HUMAN RIGHTS AND MINIMUM SAFEGUARD CLAUSES IN SUSTAINABLE FINANCE TAXONOMIES: A COMPARATIVE ANALYSIS

[AN OHCHR WHITE PAPER, MARCH 2025]

I. Introduction

1. Financial flows that support investments in sustainable economic activities are considered as sustainable finance. The term 'sustainable finance' is generally used to refer to financial investment in products and activities that takes into account environmental, social and governance (ESG) aspects. The term is also sometimes used to refer to the sustainable finance regulation for such investment products and activities, rather than the regulated transactions. Thus, sustainable finance regulations address the conditions under which investments can be deemed to be 'sustainable'. Sustainable finance and its regulation have grown substantially in the last decade. However, it is difficult to track its overall growth accurately because what counts as sustainable finance remains subject to debate. Using the issuance of sustainability-linked financial products (e.g., bonds) as an indicator, the last decade saw an exponential growth from a mere USD 30 billion volume in 2013 to USD 1.02 trillion in 2021, followed by a decline to USD 843 billion in 2022 and a small increase in 2023 to USD 872 billion[1].

2. Sustainable investments are becoming particularly appealing from the perspective of a variety of actors, such as borrowers – corporate and sovereign – issuing 'green bonds' or other sustainability-linked debt instruments, investment companies developing products attractive to individual investors, banks involved in such transactions and, of course, investors themselves, seeking to align their financial strategies with the sustainability transition, for moral and/or economic reasons.

3. However, while there is an increasing interest and use of financial investments in products and activities that take into account environmental, social and governance (ESG) aspects, the application of human rights is incomplete and inconsistent, and human rights are not always seen as part of the rule of law

[1] Source: UNCTAD, based on information from Climate Bonds Initiative.

that constitutes a pre-existing legal obligation of States and responsibility of businesses, including investors.[2]

4. In this context, it is important to provide some benchmarks regarding what investments are genuinely sustainable and human rights-compliant, so that finance can be channelled to them, and risks of 'greenwashing' are reduced. This is particularly important in the current context, marked by regulatory competition and initiatives to cut down the regulatory burden faced by companies.[3] One way to tackle this challenge has been the development of regulatory taxonomies, namely standards issued by entities ranging from regional institutions to national financial regulators to non-profit organisations, that define what activities can be deemed a sustainable investment, and under what conditions.

5. In some instances, when these taxonomies have been developed, human rights were undermined by ideological and political lenses that limit and distort their understanding, missing the universality and indivisibility of human rights. This overlooks the fact that all human rights, including civil and political rights, economic, social, and cultural rights, the right to development, and the right to a clean, healthy, and sustainable environment, are interdependent and mutually reinforcing and applicable to all aspects of society, including the economy.

6. Human rights often are understood too simplistically. For example, while many prioritize the mining of critical energy transition minerals essential for combating climate change—a goal that itself promotes human rights by protecting people from the impacts of environmental degradation—this same mining can simultaneously harm other human rights. A just and equitable transition to sustainable economies and societies requires not only reducing environmental harm but also ensuring that the protection of human rights remains central in the process and at every stage of value chains.

7. UN Human Rights is advocating for the concept of a human rights economy to help ensure that economic and social decision-making and policies are guided by and invest in human rights. Human rights economies ensure that human rights are implemented across all economic sectors, ranging from the natural resource sector to the infrastructure sector, investments and others. They are about decent and fair work and working conditions – for all. They prioritise

[2] For more information on human rights obligations and responsibilities related to ESG aspects of investment see Investors, environmental, social and governance approaches and human rights, Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises at: https://docs.un.org/A/HRC/56/55 (2 May 2024).
[3] See e.g. the Sustainability Omnibus Review launched in February 2025 by the European Commission: https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_615

resolute action on the triple planetary crisis, upholding our right to a clean, healthy and sustainable environment, including by ensuring adequate financial flows for measures against global climate boiling, the extinction crisis, and toxification, thereby mitigating adverse human harms. Financial sector actors, including investors, can play a significant role in driving human rights change through their decisions to invest in sustainable economic activities which enhance the realization of the human rights, including economic and social rights as well as the right to a clean, healthy and sustainable environment for all.

8. Current taxonomies on sustainable finance often do not capture how some investments can impose human rights costs and how others could be human rights enhancing. However, some taxonomies recognise the need to uphold a minimum social safeguards clause, including human rights. Unfortunately, safeguards are not always included in taxonomy instruments and, even when they are, their contents may remain unspecified and unclear. These two shortcomings are the focus of this position paper.

9. Although financial regulation targeting environmental and social risks has developed over the last decade, the initiative by the European Union to develop a Taxonomy Regulation[4] performed not only a catalysing but a truly foundational role in this space in that the EU Taxonomy Regulation gave momentum to the development or updating of taxonomies in a growing number of countries and organisations from around the world,[5] including ASEAN, Australia, Bangladesh, Brazil, Canada, Chile, China, Colombia, Dominican Republic, India, Indonesia, Mexico, Mongolia, New Zealand, Peru, Russia, Singapore, South Africa and the UK, which set out to develop some form of guidance of what qualifies as a sustainable investment (see Appendix I).[6] These instruments are quite diverse in their contents and approach and, in many cases, the process is still at an embryonic stage. Significantly, the United States, which is home to some of the main financial centres in the world, has so far not engaged in a process to develop a taxonomy.

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4 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (Taxonomy Regulation or TR).

