



ENGAGE Project Coordinator

Walther-von-Cronberg-Platz 2 60594

Frankfurt am Main

Germany

Wednesday, 3 December 2025

European Commission – DG FISMA

Response submitted via [online form](#)

Subject: Call for Evidence for an Initiative “EU Taxonomy – Review of Climate and Environmental Delegated Acts”

To whom it may concern,

The ENGAGE for ESG initiative¹ welcomes the European Commission (EC) DG FISMA Call for Evidence on the review of the Climate and Environmental Delegated Acts and would like to contribute to it from its standpoint as a consortium of expert entities actually implementing the EU Taxonomy with regards to the financing of residential real estate acquisition and ownership and renovation:

- European DataWarehouse GmbH (EDW) is an ESMA-designated Securitisation Repository and a Eurosystem repository for ABS, pools of additional credit claims.
- Hypoport B.V. (HYP) is a specialist IT company, developer of software solutions for the financial sector.
- Università Ca' Foscari (UNIVE) is a pioneer university in sustainable finance programmes and research.
- Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito (UCI) is a specialist entity in sustainable financing for mortgages and loans in the Spanish and Portuguese markets.
- Nationale-Nederlanden Bank N.V. (NN Bank) is an innovative sustainable mortgage loan originator in the Dutch market.

¹ More information about ENGAGE for ESG can be found at <https://engage4esg.eurowd.eu/>.



- Dexai s.r.l. (DEXAI) is a consultancy company expert in compliance of new technologies with legal and ethical standards.

This response is limited to the technical screening criteria of the Climate Delegated Act, which is the main expertise of the ENGAGE for ESG initiative.

Description of the ENGAGE for ESG initiative

ENGAGE for ESG is an initiative co-funded by the European Union and launched by the six institutions from across Europe mentioned above (the “**ENGAGE Consortium**”) with the purpose of creating a standardised and harmonised disclosure framework for mortgages and renovation loans that contributes to the activation of energy efficiency investments for the residential building stock. The initiative is also contributing to the goals of the Renovation Wave and supporting the implementation of the Energy Performance of Buildings Directive recast (recast EPBD).

Since its inception in November 2022, the initiative has been focusing on developing standardised disclosure templates for mortgage and home renovation loans (ENGAGE Templates) in line with Regulation (EU) 2020/852 (the “**Taxonomy Regulation**”) and Commission Delegated Regulation (EU) 2021/2139 (the “**Climate Delegated Act**”) to facilitate the sustainability reporting for financial institutions and improve transparency vis-à-vis investors. In fact, the ENGAGE Consortium is enhancing existing loan disclosure frameworks based on the technical standards on disclosure requirements under the Securitisation Regulation (the “**ESMA Templates**”) through a flexible system of add-on templates for various regulatory standards. These add-ons are market-designed and built upon the principles of transparency, data availability and governance.

The [ENGAGE Templates version 1.2](#) were released in September 2025 and include the data elements that allow financial institutions to disclose the alignment of their mortgages and home renovation loans with EU Taxonomy requirements.

The ENGAGE Templates have been operationalised through a dedicated IT infrastructure, the ENGAGE Portal. ENGAGE Portal users are now able to evaluate ESG criteria and to use the infrastructure as a secure data room for sustainable disclosures, starting with the required disclosures to check the EU Taxonomy- alignment.

Two European lenders, Unión de Créditos Inmobiliarios, S.A. and Nationale-Nederlanden Bank N.V. have been submitting data to the ENGAGE Portal according to the ENGAGE Templates for Netherlands, Spain and Portugal. Onesto, a Belgian social lender, has recently joined the initiative as an ENGAGE Portal user.

Market participants have positively welcomed the ENGAGE Templates and Portal, in particular, with regards to the conversion of the regulatory requirements of the EU Taxonomy into concrete data fields.



The ENGAGE for ESG initiative has consolidated its position in the market and aims to become a widespread industry standard in 2025. By way of example, the ENGAGE Templates were showcased as a best practice by Climate Strategy & Partners in their report *Mortgage Portfolio Standards: The EPBD Delegated Act process can synchronise regulatory developments, climate initiatives, and EU technologies to offer a window into the future*².

In November 2024 the Hellenic Financial Stability Fund (HFSF) published its *Sustainability Report 2023*. In the report³, the HFSF supports the ENGAGE for ESG initiative and urges Greek banks to join the initiative to support the increase of sustainable finance and promote better monitoring and measurement for banks' lending portfolios.

