

FESI speech for Implementation Dialogue on EU Taxonomy with Commissioner Maria Luís Albuquerque

10 July 2025

Commissioner,

Thank you very much for the invitation. Due to the discussion I decided to merge my points for question 1 & 2. FESI fully supports the Commission's efforts to simplify the Taxonomy through the ongoing Omnibus reviews and taxonomy delegated acts.

We represent a relatively niche sector (sporting goods, including apparel, footwear, and equipment) where most core activities currently fall outside the scope of the Taxonomy. Despite four years of reporting, taxonomy-eligible activities in our sector remain close to zero. The framework is too far removed from business realities to be usable.

Key data is often unavailable or misaligned. For instance, building standards are EU-based, while our companies operate globally. But one of the biggest challenges remains the DNSH criteria. They are too complex and often touch on elements companies can't directly control — for example, a company might electrify its fleet but still fail DNSH due to niche tyre requirements.

We would strongly support simplifying DNSH for our sector by:

- Focusing on what companies can realistically influence (like chemicals, water, energy, and waste) and aligning with existing or future EU laws like REACH and ESRP delegated acts for textiles.
- Accepting recognised certifications like OEKO-TEX, GOTS, Better Cotton, and ISO 14001.
- Introducing a tiered system to reflect different stages of transition.
- Providing practical templates or checklists to make compliance clearer, especially for SMEs.

Looking ahead, we welcome the idea of expanding the Taxonomy to new sectors like textiles and sporting goods, but only if it's done with strong industry involvement and grounded in practical tools and data. Our sector is already contributing to circularity through durability and material innovation, but this is not yet reflected in the framework.

We also believe that phased transition pathways and voluntary tools for SMEs would significantly improve access to sustainable finance, and we would encourage more structured dialogue with sector experts to ensure future criteria are truly workable