5 See S. Alarcon, T. Miranda, *Unlocking Sustainable Finance. Green and Sustainable Taxonomies* (Institute of the Americas, June 2023), available at : https://iamericas.org/wp-content/uploads/2023/07/GREEN-TAXONOMY-REPORT-final.pdf ; (website quoted in my case study)

6 Appendix I summarises all the taxonomies effectively adopted as of December 2023, which were identified in the research leading to this paper. It also mentions some jurisdictions where there is currently an ongoing process to develop a taxonomy instruments.

10. The focus of taxonomy instruments is predominantly on environmental aspects. The 'social' aspects, understood broadly as encompassing a variety of considerations including human rights but also labour rights or corruption, are only marginally integrated. This is highly problematic both because it creates the type of uncertainty that taxonomies set out to address in the first place, and because it is inconsistent with international human rights law. This position paper first explains the legal bases requiring States and non-State actors to integrate human rights in sustainable finance instruments, whether legal acts, voluntary guidelines or self-regulatory initiatives. States are required under international human rights law to respect, protect and fulfil human rights, and that requirement extends to the design of financial regulations, including taxonomies. In addition, non-State actors such as investors and investment companies have, as such, the responsibility to respect human rights in their investment decisions. Second, the paper maps and discusses the need to harmonise the contents of the minimum safeguards clause in the EU taxonomy with international human rights law, both to ensure that human rights are adequately respected, protected and fulfilled and to provide clarity and certainty to financial market operators about the meaning of the minimum safeguards clause. The paper concludes with specific and workable recommendations on how to achieve this outcome.

II. The respect, promotion and fulfilment of human rights is a necessary component of sustainable finance taxonomies

11. Minimum safeguard clauses can be described by reference to the clause appearing in the EU Taxonomy Regulation. Under this instrument, an 'environmentally sustainable investment' is defined as 'an investment in one or several economic activities that qualify as environmentally sustainable' (Article 2.1 TR). In turn, to qualify as 'environmentally sustainable', an activity has to meet four requirements: it contributes substantially to one or more out of six objectives (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems); it does not significantly harm any of the other objectives; it complies with certain technical screening requirements; and – importantly for present purposes – it 'is carried out in compliance with the minimum safeguards laid down in Article 18' (Article 3(c) TR). Article 18(1) provides some guidance on what is required by the minimum safeguards clause:

> 'The minimum safeguards referred to in point (c) of Article 3 shall be procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights'

12. The contents of the minimum safeguards clause are analysed later in this position paper (Section III), but this brief discussion suffices to understand how human rights consideration can be integrated, through a minimum safeguards clause, into the definition of a sustainable investment. This is certainly not the only way. Aside from those instruments that do not contain any explicit safeguard, there are others that integrate the social dimension of investments in a variety of ways, including full 'social taxonomies', 'principles', 'exclusions' and a range of references in passing. Table 1 shows the approach followed in many of the key taxonomic initiatives undertaken so far:

Table 1: Integration of social aspects

Taxonomy	Integration of social aspects
ASEAN	Essential criterion 3: Social Aspects (EC3) (Section 3.2.3) and Guidance on the Assessment of Social Aspects (Section 5.5)
Bangladesh	Section 4 (Applicable standards), Annex 1 (exclusions 7 and 9), Annex 4 (F, G, H), Annex 9
Climate Bonds Initiative	No specific minimum safeguards clause. Reference to social risks in relation to the assessment of some energy activities
China	No specific minimum safeguards clause. However, the 2020 Technical Report provides a classification of activities contributing to SDGs, which includes categories covering investment in some forms of social development (basic infrastructure, affordable housing, healthcare, food security, financial services, education and culture). The exclusion criteria of the 2020 Technical Report includes 'projects violating human rights'
Colombia	Minimising or avoiding negative 'social impact' is part of the 'do no significant harm' principle applicable activities – in seven sectors – that contribute to mitigating climate change (Chapter 2, Section 2.2.2)
European Union	Articles 3(c) and 18 Taxonomy Regulation
Georgia	It contains both a Green and a Social Taxonomy (investment into human development sectors). However, the Green Taxonomy has no safeguards clause and no reference to human rights is made in either taxonomy
Indonesia	To qualify as 'green', activities must apply a 'minimum safeguard' (Table 2)
Malaysia	Guiding Principle 5 (GP5): Prohibited activities, Section 7.23
Mexico	It includes a minimum safeguards clause as one of the four technical evaluation criteria (Table 1.7) and a chapter with a specific gender equality index (Chapter 3)
Mongolia	Principles 4 and 5 require, respectively, alignment with international standards and good practices and compliance with ESG standards, including social risk management regulations and standards
Russia	There does not seem to be any specific safeguards clause incorporating human rights (text inaccessible)
Singapore	Minimum safeguards applicable to all assessments (Section: Taxonomy in Practice)
South Africa	Principle 3: Comply with Minimum Social Safeguards (Section 2.8)

13. In those taxonomies which are silent on matters of human rights or where only an in-passing reference is made, the obligations and responsibilities arising from international human rights law remain nonetheless applicable. Fleshing them out can therefore send a clear signal to all relevant stakeholders, including investors, investment companies and target companies, that human rights are an essential component of sustainable finance. That, in turn, **can help to direct investment into those activities which can make a genuine contribution to sustainable development, allowing them to 'capture' the benefits of their positive impact by attracting more financial investment in their operations**. A missing or blurred signal may, instead, prevent such activities from being rewarded for their positive contribution, thereby placing them on an equal footing with activities with adverse impacts on human rights.