In May 2025 the Spanish Intellectual Property Register recognised the originality of the ENGAGE Templates, confirming their status as an original and protected intellectual creation⁴.

Response to the Call for Evidence

Due to its strategic partnership and role in the EU financial market, the ENGAGE Consortium is aware of the multiple challenges faced by lending institutions to assess the Taxonomy alignment of their residential mortgage and renovation loans.

The ENGAGE Consortium is convinced that there is room for simplification in the Taxonomy so that an effective, simplified and harmonised framework is established and enforced. At the moment, the EU Taxonomy foresees the application of technical criteria that are difficult to implement into day-to-day lending practices. Lenders, as well as intermediaries, face significant challenges in applying the criteria and demonstrating that a mortgage loan or an energy renovation is EU Taxonomy compliant.

Based on the experience gathered throughout the three-years duration of the ENGAGE for ESG initiative, our suggestions are as follows:

1. The interaction of the Taxonomy Regulation and Delegated Acts with the Energy Performance of Buildings Directive (EPBD) recast national implementation legislation

The ENGAGE Consortium has observed that the Climate Delegated Act provides with criteria that eventually may collide with the upcoming national laws to be

² Report available at https://www.climatestrategy.es/en/informe_29.php

³ Report available at <https://hfsf.gr/en/hfsfs-esg-sustainability-report/>

⁴ Press release available at <https://engage4esg.eurowd.eu/the-spanish-intellectual-property-register-recognises-the-originality-of-the-engage-templates/>



enacted in implementation of the EPBD. In this regard, consistency between the EU legal acts and the national implementation acts should be ensured.

In this regard, it is critical that the Taxonomy criteria are aligned with the objectives and definitions of EPBD IV.

2. The simplification of the Taxonomy criteria

The ENGAGE Consortium, specifically, the pilot institutions members of the initiative, have flagged certain difficulties when it comes to the application of the Taxonomy-alignment criteria for home renovation loans, e.g., issues to identify major renovations or to determine the primary energy demand reduction. As an example, the Taxonomy criteria could clearly establish the number of EPC label degrees that the renovation activity should improve, or require the adoption of certain specific energy efficiency measures. In this context, the European Investment Bank has developed a specific tool, i.e., the Group Green Checker, designed to calculate if a specific home renovation loan reduces the primary energy demand (PED) by 30% and hence can be deemed to be "EIB green" and eligible for EIB funding. The [ENGAGE Templates](#) include a specific section that will allow lenders and banks to verify the PED reduction.

The Taxonomy criteria for new buildings could also be simplified, in particular, for residential homeowners, in those elements where it presents most complexity, e.g., DNSH and minimum safeguards criteria.

As an example, minimum safeguards are not applicable to households, as they are not considered undertakings. Specifically, minimum safeguards do not apply to economic activities 7.1, 7.2, or 7.7 of Annex I of the Climate Delegated Act. However, for renovation activities 7.3 and 7.6, financial institutions must evaluate minimum safeguards compliance for the manufacturers of the individual products or measures that are financed and are listed in sections 3.1 and 3.5 of the Climate Delegated Act. If only the installation, maintenance, or repair service is financed, and not the acquisition of the measure or product, no minimum safeguards check is required for homeowners. These interpretation divergences lead to issues in the application of the criteria.

In addition, EU Member States' legal setups for the construction, acquisition and ownership of buildings differs substantially. As such, the Taxonomy Regulation could provide with enough flexibility to contemplate and allow the alignment assessment under the diverse legal configurations. For instance, in Netherlands,



homeowners assume the legal ownership of the property acquired during the whole construction process. As a result, the provision of the evidence required for the Taxonomy alignment as natural persons is especially burdensome.

3. The data availability and accessibility challenge

The availability and accessibility of energy performance data remains a critical challenge that jeopardises the effective implementation of the Taxonomy Regulation and Delegated Acts. The lack of data and the obstacles to access where available operates at various levels:

- First, the lack of a harmonised European-wide EPC scale poses an issue for the comparison of buildings' energy efficiency. In this regard, the ENGAGE Consortium advocates for the definition at European level of the EPC scales, including the specific indicators like, for instance, the primary energy demand (kWh/m² per year) for a clear correlation with the Taxonomy Technical Screening Criteria requirements as also advocated by the [ECB staff response to the ESMA consultation paper on the securitisation disclosure templates under Article 7 of the Securitisation Regulation](#).
- Second, the unavailability of EPC information at property level also poses an issue for credit institutions. To some extent, this is due to the different interpretations of the General Data Protection Regulation across Europe. The situation with the introduction of the update version of the EPBD has not changed so far in many European countries (such as Germany, Greece, and Italy), given that the national implementation legal acts have not been passed yet. The availability of EPC information open access in a machine-readable format via APIs and ready for bulk upload and download is pivotal, as this would enable the matching of loan-level data with EPC data, helping the disclosure of the energy performance information of the underlying assets of loans.
- Third, for some Taxonomy criteria, e.g. the DNSH criteria or the minimum safeguards, the collection of the evidence needed to verify the Taxonomy alignment is especially difficult, in particular, for residential homeowners.
- Last, but not least, the ENGAGE Consortium believes that for the purposes of incentivising the disclosure of the sustainability metrics under the Disclosures Delegated Act, it would be beneficial to allow EPC proxies based on standard market practices with the appropriate safeguards to ensure transparency and prevent greenwashing. While the Joint Committee of ESAs rejected in its [Q&As](#) the use of estimated EPCs for the disclosures under the ESMA templates, the ENGAGE Consortium is of the opinion that, in lack of



EPC information available at national or regional databases for financial institutions, such permission could contribute to the renovation wave.

Practical use case from NN Bank pilot

For illustration purposes and based on the pilot led by NN Bank, in Netherlands it is currently not feasible to prove that a renovation loan aligns with the EU Taxonomy, due to the fact that the required data for the assessment is not available. See below the key challenges identified and related proposal.

- In Netherlands, the “major renovation” approach cannot be used, as it should be demonstrated that a renovation complies with the applicable requirements for major renovations as implemented in the Dutch Building Code. At the moment there is no central national database where major renovations -and if the underlying conditions are being met- are registered. Therefore, it is currently not possible to determine if the applicable requirements for a major renovation have been met based on publicly available data.
- The alternative approach that could be used to demonstrate that a 30% reduction of the net PED has been achieved is also not feasible. For this purpose, an EPC both based on the NTA8800 method would be needed -both before and after the renovation- to assess the improvement. However, currently only 37.12% of the EPCs are based on the NTA 8800 methodology. Determining if the 30% reduction in net PED will be achieved is thus not feasible for the vast majority of properties in Netherlands without a new EPC -before renovation works- being issued or the PED being measured in another way.
- Another challenge is that the reduction of the PED through renewable energy sources is not regarded valid for EU Taxonomy alignment. Such information -PED reduction excluding renewable energy sources- is not readily available on an EPC.
- The added-benefit of using of proxy-data for those properties where the actual data is not available or not complete has long been proven. Particularly when multiple data-sources are combined, highly reliable proxies could be generated to avoid the need for pre-energy renovation on-site measurement. In this sense, putting in place a mechanism that allows for regular updating and cross-checking information from multiple sources would allow more up-to-date information to be available.
- Even if all the data required for the Taxonomy alignment check could be obtained, it is still costly for mortgage lenders to collect and process, jeopardising any incentives they -or investors in green mortgage portfolios- could have. This is



especially relevant because only the part of the loan contributing to the energy efficiency enhancement of the property count for EU Taxonomy alignment -not the entire mortgage loan-. Such difficulties -in particular, with regards to compliance with the DNSH and the minimum safeguards- are currently preventing mortgage lenders from trying to demonstrate compliance with the EU Taxonomy.

In summary, unless the aforementioned challenges are addressed, it is likely that the Green Asset Ratio (GAR) for (mortgage) loan portfolios remains very low across Europe and a “green” capital market does not materialise because of the lack of EU Taxonomy aligned capital market transactions.

Furthermore, it is possible that lending institutions will be hesitant to offer (mortgage) loans -or offer loans under less beneficial conditions- for dwellings with bad EPCs in the future, on the grounds that those loans do not contribute to the GAR improvement/average energy performance improvement of their portfolio. This could entail a significant damage for the most vulnerable households, who may not be able to finance the needed renovation, due to Loan-to-Value constraints. In this vein, an alignment of public and private efforts driven by European Commission policies is necessary to realise the green transition.

The ENGAGE Consortium is convinced that the proposals presented above can contribute to the effective implementation of the Taxonomy Regulation and the Climate Delegated Act.

We remain at disposal of the European Commission to further elaborate on measures for the improvement of the Taxonomy regulatory framework.

Yours faithfully,

DocuSigned by:
Marco Angheben
25AE6E185CB54AD...

Marco Angheben

ENGAGE for ESG Coordinator, on behalf of The ENGAGE Consortium



Universit 
Ca'Foscari
Venezia



Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or CINEA. Neither the European Union nor the granting authority can be held responsible for them.