

# Main ESG regulations, certifications, and labels in real estate

## Introduction

Policy makers having been considering tightening regulations for decades, but they have only recently stepped up their efforts to curb climate change, environmental issues and its negative impacts.

The European Union, among other players, have put a set of standards to help regulate ESG matters; including regulations around disclosure and transparency for companies, taxonomy for the asset management sector, and due diligence requirements. In addition to obligatory regulations, voluntary initiatives have developed to compliment the obligatory ones.

Deepki provides you with the ecosystem of regulations, labels and certifications focusing on Europe to ensure that you're up to date on your net zero journey.

**1.20°C**  
Global land temperatures between 2012 and 2021 were 1.11 to 1.14°C warmer than the pre-industrial level, which makes it the warmest decade on record. European near-surface temperatures have increased even more over the same period by 1.94 to 1.99°C.

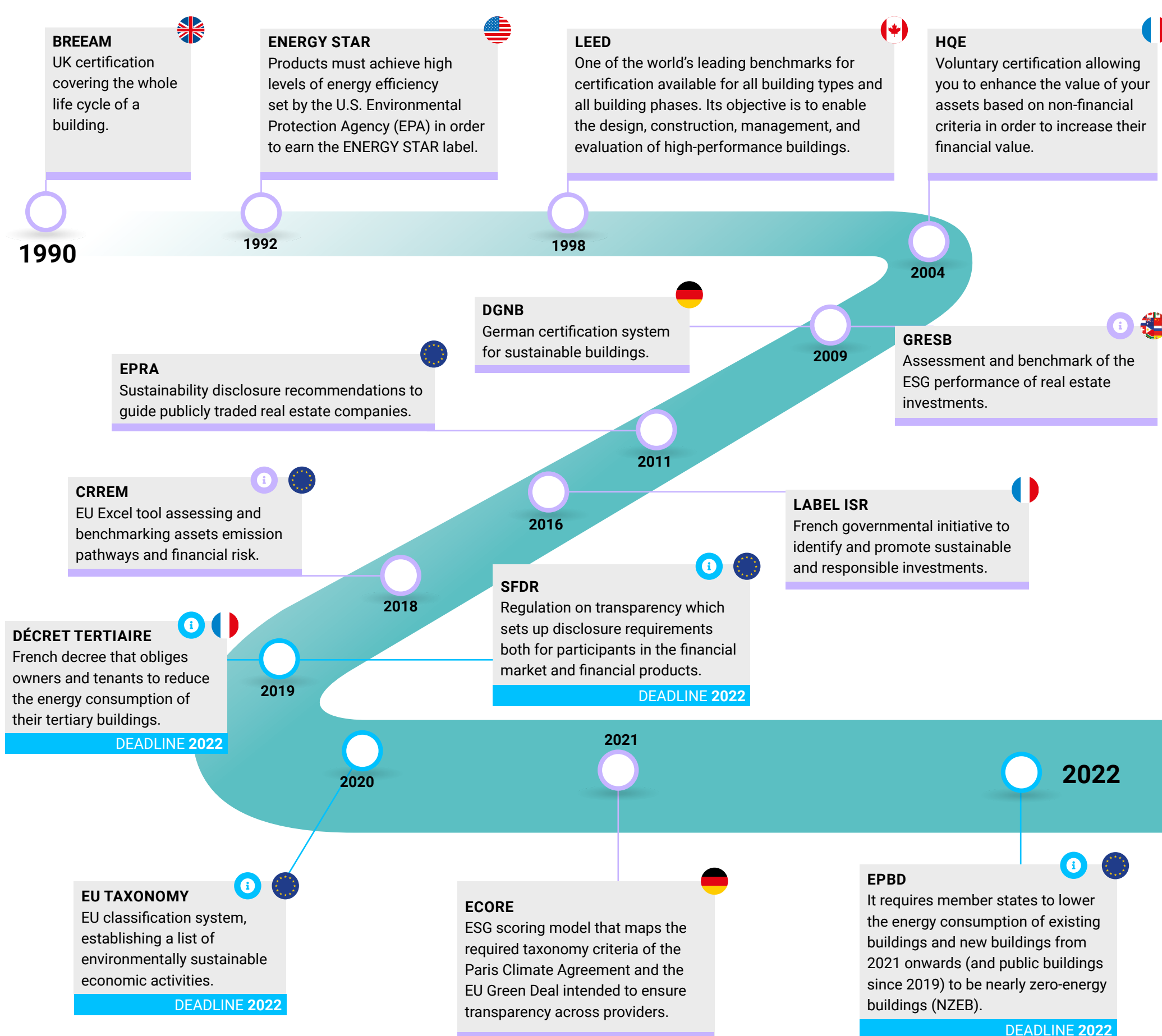
**2°C**  
In 2015, under the Paris Agreement, 195 countries set a target to keep average global temperature change below 2°C and as close as possible to 1.5°C.

**\$ 233B**  
ESG funds in Europe have attracted record inflows of \$233 billion USD in 2020, almost double that of 2019. Asset managers launched 505 new ESG funds and repurposed more than 250 conventional funds last year to meet the demand.

## Timeline & important regulations, labels and certifications

1990 - 2022

Label & Certification Regulation



## Deadlines recap

DEADLINE 2022	DEADLINE 2023
<p><b>January 1, 2022</b></p> <p><b>SFDR</b> The first Taxonomy Alignment (Level 1)</p>	<p><b>January 1, 2023</b></p> <p><b>SFDR</b> Regulator Technical Standards Final Draft (Level 2) comes into effect. Second Taxonomy Alignment Fund classification between articles 6, 8 and 9 funds</p>
<p><b>December 31, 2022</b></p> <p><b>DÉCRET TERTIAIRE</b> Deadline for entering final energy consumption data for 2020 and 2021 into the OPERAT platform.</p>	<p><b>January 1, 2023</b></p> <p><b>EU TAXONOMY</b> Provided the Delegated Act is published before January 1st 2023, the Taxo4 requirements will apply to market players.</p>
	<p><b>June 30, 2023</b></p> <p><b>SFDR</b> First report on the Principal Adverse Impact</p>

## Long term objectives

DEADLINE 2030	DEADLINE 2050
<ul style="list-style-type: none"> <li>Net emissions should decrease by 45% of the 1990 levels by 2030. Renewables are to deliver <b>32% of our energy</b> and efficiency is to be improved by 32.5%.</li> <li>By 2030, 35 million buildings should be renovated (<a href="#">EU Commission</a>).</li> <li>The European Commission has announced their contributions will reach 1 trillion by 2030 to help reach the net zero goals.</li> <li>The EU has estimated that the energy sector alone would require an additional <b>350 billion euro investment per year</b> till 2030 to successfully meet the 55% emission reduction target. (European Commission, 2021b).</li> </ul>	<ul style="list-style-type: none"> <li>Under the Paris Agreement, net emissions should be reduced to zero by 2050 in order to meet the objective at the heart of the European Green deal in line with EU's environmental commitments.</li> </ul> <p><b>Deepki is your long-term ally, helping you put in place a proper strategy for your portfolio.</b></p>

### HOW DEEPKI CAN HELP YOU

Deepki experts are specialized in accompanying you through the processes to keep up with upcoming deadlines of these regulations and initiatives.

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