14. Moreover, and in any event, States are responsible to ensure human rights are protected and fulfilled as a matter of international law**, including safeguarding human rights when investment decisions are made. Businesses, including investors, are responsible to respect human rights**. As explained next, such requirement governs the conduct of States and non-State actors, including investors and companies. This means that, irrespective of the legal nature of the taxonomy and the type of investment transactions targeted, States must ensure human rights are protected and fulfilled as a matter of international law.

15. When designing, adopting, supporting or otherwise endorsing taxonomies, States remain bound to their obligations under international human rights law. In its General Comment No. 24 on State obligations under the International Covenant on Economic, Social and Cultural Rights in the context of business activities, the Committee on Economic, Social and Cultural Rights made clear that business activities include financial transactions, and that they are governed by human rights obligations.[7] Under the obligation to protect, States are expected to 'revise relevant tax codes, public procurement contracts, export credits and *other forms of State support, privileges and advantages in case of human rights violations, thus aligning business incentives with human rights responsibilities*'.[8] In General Comment No. 16 on State obligations regarding

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7 These activities encompass "all activities of business entities, whether they operate transnationally or their activities are purely domestic, whether they are fully privately owned or State-owned, and regardless of their size, sector, location, ownership and structure", Committee on Economic, Social and Cultural Rights, General comment No. 24 (2017) on State obligations under the International Covenant on Economic, Social and Cultural Rights in the context of business activities, 10 August 2017, E/C.12/GC/24, paragraph 3.

8 Committee on Economic, Social and Cultural Rights, General comment No. 24 (2017) on State obligations under the International Covenant on Economic, Social and Cultural Rights in the context of business activities, 10 August 2017, E/C.12/GC/24, paragraph. 15 (emphasis added)

the impact of the business sector on children's rights,[9] the Committee on the Rights of the Child clearly stated that identifying, preventing and mitigating any adverse impacts on children's rights arising from supported projects is a requirement, and State agencies must not provide financial support to 'activities that are likely to cause or contribute to children's rights abuses.'[10] In State funding of activities, States must

> 'Ensur[e] that State agencies with a significant role regarding business, such as export credit agencies, take steps to identify, prevent and mitigate any adverse impacts the projects they support might have on children's rights before offering support to businesses operating abroad and stipulate that such agencies will not support activities that are likely to cause or contribute to children's rights abuses.'[11]

16. More specifically, States as well as international organisations must provide an 'enabling environment for rights-respecting investment', as elaborated on in the work of the UN Working Group on Business and Human Rights (the 'Working Group').[12] The Working Group refers, in this connection, to the EU Taxonomy Regulation and its alignment with the UN Guiding Principles on Business and Human Rights:

> 'the minimum safeguards under the EU Taxonomy, which sets environmental performance thresholds in relation to new legal disclosure obligations for European financial market participants, are based on internationally recognised human rights and specifically require alignment with the Guiding Principles'[13]

17. Such requirements also apply to non-State actors because they are not 'of a strictly interstate character'[14] and may 'attach to the non-State individual'.[15] This is confirmed by their specific articulation in several international instruments with regard to non-State actors. The UN Guiding Principles provide in Principle 11: '[b]usiness enterprises should respect human rights'.[16]

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9 Committee on the Rights of the Child, General comment No. 16 (2013) on State obligations regarding the impact of the business sector on children's rights, 17 April 2013, CRC/C/GC/16.

10 Committee on the Rights of the Child, General comment No. 16 (2013) on State obligations regarding the impact of the business sector on children's rights, 17 April 2013, CRC/C/GC/16, paragraph 45.

11 Committee on the Rights of the Child, General comment No. 16 (2013) on State obligations regarding the impact of the business sector on children's rights, 17 April 2013, CRC/C/GC/16, paragraph 45.

12 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraphs 33-34.

13 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 34.

14 Nevsun Resources Ltd. v. Araya, Judgment (28 February 2020), 2020 SCC 5 (CanLII), paragraph 113.

15 Urbaser S.A. and Consorcio de Aguas Bilbao Biskaia, Bilbao Biskaia Ur Partzuergoa v. Argentine Republic, Award (8 December 2016), paragraph 1195.

16 Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework, HRC Resolution 17/4 (16 June 2011), Principle 11.

Principle 12 further refers to a minimum standard, namely the 'International Bill of Rights'.[17] Taking stock of the implementation of the Guiding Principles, the UN Working Group on Business and Human Rights noted, in a 2021 report focusing on institutional investors, that 'the expectation that businesses, including investors, respect human rights is increasingly understood as a core expectation for how all business and investment should be done'.[18]

18. Specifically, under the Guiding Principles, institutional investors, understood broadly,[19] are expected to:

> 'have in place a policy commitment to respect all internationally recognised human rights – understood, at a minimum, as those expressed in the International Bill of Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work'[20] [Policy commitment to respect human rights]
>
> 'carry out human rights due diligence during the pre-investment phase as well as during the life of their investment in order to *know* how their investment activities are connected with human rights risks and *show* how they take steps to address these risks'[21] [Human rights due diligence]
>
> 'victims of adverse corporate human rights impacts have a right to effective remedy. At the institutional level, investors should have in place their own effective grievance mechanism(s) to support the provision of remedy when they cause or contribute to a situation where someone's human rights are adversely impacted'[22] [Providing a remedy when harm occurs]

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17 Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework, HRC Resolution 17/4 (16 June 2011), commentary to Principle 12, pages 13-14.

18 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 6.

19 The terms 'institutional investors include asset owners (such as public and private pension funds, sovereign wealth funds, endowments, family offices and faith-based organisations) and asset managers (such as stand-alone asset management firms, hedge funds, mutual funds and private sector investment banks and insurance companies in relation to their investment functions). This report also aims to cover public and private equities, fixed income, real estate, infrastructure, commodities and other types of asset classes and strategies such as multi-asset strategies and funds of funds', Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 9.

