

Testing, inspection and certification are necessary to rule out any financing of “greenwashing”

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The testing, inspection and certification (TIC) sector welcomes the ongoing discussion in the EU for the development of an implementation framework for the Taxonomy Regulation that would promote sustainable investments.

We recommend TIC activities (NACE 71.20) to be fully included in the delegated acts of the Taxonomy Regulation, because they enable several sectors, including those mentioned in the two recent draft delegated acts, to validate and verify whether their activities contribute to the six environmental objectives of the EU 2020/852 Regulation. The TIC sector also offers data-driven and impartial options for solutions on improving sustainability to our clients.

TIC services may cover all operational aspects of clients, including product development, real estate management and procurement, as well as supporting customers in achieving their sustainability goals throughout the value chain. Below you may find examples of the two ways that TIC services contribute the objective of sustainable investment.

Enabling other sectors to contribute to the Regulation’s Objectives

TIC services enable several sectors to achieve the Taxonomy Regulation’s objectives, by measuring, quantifying and verifying their impact towards more sustainable investment indicatively. These indicatively include:

Agriculture

- Management system verification for minimizing the use of resources, including water, and minimizing emissions

Environmental protection and restoration activities

- Water contamination and sanitation inspections
- Conformity assessment of pesticides against environmental and safety criteria
- Certification of environmental systems (ISO 14001)

Manufacturing

The TIC sector supports manufacturing activities in most of its manifestations and functions. In terms of climate mitigation and adaptation, we would like to mention the following examples:

- Renewable energy industry: safety and quality controls of renewable energy infrastructure, such as windmills and solar panels
- Hydrogen production industry: inspections of the industrial infrastructure producing hydrogen
- Climate change mitigation activities, including carbon neutrality certification, water stewardship auditing
- Monitoring, calculating, validating and verifying emissions, including of fuel refineries and manufacturing sites (for example, EU ETS, ISO 14067, ISO 14064)
- Certification systems for circularity and reparability of products
- Testing and certification for biodegradability and compostability

- Chain of custody auditing on ocean plastic content
- Certification for circular symbiosis of industries
- Data-driven solutions for GHG emission reduction
- EU environmental technology verification
- Validation of sustainable financing instruments and related post-issue verification

Transport

The TIC sector conducts testing and inspections to ensure that transport modes fulfil their safety and environmental obligations, including:

- Composition assessment of hydrocarbons to improve energy efficiency
- CO₂ free automotive industry: Classification of vehicles to sustainable energy sources (such as hydrogen), auditing of CO₂ emissions in real driving conditions
- E-vehicle industry: Control of the electrical safety of the charging stations for e-vehicles
- Sustainability certification of biofuels, bioliquids and biomass (Renewable Energy Directive II)

Construction and Real Estate Management

- Certification of energy management systems (ISO 50001)
- Climate change mitigation activities, including carbon neutrality certification, water stewardship auditing
- Data simulation for the evaluation of the energy performance of buildings

Ensuring that the TIC sector operates in a sustainable way

The TIC sector companies apply the above inspection and verification services as well to ensure their sustainability, in terms of operations, real estate management and procurement. For example, the sector applies data-driven solutions for GHG emission reductions' activity.

The sector also contributes to innovation and standardisation to reduce its own environmental impact and enable other sectors through the development of methodologies for lifecycle assessment.

Moreover, our sector supports labelling activities according to international standards. As such, we provide procurers, investors and consumers with verifiable information on products and processes' sustainability. We also contribute to creating a level playing field for sustainable companies, by making it easier for financing institutions to spot greenwashing attempts.

Therefore, it is important for TIC services to be included in the delegated acts of the Taxonomy Regulation. Otherwise, it might prove difficult for investment partners to include in their budget conformity assessment activities by accredited and impartial TIC bodies, who have technical equipment and expertise in verifying projects' sustainability.

Contact person: [Hanane Taidi](#), TIC Council's Director General

TIC Council is a global association representing over 90 international independent third-party testing, inspection, certification and verification organizations. The industry represents an estimated one million employees across the world with annual sales of approximately USD 200 billion.