Climate Mitigation

Substantial contribution to climate mitigation objective

- Energy (Generation, Transmission, Storage)
- Transport
- Manufacturing
- Buildings (New Construction & Renovation)
- Water, Sewerage & Waste
- ICT
- Forestry & Environmental Protection

Energy (Generation, Transmission, Storage)

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-001
eu_objective	climate_mitigation
sector	Energy
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

The EU Taxonomy classifies energy generation, transmission, and storage activities that substantially contribute to climate change mitigation. This encompasses electricity generation from solar photovoltaic, concentrated solar power, onshore and offshore wind, ocean energy, hydropower, geothermal, renewable hydrogen, and biogas/biomass where sustainability criteria are met. It also covers electricity transmission and distribution infrastructure upgrades, as well as energy storage technologies including battery storage, pumped hydro, and thermal storage systems. The 2026 revision expands coverage to include advanced nuclear technologies and next-generation storage, while tightening lifecycle emission thresholds.

Technical Screening Criteria Summary

For electricity generation, the core TSC requires lifecycle GHG emissions below 100 gCO2e/kWh, declining to net-zero over the facility lifetime. Solar and wind are automatically eligible. Hydropower must demonstrate power density above 5 W/m2 or lifecycle emissions below the threshold via third-party assessment. Bioenergy must comply with RED III sustainability criteria including GHG savings of at least 80% versus fossil fuel comparators. Transmission infrastructure must be part of an interconnected European system or demonstrably enable renewable integration. Storage facilities must not use SF6 insulation and must achieve round-trip efficiency benchmarks (e.g., above 75% for battery systems).

Do No Significant Harm (DNSH)

Energy activities must not significantly harm adaptation (climate risk assessment required), water resources (hydropower must maintain ecological flows), circular economy (waste management plans for decommissioning solar panels and batteries), pollution prevention (emission limits for bioenergy combustion), or biodiversity (Environmental Impact Assessment for wind and hydro siting, avoiding Natura 2000 and critical habitat areas).

LATAM Relevance

European investment into LATAM renewable energy projects increasingly references EU Taxonomy alignment as a condition for green bond issuance and sustainability-linked financing. Colombia, Chile, and Brazil are major recipients of EU-backed energy transition capital. The EUDR and deforestation-free supply chain requirements further connect EU standards to LATAM biomass and bioenergy sourcing, making taxonomy alignment essential for market access.

Colombia Green Finance Taxonomy Alignment

Colombia's Taxonomía Verde covers renewable energy generation, transmission modernization, and storage under its climate mitigation objective. Alignment is high for solar, wind, and small hydro. Gaps exist for nuclear (excluded from TVC) and for specific lifecycle emission thresholds, which the TVC defines less precisely than the EU framework. The TVC also lacks explicit storage round-trip efficiency benchmarks.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector ES (Energy Systems) — specifically nodes ES-GEN (generation), ES-TRA (transmission), and ES-STO (storage). Cross-references exist with IN (Industry) for industrial cogeneration and WA (Waste) for waste-to-energy pathways where applicable.

Transport

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-002
eu_objective	climate_mitigation
sector	Transport
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

The transport sector under the EU Taxonomy covers activities that enable zero and low-emission mobility, including passenger and freight transport by road, rail, water, and air. Eligible activities include manufacturing of zero-emission vehicles, infrastructure for personal mobility (cycling, walking), rail infrastructure construction and operation, urban and interurban public transport, and retrofitting of existing fleets. The 2026 revision introduces stricter tailpipe emission thresholds for vehicles and expands inland waterway transport criteria.

Technical Screening Criteria Summary

Light-duty vehicles must have zero direct (tailpipe) CO2 emissions. Heavy-duty vehicles must meet specific CO2 per tonne-kilometre thresholds that tighten progressively. Rail transport is eligible where it operates on electrified track or uses zero-emission rolling stock. Maritime and inland waterway vessels must demonstrate at least 50% GHG reduction versus reference vessels, with the 2026 revision pushing toward zero-emission vessel categories. Public transport infrastructure (metro, tram, BRT) is eligible by default where it displaces private vehicle travel. Cycling infrastructure qualifies without additional emission criteria.

Do No Significant Harm (DNSH)

Transport activities must address adaptation (infrastructure climate-proofing), water (runoff management for road infrastructure), circular economy (end-of-life vehicle recycling targets, battery recovery), pollution (noise, particulate, and NOx limits for vehicles and infrastructure), and biodiversity (habitat fragmentation avoidance for new transport corridors, wildlife crossing requirements).

LATAM Relevance

Urban transport transformation in Bogotá, Medellín, Mexico City, and Santiago frequently draws on European financing structured around EU Taxonomy principles. Electric bus fleet procurement across LATAM has been partly catalyzed by EU green bond frameworks. The growing BRT and metro networks in Colombian and Brazilian cities create natural alignment pathways with EU transport taxonomy criteria.