20 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 13.

21 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 14 (emphasis original).

22 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 25.

> 'Investors should always assess companies' policies and practices regarding stakeholder engagement and on the effectiveness of their grievance mechanisms and use their leverage to promote meaningful stakeholder engagement by investee companies. Investors should also be prepared to directly engage with stakeholders who raise concerns with the institution regarding its investments'[23] [Stakeholder engagement]

19. In this normative context, taxonomies that do not mention or fall short of these requirements are inconsistent with the obligations of States and the responsibilities of non-State actors under international human rights law. For example, exclusions or negative-list approaches, which exclude investment in certain types of companies and/or sectors such as tobacco, alcohol, controversial weapons or fossil fuels, are useful but insufficient to comply with the requirements of human rights due diligence. This is because:

> 'while screening companies in sectors with known severe human rights risks or for companies operating in high-risk contexts may help ensure portfolios are free from some severe impacts, companies of all sectors and sizes and in any operating context may be connected to human rights abuses'[24]

It is therefore important to ensure that the requirements of international human rights law are fully integrated into taxonomies. The application of such requirements is independent of their express integration, but such integration can help to harmonise a range of ESG requirements and thereby provide much needed clarity to investors as well as to other stakeholders. As discussed next, one key aspect of such harmonisation concerns the contents of such requirements.

III. The need for a common approach to the requirements arising from human rights safeguards clauses

20. One key challenge arising from social safeguards in taxonomy instruments is the lack of specification of the core standards that must be respected. This challenge is also an opportunity for the leading human rights bodies, including the OHCHR, to help harmonise the contents of taxonomies around the world. Harmonisation is an important demand from both regulators and investors,

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23 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 28.

24 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 16.

although efforts in this space have so far focused on harmonising sectors and activities.[25]

21. As in the previous section, it is useful to begin the examination by reference to the experience in the European Union. In this context, an effort to develop a taxonomy instrument for social aspects has been indeed attempted,[26] but important differences of view led to its postponement. In all events, a 'social taxonomy' cannot, in and of itself, replace social safeguards. This is because the very reason for such safeguards is to ensure that investment in 'green' activities are not promoted if they come at the expense of human rights protection. For example, the Working Group has noted that renewable energy projects, despite their benefits for clean energy, could – as virtually any other activity – be linked to human rights abuses.[27] This is the heart of what a safeguards clause is intended to prevent, and it is not adequately addressed by means of a social taxonomy. In the EU, this problem is addressed through the minimum safeguards clause in Articles 3(c) and 18 of the EU Taxonomy Regulation.

22. As noted earlier in this position paper, Article 18(1) of the EU Taxonomy Regulation expressly refers to the 'International Bill of Human Rights' as well as to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the conventions referred to therein. Moreover, preambular paragraph 35 of the EU Taxonomy Regulation, after referring to the above instruments, notes that 'those minimum safeguards are without prejudice to the application of more stringent requirements related to the environment, health, safety and social sustainability set out in Union law, where applicable'.

23. In July 2022, the Platform on Sustainable Finance, a permanent expert group of the European Commission established by Article 20 of the Taxonomy Regulation with membership spanning the public and private sectors, published a Final Report on Minimum Safeguards.[28] In this report, it suggested reliance on certain aspects of the EU Sustainable Finance Disclosure Regulation

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25 See Table 3 below.

26 See Platform on Sustainable Finance, Final Report on Social Taxonomy (February 2022).

27 Taking stock of investor implementation of the Guiding Principles on Business and Human Rights. Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, 17 June 2021, A/HRC/47/39/Add.1, paragraph 16.

28 See Platform for Sustainable Finance, Final Report on Minimum Safeguards (October 2022).

(SFDR)[29] was a way of further clarifying the minimum safeguards included in the Taxonomy Regulation. The SFDR requires certain specific disclosures from financial market participants claiming to make 'sustainable investments', particularly the disclosure of their and their product's 'principal adverse impacts' (PAI). The latter can be tracked by reference to certain indicators identified in a set of Regulatory Technical Standards (RTS) adopted in April 2022.[30] Five of them are mandatory and must be used by financial market participants in their reporting: violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises; unadjusted gender pay gap; board gender diversity; and exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons). Human rights also feature in the additional – non-mandatory – indicators identified in the RTS: lack of a human rights policy; lack of due diligence; lack of processes and measures for preventing trafficking in human beings; operations and suppliers at significant risk of incidents of child labour; operations and suppliers at significant risk of incidents of forced or compulsory labour; and number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis. The Platform on Sustainable Finance has suggested reliance on at least the mandatory indicators as a way of populating the content of the minimum safeguard clause in the Taxonomy Regulation.

24. A comparative analysis of the integration of social aspects in other taxonomies around the world suggests that the EU approach remains, at present, a high-water mark. Table 2 summarises, for each taxonomy, the contents of the social safeguards component:

Table 2: Social safeguards components in taxonomies around the world

Taxonomy	Core standards incorporated
ASEAN	There are three social aspects: promotion and protection of human rights, prevention of forced labour and protection of children's rights, impact on peoples living close to investments. In addition to domestic instruments of associated countries, international instruments specifically referred to are: ASEAN Human Rights Declaration (AHRD); Phnom Penh Statement on the Adoption of the AHRD (ASEAN, 2012); ASEAN Declaration on the Protection of the Rights of Migrant Workers; ASEAN Consensus on the Protection and Promotion of Rights of Migrant Workers (ASEAN, 2012); ASEAN Declaration on Strengthening Social Protection (ASEAN, 2013)

29 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

30 Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 (RTS).

