large companies and listed companies, excluding listed micro-enterprises, must disclose details regarding the risks and opportunities stemming from social and environmental issues, as well as the effects of their operations on both individuals and the environment.

Reporting of Financial actors

Sustainable Finance Disclosure Regulation (SFRD) the Taxonomy requires all financial products that promote environmental or social characteristics or that specifically have as sustainable financial investment as their objective to align with taxonomy requirements.

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Why ETV and Green Taxonomy?

The taxonomy sets science-based indicators and thresholds about what is to be considered a green investment product in different sectors. They are specified in the delegated acts:

- Environmental Delegated Act
- Climate Delegated Act

A taxonomy-alligned activity:

- ✓ Demonstrates substantial contribution to at least one environmental objective
- ✓ Does no significant harm to any of the other five objectives (DNSH)
- ✓ Complies with the minimum safeguards (social aspects)
- ✓ Complies with the technical screening criteria provided in the Delegated Acts

6 Environmental objectives of EU Taxonomy

1.Climate change mitigation.
2. Climate change adaptation.
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

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ETV may help demonstrate alignment

ETV may help demonstrate alignment of an activity with taxonomy requirements relevant to:

- ✓ Substantial contribution to at least one environmental objective
- ✓ Do not cause significant harm to any of the other five objectives (DNSH)
- ✓ Compliance with the minimum safeguards (social aspects)
- ✓ Compliance with the technical screening criteria provided in the Delegated Acts

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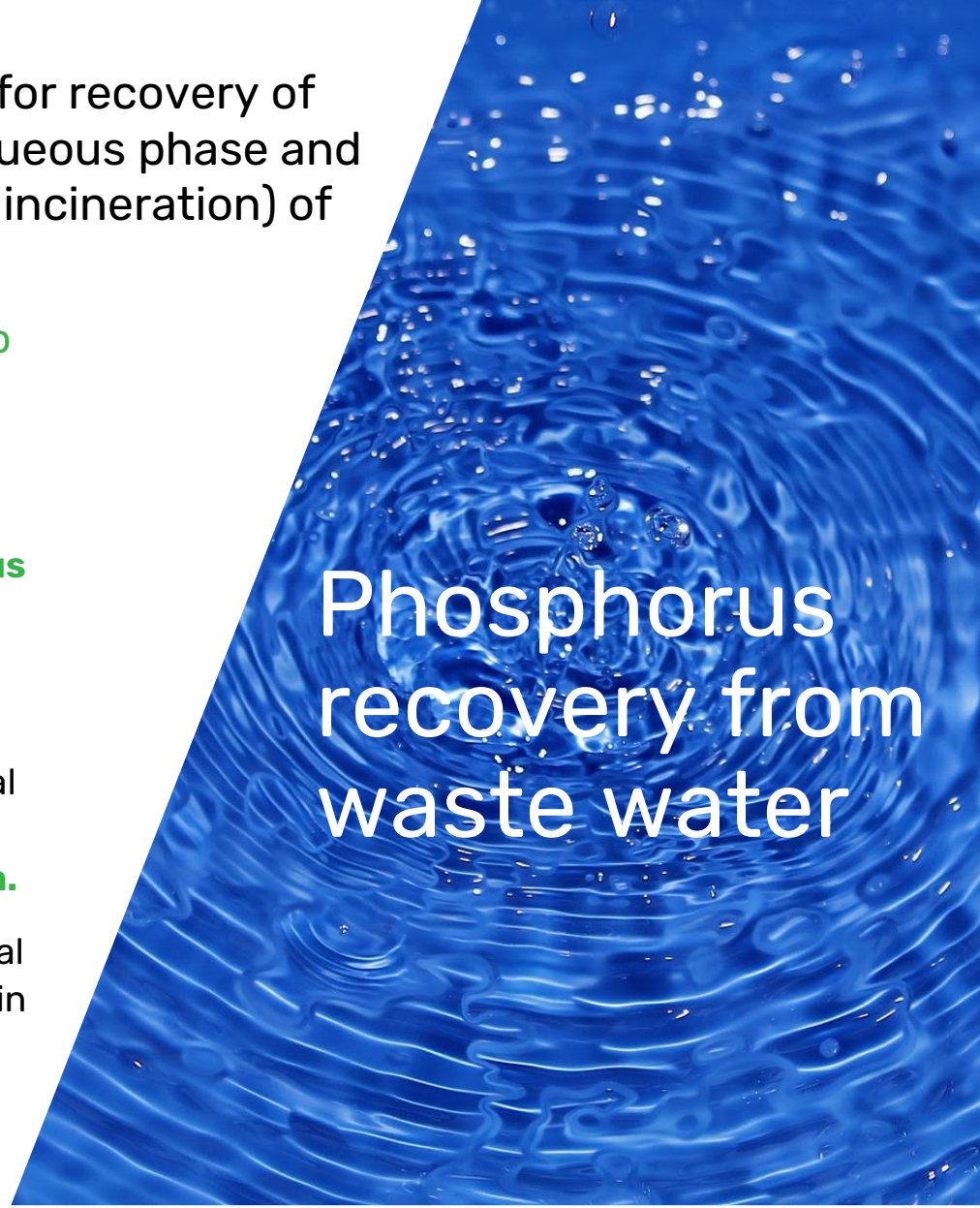
Scope: Construction, upgrade, operation and renewal of facilities for recovery of phosphorus from urban waste water treatment plants (WWTP) (aqueous phase and sludge) and from materials (i.e. ashes) after thermal oxidation (i.e. incineration) of sewage sludge