Colombia Green Finance Taxonomy Alignment

The TVC covers sustainable transport including electric mobility, mass transit, and non-motorized infrastructure. Alignment is strong for electric vehicles and public transport. The TVC lacks the EU's granular CO2/tkm thresholds for freight and does not yet address maritime or aviation decarbonization pathways, creating a partial gap for these sub-sectors.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector TR (Transport) — nodes TR-ROA (road), TR-RAI (rail), TR-MAR (maritime), TR-URB (urban mobility). Cross-references with BU (Buildings) for transport-oriented development and ES (Energy) for EV charging infrastructure.

Manufacturing

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-003
eu_objective	climate_mitigation
sector	Manufacturing
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

Manufacturing activities under the EU Taxonomy cover the production of low-carbon technologies and the decarbonization of industrial processes. This includes manufacture of renewable energy equipment (solar panels, wind turbines, batteries), production of hydrogen and hydrogen-based fuels, manufacture of energy-efficient equipment, and production of key industrial materials (cement, steel, aluminium, chemicals, plastics) using low-carbon processes. The 2026 revision strengthens criteria for hard-to-abate sectors and introduces pathways for industrial carbon capture, utilization, and storage (CCUS).

Technical Screening Criteria Summary

Cement production must achieve specific clinker-to-cement ratios and emissions below 0.498 tCO2e/tonne of cementitious product. Steel manufacturing via electric arc furnace must stay below 0.266 tCO2e/tonne, while basic oxygen furnace routes require emissions below 1.331 tCO2e/tonne with a declining trajectory. Aluminium smelting must use electricity with a carbon intensity below 100 gCO2e/kWh. Hydrogen production requires lifecycle emissions below 3 tCO2e/tH2. For technology manufacturing, activities must produce components that directly enable substantial emission reductions in downstream applications.

Do No Significant Harm (DNSH)

Manufacturing must address adaptation (facility-level climate risk assessment), water (compliance with Best Available Techniques for water use and discharge), circular economy (material recovery targets and waste minimization plans), pollution (Industrial Emissions Directive compliance, BAT-AELs for pollutant emissions), and biodiversity (no operations in or adjacent to biodiversity-sensitive areas without adequate mitigation).

LATAM Relevance

European manufacturers sourcing raw materials from LATAM (lithium, copper, rare earths, biomass) must increasingly demonstrate taxonomy alignment across supply chains. The EU Carbon Border Adjustment Mechanism (CBAM) creates direct regulatory pressure on LATAM industrial exporters to meet EU emission benchmarks. Colombia's growing cleantech manufacturing sector — particularly in solar component assembly — benefits from taxonomy-aligned investment flows.

Colombia Green Finance Taxonomy Alignment

The TVC addresses clean manufacturing primarily through energy efficiency in industrial processes and clean technology production. Alignment is partial — Colombia lacks the EU's sector-specific emission thresholds for cement, steel, and aluminium. The TVC framework is broader and less prescriptive, creating gaps for heavy industry decarbonization pathways that the EU defines with precise benchmarks.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector IN (Industry) — nodes IN-CEM (cement), IN-STL (steel), IN-CHM (chemicals), IN-CLN (cleantech manufacturing). Cross-references with ES (Energy) for industrial energy supply and WA (Waste) for industrial waste recovery.

Buildings (New Construction & Renovation)

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-004
eu_objective	climate_mitigation
sector	Buildings
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

The buildings sector covers construction of new buildings and major renovation of existing buildings that achieve substantially lower energy demand and carbon emissions than regulatory baselines. Activities include construction of nearly zero-energy buildings (NZEB), deep energy renovation achieving at least 30% primary energy demand reduction, installation of energy-efficient equipment (heat pumps, insulation, smart building controls), and acquisition and ownership of energy-efficient buildings. The 2026 revision aligns criteria with the recast Energy Performance of Buildings Directive (EPBD) and introduces whole-life carbon assessment requirements.

Technical Screening Criteria Summary

New construction must achieve primary energy demand at least 10% below the national NZEB standard, with the 2026 revision introducing lifecycle GHG thresholds for the full building. Renovation activities must achieve at least 30% reduction in primary energy demand or qualify as major renovation under the EPBD. Buildings must have an Energy Performance Certificate (EPC) rated A or demonstrate top-15% national performance. Heating systems must not use fossil fuels, with specific heat pump efficiency requirements (SCOP above 3.0). Airtightness and thermal bridging requirements apply to both new and renovated buildings.