Bangladesh	Main areas covered are the prohibition of child labour, protection of Indigenous Peoples, workers and communities. Section 4 (Applicable standards) refers to Annex 9, which lists specific domestic and international instruments. However, except for some occupational risk labour standards and indirect references through IFC sectorial standards, there is no reference to an international instrument relating to human rights.
Climate Bonds Initiative	Unspecified
China	No reference to human rights. The exclusion criterion require exclusion of 'projects that the national government discourages and those that international organisations, such as UN agencies and multilateral development banks, exclude from project fund-raising or development finance'. A footnote to this criterion references the standards used by UNDP and the World Bank: 'UNDP's project-level Social and Environmental Procedure integrates social and environmental standards, with overarching principles (human rights, gender equality and environmental sustainability) to understand potential social and environmental risks and their significance, as well as determine the social and environmental management required to address potential project risks and impacts. UNDP's Due Diligence Policy to work with the Private Sector has defined a set of exclusionary criteria outlining those business practices considered unacceptable to the organization. The World Bank (and other multilateral development banks) Environmental and Social Framework (ESF) enables the Bank and Borrowers to better manage environmental and social risks of projects and to improve development outcomes'
Colombia	Section 2.2.2 refers to the IFC Performance Standards 1 (Assessment and Management of Environmental and Social Risks and Impacts), 2 (Labor and Working Conditions), 4 (Community Health, Safety, and Security), 5 (Land Acquisition and Involuntary Resettlement), 7 (Indigenous Peoples) and 8 (Cultural Heritage).
European Union	Express reference to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work (and eight fundamental conventions referred to therein), International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights)
Georgia	There is no reference to human rights. The main sectors of investment described by the Social Taxonomy are: affordable basic infrastructure; healthcare and related social services; financing and financial services; food security; education, technology, culture, fitness. But no international instrument is referred as a standard in any of these sectors.
Indonesia	Applying the 'minimum safeguard' to qualify as 'green' entails applying 'best practices at both the national and international level'. But such best practices are not further specified and no express reference to international human rights instruments is made
Malaysia	Section 7.23 lists under GP5 (Prohibited activities) those 'activities that are in contravention with national human rights and labour laws'. The standards expressly referred to 'include but are not limited to' certain domestic laws.
Mexico	It makes specific reference to domestic laws and international instruments, including the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, UN Principles on Responsible Investment, the UN Global Compact. Chapter 3 includes a gender equality index based on three pillars (dignity in working conditions, welfare, social inclusion)
Mongolia	There are no specific references to international human rights instruments. However, Principle 4 states that 'In the absence of commonly agreed local standards, the taxonomy should reference international standards and best practices'. Moreover, Principle 5 refers to the Mongolian Sustainable Finance Principles and Sector Guidelines, which in turn refer to some international standards, including the IFC Performance Standards.
Russia	There does not seem to be any specific safeguards clause incorporating human rights
Singapore	Express reference to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Core Labour Standards, the OECD Due Diligence Guidance for Responsible Business Conduct
South Africa	References mainly to domestic instruments but also to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights

	and ILO Core Labour Conventions, the OECD Due Diligence Guidance for Responsible Business Conduct, the Equator Principles (EP4), the IFC Performance Standards

25. The dark grey shaded jurisdictions in Table 2 identify those taxonomies that share the approach of the EU Taxonomy Regulation, with specific references to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles and the ILO Core Labour Standards. This approach is becoming increasingly important in light of the importance of the financial markets of some of the jurisdictions which have applied it. **Yet, despite such specific references, the articulation of the social dimension lacks detail**.

26. The taxonomies in the light-grey shaded jurisdictions make a specific reference to some international standards, mainly those of the International Finance Corporation (IFC) or, in the case of the ASEAN taxonomy, certain regional standards. References to the IFC Performance Standards on Environmental and Social Sustainability, which were last updated in 2012 (with their 2012 Guidance Notes last updated in June 2021)[31] can be considered as an indirect integration of international human rights standards. Paragraph 3 of Performance Standard 1 specifically states:

> 'Business should respect human rights, which means to avoid infringing on the human rights of others and address adverse human rights impacts business may cause or contribute to. Each of the Performance Standards has elements related to human rights dimensions that a project may face in the course of its operations. Due diligence against these Performance Standards will enable the client to address many relevant human rights issues in its project.'[32]

This reference to human rights due diligence is an expression of the cross-cutting integration of the human rights dimension into several Performance Standards, as stated in paragraph 4 of the introductory overview of this instrument. The IFC Guidance Note on its Performance Standards provides detail on the sources of the requirements, including specific references to the UN Guiding Principles,[33] the OECD Guidelines on Multinational Enterprises[34]

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31 IFC, Performance Standards on Environmental and Social Sustainability (2012), available at: https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards

32 Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts, paragraph 3, in IFC, Performance Standards on Environmental and Social Sustainability (2012).

33 IFC Guidance Notes: Performance Standards on Environmental and Social Sustainability (2012; last updated in June 2021), Guidance Note 1, GN45, available at : https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-guidance-note-en.pdf

34 IFC Guidance Notes: Performance Standards on Environmental and Social Sustainability (2012; last updated in June 2021), Guidance Note 2, GN25, available at : https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-guidance-note-en.pdf

and the ILO Core Labour Standards.[35] This is significant because, **despite the indirect nature of the reference, it is a clear signal of the room for convergence across taxonomies**.

