

December 2025

Eurometaux response to the Call for evidence on EU Taxonomy - Review of Climate and Environmental Delegated Acts

As Eurometaux, the non-ferrous metals industry association, we support the EU taxonomy's goal to channel investments towards sustainable economic activities and support economic sectors in their transition. If well designed, the EU Taxonomy Regulation (EU/2020/852) can incentivize financial flows towards activities aligned with climate and environmental objectives, provided that the criteria are fit for purpose and implementable.

In our response to the ongoing public consultation, we will comment on i) Balancing robust Taxonomy criteria with industrial feasibility; ii) Simplifying Appendix C of the Climate and Environmental Delegated Acts; iii) Consideration of multi-metallic recycling; iv) Use of DNSH concept in other EU initiatives.

1) Balancing robust Taxonomy criteria with industrial feasibility

While the EU Taxonomy must remain credible and robust, overly ambitious criteria risk undermining its ability to support industrial decarbonisation and the path to climate neutrality. Even if criteria are designed with a forward-looking perspective, they must remain applicable to investment decisions today.

At present, aluminium is the only non-ferrous metal covered under the Taxonomy's climate delegated act. However, the eligibility conditions will change in 2025: whereas operators previously needed to meet two of the three proposed criteria, alignment will now require compliance with all three at the same time.

As currently designed, these criteria are challenging, and in many cases can even be impossible to meet, even for operators among the best performers. The vast majority of EU producers are technically unable to meet the substantial contribution (SC) criteria, whereas there are also cases of aluminium smelters being labelled as "doing significant harm," despite having carbon footprints 50% lower than the global average.

One particularly challenging criterion concerns the carbon footprint of electricity consumption. This criterion already applies to aluminium manufacturing and has been proposed by the Platform on Sustainable Finance for copper, lithium, and nickel production as well.

The current thresholds for substantial contribution (100 gCO₂/kWh) and DNSH (270 gCO₂/kWh) are unattainable in several EU countries because they do not reflect national electricity mixes. Moreover, they do not correspond to the actual carbon performance of any specific generation technology or existing electricity system.

The Platform has also proposed even stricter future thresholds for the mining and manufacturing of copper, lithium and nickel. As a result, operators whose overall carbon footprint is far below the global average could nevertheless be classified as "doing significant harm" because of their electricity supply. This represents a significant reputational risk for high-performing European installations, that are in this sense penalised compared to their global competitors.

Adequate industry involvement in criteria design is essential to ensure that they are more usable and technically reflecting industry-reality and applicability.

December 2025

Our **recommendation**: Ensure that EU Taxonomy criteria remain robust, while also being achievable based on Best Available Technologies and industry technical reality.

2. Simplifying Appendix C of the Climate and Environmental Delegated Acts

While Appendix C is in the process of being revised as part of the first Omnibus package, and the revised delegated act has been proposed in July 2025, with improvements compared to the currently used version, additional edits are necessary to make it more usable and in line with other existing EU legislation.

In particular, **DNSH** to pollution prevention and control **should be based on compliance with existing EU legislation, such as the REACH Regulation, which provides a well developed and implemented framework to assess substances requiring risk management and identify the most appropriate risk management solutions.**

While we understand that ‘substantial contribution’ usually refers to performance that is better than the industry average, DNSH do not have the same purpose and should not go beyond what is already required under the existing EU legislation. DNSH criteria should be limited to preventing negative trade-off between the substantial contribution and the other environmental objectives and not implicitly demanding additional contribution to the other objectives with their own requirements.

Below we present some detailed recommendations on further improvements suggested in the Appendix C:

a) Remove “use of” from the heading: “The activity does not lead to the manufacture, placing on the market or use of”

The current heading of the Appendix C, which includes the phrase “**use of**” prevents several economic activities from being recognised as aligned due to the use of (sometimes unavoidable) hazardous substances in their manufacturing processes. This is the case even when these substances are not present in the final products and are used under well-controlled conditions for the workforce in accordance with other existing EU pieces of legislation.

Because of the current wording, even eligible and potentially aligned and strategic industrial activities, such as battery manufacturing, cannot be aligned under the EU taxonomy framework. It is important to highlight that hazardous substances are often used because they provide unique product performances. Substituting (i.e. replacing) these substances, often present in mixtures or in articles, is neither technically nor economically feasible at this stage. In addition, the number of substances used in manufacturing processes is extensive and, besides the significant investments in terms of time and resources required to check those, it can be unclear where the liability exactly stands.

This point has also been highlighted as problematic and challenging to interpret by the experts of the Platform on Sustainable Finance in their [recent report](#), (pag. 103). They propose replacing the opening heading with the following “*the activity does not lead to the manufacture, presence in the final product or output, or placing on the market*”, currently used for paragraphs f) and f) bis. We would support this option.

Our **recommendation**: Remove the reference to “**use of**” in the current heading to ensure that strategic and sustainable activities are recognised under the Taxonomy framework.

December 2025

b) Use of a 'risk-based' approach vs an 'Hazard-only driven'

Reading through the Appendix C, we notice that the text is based on a 'hazard-only driven' approach rather than a 'risk-based' approach.