Do No Significant Harm (DNSH)

Building activities must address adaptation (climate resilience of structures, flood and heat risk assessment), water (water-efficient fixtures meeting specified flow rates), circular economy (construction and demolition waste management plans with at least 70% material recovery), pollution (low-VOC materials, formaldehyde limits, radon protection), and biodiversity (no construction on arable land, greenfield, or designated conservation areas without compensation measures).

LATAM Relevance

Green building certification in LATAM (EDGE, LEED, CASA Colombia) increasingly references EU-aligned energy performance metrics to attract European green finance. Colombian cities like Bogotá and Medellín have growing sustainable construction sectors where EU Taxonomy-aligned standards influence building codes and green mortgage products. The IFC's EDGE certification widely used in LATAM provides a bridge to EU Taxonomy building criteria.

Colombia Green Finance Taxonomy Alignment

The TVC covers green buildings with emphasis on energy efficiency, sustainable materials, and water efficiency. Alignment is partial — Colombia uses national building code (NSR-10, RETIE, RETILAP) as baselines rather than EU NZEB standards. The TVC does not require lifecycle carbon assessment or specific EPC ratings, creating methodological gaps despite shared objectives around energy-efficient construction.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector BU (Buildings) — nodes BU-NEW (new construction), BU-REN (renovation), BU-EQP (building equipment). Cross-references with ES (Energy) for building-integrated renewables and IN (Industry) for construction materials.

Water, Sewerage & Waste

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-005
eu_objective	climate_mitigation
sector	Water, Sewerage and Waste
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

This category covers water collection, treatment, and supply systems, wastewater treatment, and waste management activities that contribute to climate mitigation through reduced GHG emissions and resource recovery. Eligible activities include construction and operation of water supply systems with energy recovery, anaerobic digestion of sewage sludge and biowaste, composting, material recovery from waste streams, landfill gas capture, and waste-to-energy where it displaces fossil fuel use. The 2026 revision strengthens the waste hierarchy principle, prioritizing prevention and recycling over energy recovery.

Technical Screening Criteria Summary

Wastewater treatment plants must incorporate energy efficiency measures achieving electricity consumption below defined benchmarks per population equivalent served. Anaerobic digestion facilities must capture and utilize at least 90% of methane produced. Composting must meet quality standards for output material and demonstrate net GHG benefit versus landfill disposal. Material recovery must achieve specific sorting efficiency rates and material purity thresholds. Landfill gas capture requires collection efficiency above 85%. Waste-to-energy is eligible only for non-recyclable residual waste and must meet R1 energy efficiency formula thresholds.

Do No Significant Harm (DNSH)

Activities must not harm adaptation (flood resilience of water infrastructure), water resources (effluent quality meeting Urban Waste Water Treatment Directive standards), circular economy (waste activities must respect the waste hierarchy), pollution (emission limits for incineration under the Industrial Emissions Directive, leachate management for composting), and biodiversity (siting requirements avoiding sensitive water bodies and protected areas).

LATAM Relevance

LATAM faces significant infrastructure gaps in water and waste management, making EU-aligned investment frameworks critical for mobilizing capital. European development finance institutions (EIB, KfW, AFD) frequently apply taxonomy principles when financing water and sanitation projects in Colombia, Peru, and Central America. The circular economy transition in LATAM waste management directly benefits from EU Taxonomy alignment for green bond eligibility.

Colombia Green Finance Taxonomy Alignment

The TVC covers water supply, wastewater treatment, and solid waste management. Alignment is moderate — Colombia's framework addresses these sectors but without the EU's specific energy efficiency benchmarks for treatment plants or the strict waste hierarchy requirements for energy recovery eligibility. The TVC's waste criteria are more flexible, allowing broader waste-to-energy pathways than the EU permits.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sectors WA (Waste) and WW (Water & Wastewater) — nodes WA-REC (recycling), WA-ORG (organic waste treatment), WA-ENE (waste-to-energy), WW-TRE (treatment), WW-SUP (supply). Cross-references with ES (Energy) for biogas and energy recovery pathways.

ICT

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-006
eu_objective	climate_mitigation
sector	Information and Communication Technology
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

ICT activities under the EU Taxonomy cover data-driven solutions that enable substantial GHG reductions in other sectors and the energy-efficient operation of digital infrastructure itself. Eligible activities include data processing, hosting, and related activities (data centres), data-driven solutions for GHG emission reductions (software and digital services), and development or operation of ICT solutions that provide verifiable emission reductions. The 2026 revision introduces specific criteria for AI workloads and cloud computing energy efficiency, responding to the rapid growth in computational demand.