27. The remaining jurisdictions either refer to specific domestic standards – sometimes in an open manner – or make no reference to standards. Significantly, the cases of China and Georgia illustrate the difference between safeguard clauses and social taxonomies. Both China and Georgia have developed the equivalent of a social taxonomy, identifying specific sectors for investment consistent with social objectives or the sustainable development goals. Georgia's social taxonomy is part of its Sustainable Finance Taxonomy for Georgia adopted in 2022.[36] This instrument is expressly aligned with the social taxonomy adopted two years earlier by China, in a Technical Report on SDG Finance Taxonomy (2020).[37] In both cases, the taxonomy follows a previous effort by the International Capital Markets Association (ICMA)'s Social Bonds Principles[38] in their identification of six eligible activities for the issuance of social bonds, namely: basic infrastructure; affordable housing; health; education, technology and culture; food security; and financial services. Yet, neither one of these two jurisdictions includes social safeguards limiting what constitutes eligible activities for the purpose of the green taxonomy.

28. Thus, **the convergence across taxonomies with regard to the content of the minimum safeguards is broad but partial, and even in those cases where there is convergence, the implementation details remain unsettled**. This is the case of all jurisdictions analysed, including the EU, where the implementation details could be extrapolated from the SFDR framework, if the recommendation of the Platform on Sustainable Finance were followed. Harmonised and clear guidance is therefore a pressing need.

29. In this context, **the role of the United Nations and, particularly, of its main human rights institutions, such as the Human Rights Council, its special procedures and the OHCHR, in co-operation with other UN programmes, could be particularly important**. This is for at least three reasons. First, the United Nations and its specialised programmes and procedures command particular authority in relation to human rights, which would lend great

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35 IFC Guidance Notes: Performance Standards on Environmental and Social Sustainability (2012; last updated in June 2021), Guidance Note 2, introduction, paragraph 2, available at : https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-guidance-note-en.pdf

36 Available at : https://www.sbfnetwork.org/wp-content/assets/policy-library/702_Georgia_sustainable_finance_taxonomy_2022.pdf

37 Available at : https://www.undp.org/china/publications/technical-report-sdg-finance-taxonomy

38 This instrument, as last updated in June 2023, is available at : https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/

credibility for the development of such guidance, as it has been the case for the UN Guiding Principles. Second, several initiatives to develop taxonomies are currently ongoing and could benefit from such an input. Processes to develop taxonomies are in progress in Argentina, Australia, Brazil, Canada, Chile, the Dominican Republic, India, New Zealand, Peru and the United Kingdom (see Table 3 below). Third, taxonomies are by definition constantly evolving and, despite country specificities, they are intended to be consistent with one another. Table 3 summarises some concerted efforts to detect difference and harmonise core aspects of these taxonomies.

Table 3: Harmonisation efforts and tools

Taxonomy	Progress status (as of December 2023)[39]	Examples of harmonisation efforts or tools
Argentina	In progress	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023); G20 Sustainable Finance Roadmap (2021)
ASEAN	ASEAN Taxonomy for Sustainable Finance (2023)	This taxonomy is, as such, an effort to provide a common framework for the 10 States of ASEAN; G20 Sustainable Finance Roadmap (2021)
Australia	In progress	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
Bangladesh	Guidelines on Environmental and Social Risk Management (2022)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
Brazil	In progress	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023); G20 Sustainable Finance Roadmap (2021)
Canada	In progress	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
Climate Bonds Initiative	Climate Bonds Taxonomy (2021)	The Climate Bonds Initiative has been very active in supporting harmonisation of different taxonomies
Chile	In progress	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)
China	Technical Report on SDG Finance Taxonomy (2020); Green Bond Endorsed Project Catalogue (2021 edition)	International Platform on Sustainable Finance, Common Ground Taxonomy – Climate Change Mitigation (June 2022) (EU and China); G20 Sustainable Finance Roadmap (2021)
Colombia	Colombian Green Taxonomy (2021)	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023); Climate Bonds Initiative, Comparison Study between the EU and Colombian Taxonomies (June 2023)

[39] The latest editions are used, when publicly accessible. Source: J. Viñuales, 'Investment treaties and climate change policy: A possible legal pathway' (2025) 40 *ICSID Review*, forthcoming. A database of green finance measures is kept by the Green Finance Partnership : https://www.greenfinanceplatform.org/financial-measures/browse

Dominican Republic	In progress	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)
European Union	Taxonomy Regulation (2020)	International Platform on Sustainable Finance, Common Ground Taxonomy – Climate Change Mitigation (June 2022) (EU and China); Climate Bonds Initiative, Comparison Study between the EU and Colombian Taxonomies (June 2023); National Treasury of South Africa, A comparison of the EU Green Taxonomy with South Africa's Green Taxonomy (November 2022); G20 Sustainable Finance Roadmap (2021)
Georgia	Sustainable Finance Taxonomy for Georgia (2022)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
India	In progress	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
Indonesia	Indonesia Green Taxonomy (2022)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
Malaysia	Climate Change and Principle-based Taxonomy of Malaysia (2021)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
Mexico	Sustainable Taxonomy of Mexico (2023)	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023); G20 Sustainable Finance Roadmap (2021)
Mongolia	Mongolian Green Taxonomy (2019)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
New Zealand	In progress	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
Peru	In progress	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)
Russia	Russian Green Taxonomy (2021)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
Singapore	Singapore-Asia Taxonomy for Sustainable Finance (2023)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)
South Africa	South African Green Finance Taxonomy (2022)	National Treasury of South Africa, A comparison of the EU Green Taxonomy with South Africa's Green Taxonomy (November 2022); G20 Sustainable Finance Roadmap (2021)
South Korea	South Korean Green Taxonomy (2021)	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)
United Kingdom	In progress	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020); G20 Sustainable Finance Roadmap (2021)

30. These are some – but not the only – tools and processes where engagement by UN human rights mechanisms could have a significant effect in the shaping of the minimum safeguards, and thereby of sustainable finance as a whole. The identification of such tools and processes provides the basis for specific recommendations.