Technical screening criteria: Substantial contribution to the transition to a circular economy

1. For the process integrated at the waste water treatment plant, covering typically phosphorus salts such as struvite– magnesium ammonium phosphate , **the phosphorus recovery process recovers at least 15 % of the incoming phosphorus load**. Only the harvested material, such as struvite, is counted for the calculation of this threshold.

2. For down-stream recovery after sewage sludge thermal oxidation with chemical phosphorus recovery or after sewage sludge thermal oxidation with thermo-chemical phosphorus recovery, **the process recovers at least 80 % of the incoming phosphorus load from the respective input material, such as sewage sludge ash.**

3. The phosphorus extracted out of the system is used either as a component material in a fertilising product compliant to EU, national requirements (if more restrictive) or in another field of application where the recovered phosphorus fulfils specified functions in accordance with the respective regulations.



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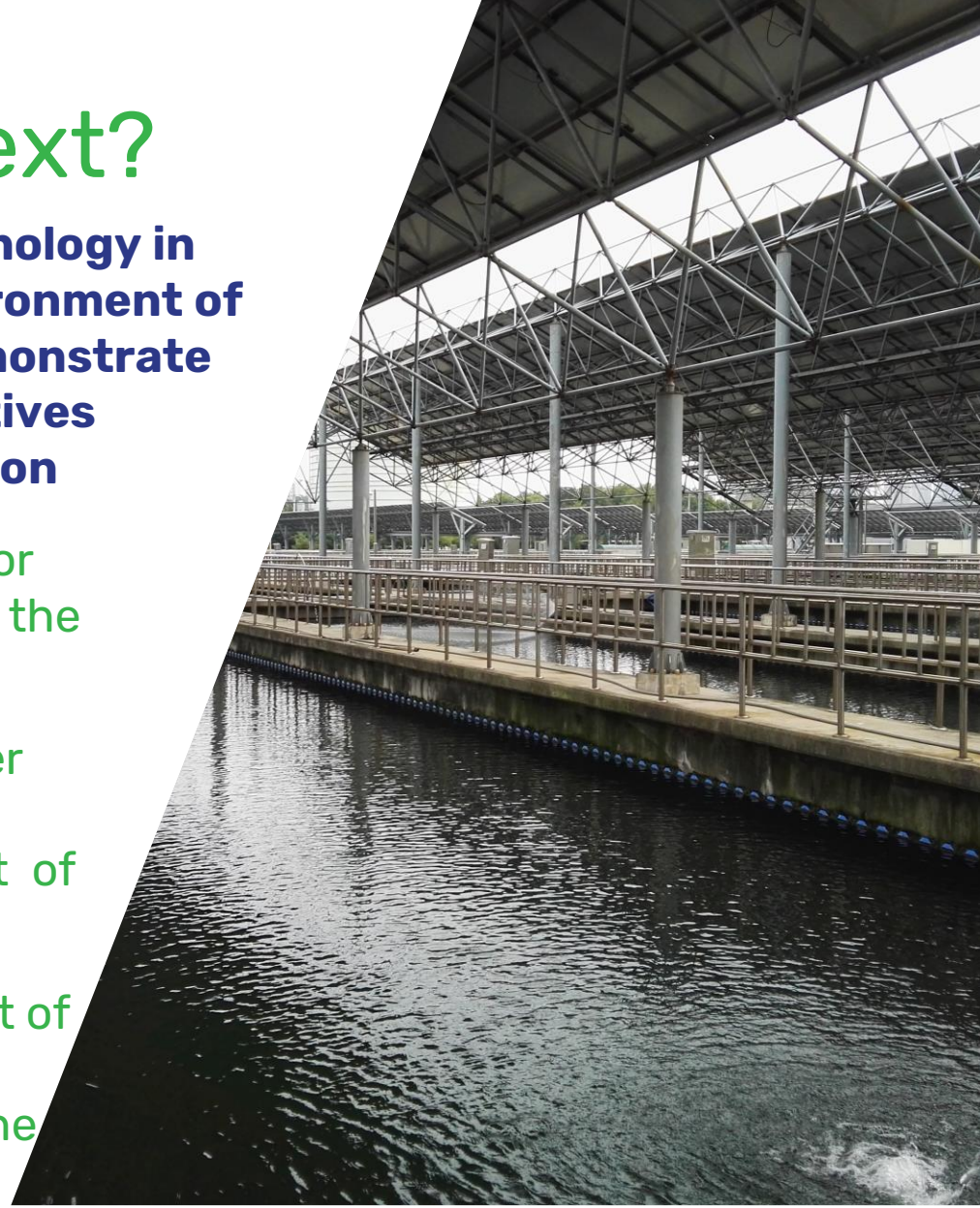
How ETV may work in this context?

ETV allows to demonstrate the performance of a new technology in achieving the taxonomy thresholds in the operational environment of the user focusing also on other parameters relevant to demonstrate DNSH or substantial contribution to other taxonomy objectives related to climate change mitigation e.g. energy consumption

- ETV provides third-party verified information on performance for defined conditions of application relevant for buyers to choose the right performing solution
- ETV allows to combine parameters to be verified in line with user needs – technology providers should consider performance parameters helping users/investors define and prove alignment of their activity with taxonomy requirements
- Information provided by ETV may be used for investors as a part of due diligence procedure or to identify in start-ups that offer verified technologies to ensure that the investment will fall in the green portfolio investment



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A snapsht of our campaign

A snapshot our ETV – Green taxonomy events

Key conclusions

- Placing ETV in national policies is challenging due to termination of the EU ETV programme, however ETV is recognised by the National Procurement Policy as a tool supporting GPP and in National Environmental Policy 2030
- ETV is recognised as eligible cost in 2 programmes in Poland :
  - FENG (greening enterprises module) -
  - Innovation & Environment (also as a 10/60 point bonus for applications with ETV verified performance
- A strong business case for building a sector-specific programme based on ETV dedicated to confirmation of performance of RES technologies (heat pumps) is under discussion
- Utility of ETV to support demonstration of alignment with EU Taxonomy requirements is confirmed but requires further investigations and discussions with stakeholders are needed including the EU stakeholders (EU Platform on sustainable finance)

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Thank you

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