Technical Screening Criteria Summary

Data centres must implement a European Code of Conduct for Energy Efficiency in Data Centres or demonstrate Power Usage Effectiveness (PUE) below 1.3 for existing facilities and below 1.2 for new facilities. The 2026 revision tightens PUE requirements and adds Water Usage Effectiveness (WUE) thresholds. Cooling systems must not use refrigerants with GWP above 675. Data-driven solutions must demonstrate through a life cycle assessment that net GHG emissions are substantially lower than the best alternative non-digital solution. ICT solutions must provide third-party verified emission reduction quantification.

Do No Significant Harm (DNSH)

ICT activities must address adaptation (facility resilience to climate hazards including heat stress and flooding), water (WUE thresholds and water source sustainability for cooling), circular economy (WEEE Directive compliance, server and hardware lifecycle management, minimum recycled content in equipment), pollution (restriction of hazardous substances per RoHS Directive), and biodiversity (siting of data centres away from biodiversity-sensitive areas).

LATAM Relevance

LATAM's growing data centre market — particularly in Brazil, Mexico, Chile, and Colombia — increasingly serves European cloud customers who require taxonomy-aligned infrastructure. European hyperscalers expanding into LATAM apply EU Taxonomy PUE and renewable energy criteria to their facilities. Colombia's digital transformation agenda and data centre incentives create opportunities for taxonomy-aligned ICT investment.

Colombia Green Finance Taxonomy Alignment

The TVC does not explicitly cover ICT or data centre activities as a standalone category, creating a gap relative to the EU framework. ICT-related investments in Colombia may qualify under general energy efficiency or emissions reduction categories, but without the sector-specific PUE or WUE thresholds. This represents a significant gap as LATAM's digital infrastructure grows.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector IC (ICT) — nodes IC-DAT (data centres), IC-SOF (software solutions), IC-NET (network infrastructure). Cross-references with ES (Energy) for data centre renewable energy procurement and BU (Buildings) for facility energy performance.

Forestry & Environmental Protection

Source Metadata

Field	Value
source	eu_taxonomy
source_version	EU Taxonomy 2026 revision
source_id	EU-MIT-007
eu_objective	climate_mitigation
sector	Forestry and Environmental Protection
mitigation	Y
adaptation	N
last_checked	2026-05-26

EU Taxonomy Definition

Forestry activities under the EU Taxonomy cover afforestation, reforestation, forest rehabilitation, existing forest management, and conservation forestry that demonstrate net carbon sequestration and climate change mitigation. Environmental protection activities include wetland restoration, peatland rewetting, and ecosystem restoration that deliver measurable carbon benefits. The 2026 revision introduces updated carbon accounting methodologies aligned with the Land Use, Land Use Change and Forestry (LULUCF) Regulation and strengthens the link to the EU Deforestation Regulation (EUDR).

Technical Screening Criteria Summary

Afforestation and reforestation must demonstrate net carbon sequestration over a 20-year baseline period through a forest management plan audited by a third party. Existing forest management must maintain or increase carbon stocks compared to a reference period, with mandatory forest management plans aligned with Sustainable Forest Management criteria. Conservation forestry must protect existing carbon stocks while enhancing biodiversity. All forestry activities must comply with EUDR due diligence requirements and provide geolocation of forest plots. Peatland rewetting must demonstrate cessation of drainage and measurable reduction in CO2 and N2O emissions.

Do No Significant Harm (DNSH)

Forestry must address adaptation (species selection for climate resilience, diversified planting), water (maintenance of natural water courses, no drainage of wetlands), circular economy (sustainable sourcing of materials used in forestry operations), pollution (restrictions on pesticide and fertilizer use per Sustainable Use of Pesticides Directive), and biodiversity (no conversion of high-biodiversity habitats, maintenance of deadwood and veteran trees, adherence to national biodiversity action plans).

LATAM Relevance

This is the highest-relevance EU Taxonomy category for LATAM, directly connecting to EUDR compliance, REDD+ frameworks, and the enormous carbon sequestration potential of tropical forests. Colombian forestry — particularly in the PDET territories and Amazonian regions — is directly impacted by EU deforestation-free supply chain requirements. European carbon credit markets and results-based climate finance increasingly require EU Taxonomy-aligned forest carbon accounting.

Colombia Green Finance Taxonomy Alignment

The TVC covers sustainable forestry, reforestation, and ecosystem conservation as priority categories. Alignment is strong in principle but methodologically divergent — Colombia uses national carbon accounting standards (IDEAM baselines) rather than EU LULUCF methodologies. The TVC also lacks the EU's specific EUDR due diligence integration, though Colombia's own deforestation monitoring (SMBYC) provides a parallel framework.

Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector AF (AFOLU) — nodes AF-FOR (forestry), AF-RES (ecosystem restoration), AF-PEA (peatlands). Cross-references with XS (Cross-Sectoral) for EUDR compliance pathways and ES (Energy) for biomass sourcing from sustainable forestry.