IV. Conclusions and recommendations

31. On the basis of the foregoing considerations, a number of conclusions can be drawn, each leading to specific recommendations.

Conclusion 1: it is well-established that safeguarding human rights when making investment decisions is a legal requirement and a responsibility under international human rights law. This is useful to channel investment into those activities which can make a genuine contribution to sustainable development.

Recommendation 1.1: States and non-State actors must therefore include an express minimum safeguards clause when they develop taxonomies.

Recommendation 1.2: Applying principles of human rights economy, States and non-State actors should prioritize in sustainable finance taxonomies human rights enhancing investments, which are made with the intention to generate positive, measurable social and environmental impact alongside a financial return, boosting innovative business models which could produce a specific positive change in the level of enjoyment of human rights.

Conclusion 2: There is significant convergence across taxonomies with regard to the content of the minimum safeguards. Such converging contents include direct or indirect references to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards, and some other instruments. Yet, despite such convergence, the specific requirements that must be included in taxonomies remain unspecified

Recommendation 2.1: UN human rights mechanisms should consider providing detailed guidance on the requirements arising from minimum safeguard clauses in taxonomy instruments.

Recommendation 2.2: Such guidance should build on the convergence across taxonomies regarding the core normative standards, including the OECD Guidelines on Multinational Enterprises and related key considerations on Due Diligence for Responsible Corporate Lending and Securities Underwriting for banks implementing the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards, but also the international norms and treaties that underpin such instruments.

Recommendation 2.3: Such guidance should develop clear and specific indicators that can be used widely.

Conclusion 3: Existing taxonomies are inherently evolving and there are significant efforts towards their harmonisation. In addition, there are several ongoing processes to develop a taxonomy in countries such as Argentina, Australia, Brazil, Canada, Chile, the Dominican Republic, India, New Zealand, Peru and the United Kingdom.

Recommendation 3.1: UN human rights mechanisms should consider engaging with all major taxonomic efforts to provide input and clarification regarding the requirements of the minimum safeguards clause. This would include engagement with other UN programmes, such as UNEP FI, international organisations, such as the World Bank, associations of States, such as ASEAN, EU Platform on Sustainable Finance and hybrid bodies, such as the Platforms on Sustainable Finance.

Recommendation 3.2: UN human rights mechanisms should consider providing inputs and clarification regarding the requirements of the minimum safeguards clause in ongoing processes in countries such as Argentina, Australia, Brazil, Canada, Chile, the Dominican Republic, India, New Zealand, Peru and the United Kingdom.

Appendix I

Taxonomy	Progress status (as of December 2023)[40]	Integration of social aspects	Core standards incorporated	Examples of harmonisation efforts or tools
Argentina	In progress	--	--	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[41]; G20 Sustainable Finance Roadmap (2021)[42]
ASEAN	ASEAN Taxonomy for Sustainable Finance (2023)[43]	Essential criterion 3: Social Aspects (EC3) (Section 3.2.3) and Guidance on the Assessment of Social Aspects (Section 5.5)	There are three social aspects: promotion and protection of human rights, prevention of forced labour and protection of children's rights, impact on peoples living close to investments. In addition to domestic instruments of associated countries, international instruments specifically referred to are: ASEAN Human Rights Declaration (AHRD); Phnom Penh Statement on the Adoption of the AHRD (ASEAN, 2012); ASEAN Declaration on the Protection of the Rights of Migrant Workers; ASEAN Consensus on the Protection and Promotion of Rights of Migrant Workers (ASEAN, 2012); ASEAN Declaration on Strengthening Social Protection (ASEAN, 2013)	This taxonomy is, as such, an effort to provide a common framework for the 10 States of ASEAN; G20 Sustainable Finance Roadmap (2021)[44]
Australia	In progress	--	--	World Bank, Developing a National Green Taxonomy: A World Bank Guide

[40] The latest editions are used, when publically accessible. A database of green finance measures is kept by the Green Finance Partnership : https://www.greenfinanceplatform.org/financial-measures/browse
[41] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[42] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[43] Available at : https://asean.org/wp-content/uploads/2023/03/ASEAN-Taxonomy-Version-2.pdf
[44] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf

				(June 2020)[45]; G20 Sustainable Finance Roadmap (2021)[46]
Bangladesh	Guidelines on Environmental and Social Risk Management (2022)[47]	Section 4 (Applicable standards), Annex 1 (exclusions 7 and 9), Annex 4 (F, G, H), Annex 9	Main areas covered are the prohibition of child labour, protection of Indigenous Peoples, workers and communities. Section 4 (Applicable standards) refers to Annex 9, which lists specific domestic and international instruments. However, except for some occupational risk labour standards and indirect references through IFC sectorial standards, there is no reference to an international instrument relating to human rights.	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[48]
Brazil	In progress	--	--	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[49]; G20 Sustainable Finance Roadmap (2021)[50]
Canada	In progress	--	--	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[51]; G20 Sustainable Finance Roadmap (2021)[52]
Climate Bonds Initiative	Climate Bonds Taxonomy (2021)[53]	No specific minimum safeguards clause. Reference to social risks in relation to the assessment of some energy activities	None	The Climate Bonds Initiative has been very active in supporting harmonisation of different taxonomies