A lot of non-ferrous metal or metal compounds, including those used in low carbon applications, have classifiable hazards of some type. Risk management measures exist and are in place to control emissions and exposure and hence avoiding the occurrence of effects associated with these hazardous properties. The presence and use of such substances does not mean 'harm' per se.

The use of these metals and metal compounds is necessary to achieve the technical performance expected by the market and they cannot be substituted (see paragraph above). Their risk management is controlled by compliance with the REACH Regulation (EC) 1907/2006, occupational safety and health (OSH) legislations and/or sector-specific environmental/product legislation. This network of legislations helps to identify where exposure/emissions may occur and address those to ensure they do not pose an unacceptable risk to human health or the environment.

Our recommendation: Avoid restrictions and limitations based solely on the hazard classification of a substance and take into account risk control measures and related EU legislation.

c) Deletion of paragraph f)

We suggest deleting paragraph f) as it presents interpretation challenges, for terms like "suitable alternative" and "controlled conditions" and has been previously highlighted as problematic for numerous industrial sectors.

Paragraph f) requires the assessment of alternatives for substances on the REACH Candidate List, even when these substances are not regulated under Authorisation or Restriction, or when risk management has been implemented via non-REACH routes (e.g. OSH). Such an analysis is not required under REACH for Candidate List substances. In addition, there are concerns over the verification of this information, which is performed by financial experts, that might not always be familiar with specific chemicals related legislation nor risk management measures to put in place.

In our view, it should be enough to comply with the mentioned chemical safety provisions in order to establish DNSH criteria.

Our recommendation: Delete paragraph f).

3. Consideration of multi-metallic recycling

In reviewing the Environmental Delegated Act (EU) 2023/2486, we propose a set of targeted amendments to ensure that multi-metallic recycling can qualify under the EU Taxonomy. Aligning the multi-metallic recycling activities under the EU Taxonomy would be in line with the objectives of increasing our circular economy leadership and the recycling benchmark in the Critical Raw Materials Act.

December 2025

Currently, multi-metallic recycling cannot be aligned due to specific exclusions in the existing Environmental delegated act. Specifically, metals and metals compounds are left out of the scope of the economic activity 2.4. **Treatment of hazardous waste**, and the limitation to “mechanical recycling” also excludes them from alignment under the economic activity: 2.7. **Sorting and material recovery of non-hazardous waste**.

We suggest removing the current exclusion in the activity **2.4 Treatment of hazardous waste**, for recycling metals and metal compounds, as well as materials recovery from batteries, Waste from Electrical and Electronic Equipment (WEEE), and End-of-Life Vehicles (ELV). If we consider WEEE, it can be classified as either hazardous or non-hazardous waste depending on the batch characteristics. It contains valuable critical raw materials such as Platinum-Group-Metals, copper, silver, and nickel. Removing this exclusion would allow non-ferrous metals recyclers to report eligibility under this EU taxonomy activity.

Second, in activity **2.7 Sorting and material recovery of non-hazardous waste**, the current limitation to using a mechanical transformation process should be removed as it overlooks the metallurgical steps required to close the loop and recover critical raw materials effectively.

Incorporating metallurgical processing, such as the smelting and refining, is necessary to close the loop and recover critical metals from these waste streams. Its inclusion would allow multi-metallic recyclers to demonstrate eligibility under this activity and better reflect the realities of advanced recycling processes.

Our recommendation: Conduct targeted edits to make multi-metallic recycling eligible under the EU Taxonomy.

4. Use of DNSH concept in other EU initiatives

Finally, another major issue of concern for non-ferrous metals economic operators is the use of the DNSH concept outside the EU Taxonomy context, and in a variety of other initiatives, such as the Recovery and Resilience Facility, Cohesion Funds, Innovation Fund, Modernisation Fund, and the Climate, Environment and Energy Aid Guidelines.

The vague and inconsistent interpretation of the concept, has blocked strategic projects, going against the EU's objective to reinforce its strategic autonomy and resilience, and creates major uncertainty about the outcome and what evidence will be considered sufficient.

As an example, Greece tried two times to include a chapter on CRMs in its Recovery and Resilience Plan (to finance reforms aimed at increasing the extraction, processing, and recycling), but both times this proposal was rejected because it was considered that mining -and to a lesser extent processing- does “significant harm” contradicting the objectives of reinforcing domestic raw materials production along the value chain as agreed in the Critical Raw Materials Act.

Our recommendation: Avoid using the DNSH outside the EU Taxonomy Framework and consider compliance with already existing EU legislation as a proof of DNSH.

December 2025

Contact:

Laura FAZIO BELLACCHIO, Sustainability Manager | fazio@eurometaux.be | +32 (0)2 775 63 28

Kamila SLUPEK, Sustainability Director | slupek@eurometaux.be | +32 (0)2 775 63 25

Violaine VEROUGSTRAETE, Chemicals Management Director | verougstraete@eurometaux.be | +32 2 775 63 27

About [Eurometaux](#): Eurometaux is the decisive voice of non-ferrous metals producers and recyclers in Europe. We are an umbrella association representing the interests of the combined non-ferrous metals industry towards EU policy makers.