

# MOEA 2021 4th New Economic Development

## Consulting Meeting

### Minutes Abstracts

#### **1. Suggestions for the implementation of Taiwan Taxonomy**

- (1) The legislation of Taiwan Taxonomy should extend from the basis of domestic laws and regulations; it is recommended that the content of Taxonomy should avoid too many qualitative words, and standardized by quantitative data, which is easier for enterprises to implement.
- (2) The FSC should coordinate with relevant ministries and committees to think ahead and set specific Taiwan Taxonomy; refer to the Paris Agreement, government should review the content and implementation of different Taxonomy in a timely manner every five years.
- (3) Although the European Union promotes EU Taxonomy, each country has its own national conditions; Taiwan should refer to the countries with similar industrial proportions and their Taxonomy to legislation, and it is easier to be recognized by the international community.
- (4) Net zero carbon emissions is not only Taiwan's goal, but also an international trend. Taiwan Taxonomy should take greenhouse gas reduction as a priority environmental target, and coordinate with the Taiwan's reduction targets at different stages. For example, using the ratio of renewable energy as an indicator, or referring to the COP26 Glasgow Climate Agreement, enterprises operations or investment funds should reduce using or investing fossil fuels.
- (5) Taiwan Taxonomy should adopt the principle of invigorating large

enterprises while relaxing control over small ones; if Taiwan Taxonomy is too detailed, it may cause SMEs to be unable to follow; especially when calculating the Taxonomy aligned turnover, based on the whole plant information, the greenhouse gas emissions are checked and disclosed. However, EU Taxonomy is based on the products, and it is quite difficult for companies to implement the standards. It is recommended that in the short-term, to encourage corporate behavior adjustments based on industries and their overall carbon reduction, and in the mid- to long-term, to plan to extend product categories or Scope 3.

- (6) When formulating detailed industrial plans of Taiwan Taxonomy, we must also consider environmental desirability and re-evaluate the implementation schedule, such as the proportion of electric vehicles, green electricity, or green buildings.
- (7) The proposed Taiwan Taxonomy should consider the time flexibility, as long as the company has not violated the relevant laws and regulations in the past few years or reached the total amount standard within the time.
- (8) The green factory label system covers ESG related content, and also sets relevant standards for specific industries; it is recommended that the FSC can use the existing system as a reference to graft future Taiwan Taxonomy to reduce manufacturers administrative burden.

## **2. Climate risk assessment indicators**

- (1) In response to the international trend of compulsory listed companies to disclose climate risk information, it is recommended that climate risk disclosure should be a priority adjustment item for companies; however, climate risk assessment indicators are diverse, and the government must provide a set of short-, medium-, and

long-term scientific assessment method to lead companies to use meteorological data to implement climate risk assessment.

- (2) The government should formulate a set of sustainable ratings or certifications for SMEs to support their green financing.

#### **4. Other**

The FSC promotes "Green Finance 2.0", and talent cultivation will be the key; the Ministry of Economic Affairs can cooperate with the FSC from the perspective of talents.