[45] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[46] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[47] Available at : https://www.bb.org.bd/mediaroom/circulars/gbcrd/jun262022sfd03e.pdf
[48] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[49] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[50] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[51] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[52] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[53] Available at : https://www.climatebonds.net/files/files/CBI_Taxonomy_Jan2021.pdf

Chile	In progress	--	--	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[54]
China	Technical Report on SDG Finance Taxonomy (2020)[55]; Green Bond Endorsed Project Catalogue (2021 edition)[56]	No specific minimum safeguards clause. However, the 2020 Technical Report provides a classification of activities contributing to SDGs, which includes categories covering investment in some forms of social development (basic infrastructure, affordable housing, healthcare, food security, financial services, education and culture). The exclusion criteria of the 2020 Technical Report includes 'projects violating human rights'	No reference to human rights. The exclusion criterion require exclusion of 'projects that the national government discourages and those that international organisations, such as UN agencies and multilateral development banks, exclude from project fund-raising or development finance'. A footnote to this criterion references the standards used by UNDP and the World Bank: 'UNDP's project-level Social and Environmental Procedure integrates social and environmental standards, with overarching principles (human rights, gender equality and environmental sustainability) to understand potential social and environmental risks and their significance, as well as determine the social and environmental management required to address potential project risks and impacts. UNDP's Due Diligence Policy to work with the Private Sector has defined a set of exclusionary criteria outlining those business practices considered unacceptable to the organization. The World Bank (and other multilateral development banks) Environmental and Social Framework	International Platform on Sustainable Finance, Common Ground Taxonomy – Climate Change Mitigation (June 2022) (EU and China)[57]; G20 Sustainable Finance Roadmap (2021)[58]

[54] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[55] Available at : https://www.undp.org/china/publications/technical-report-sdg-finance-taxonomy
[56] Available at : http://www.pbc.gov.cn/goutongjiaoliu/113456/113469/4342400/20210916171800898 79.pdf
[57] Avaialble at: https://finance.ec.europa.eu/system/files/2022-06/220603-international-platform-sustainable-finance-common-ground-taxonomy-instruction-report_en.pdf
[58] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf

			(ESF) enables the Bank and Borrowers to better manage environmental and social risks of projects and to improve development outcomes'	
Colombia	Colombian Green Taxonomy (2021)[59]	Minimising or avoiding negative 'social impact' is part of the 'do no significant harm' principle applicable activities – in seven sectors – that contribute to mitigating climate change (Chapter 2, Section 2.2.2)	Section 2.2.2 refers to the IFC Performance Standards 1 (Assessment and Management of Environmental and Social Risks and Impacts), 2 (Labor and Working Conditions), 4 (Community Health, Safety, and Security), 5 (Land Acquisition and Involuntary Resettlement), 7 (Indigenous Peoples) and 8 (Cultural Heritage).	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[60]; Climate Bonds Initiative, Comparison Study between the EU and Colombian Taxonomies (June 2023)[61]
Dominican Republic	In progress	--	--	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[62]
European Union	Taxonomy Regulation (2020)[63]	Articles 3(c) and 18 Taxonomy Regulation	Express reference to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work (and eight fundamental conventions referred to therein), International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights)	International Platform on Sustainable Finance, Common Ground Taxonomy – Climate Change Mitigation (June 2022) (EU and China)[64]; Climate Bonds Initiative, Comparison Study between the EU and Colombian Taxonomies (June 2023)[65]; National Treasury of South Africa, A comparison of the EU Green Taxonomy with South Africa's Green

[59] Available at : https://www.taxonomiaverde.gov.co/webcenter/portal/TaxonomaVerde
[60] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[61] Available at : https://www.climatebonds.net/files/reports/cbi_col_eu_taxonomy_01e.pdf
[62] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[63] Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020R0852
[64] Avaialble at: https://finance.ec.europa.eu/system/files/2022-06/220603-international-platform-sustainable-finance-common-ground-taxonomy-instruction-report_en.pdf
[65] Available at : https://www.climatebonds.net/files/reports/cbi_col_eu_taxonomy_01e.pdf

				Taxonomy (November 2022)[66]; G20 Sustainable Finance Roadmap (2021)[67]
Georgia	Sustainable Finance Taxonomy for Georgia (2022)[68]	It contains both a Green and a Social Taxonomy (investment into human development sectors). However, the Green Taxonomy has no safeguards clause and no reference to human rights is made in either taxonomy	There is no reference to human rights. The main sectors of investment described by the Social Taxonomy are: affordable basic infrastructure; healthcare and related social services; financing and financial services; food security; education, technology, culture, fitness. But no international instrument is referred as a standard in any of these sectors.	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[69]
India	In progress	--	--	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[70]; G20 Sustainable Finance Roadmap (2021)[71]
Indonesia	Indonesia Green Taxonomy (2022)[72]	To qualify as 'green', activities must apply a 'minimum safeguard' (Table 2)	Applying the 'minimum safeguard' to qualify as 'green' entails applying 'best practices at both the national and international level'. But such best practices are not further specified and no express reference to international human rights instruments is made	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[73]; G20 Sustainable Finance Roadmap (2021)[74]

[66] Available at : https://www.treasury.gov.za/comm_media/press/2022/2022111101%20Report_A%20Comparison%20Between%20the%20EU%20Green%20Taxonomy%20and%20South%20Africa%E2%80%99s%20Green%20Taxonomy.pdf
[67] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[68] Available at : https://www.sbfnetwork.org/wp-content/assets/policy-library/702_Georgia_sustainable_finance_taxonomy_2022.pdf
[69] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[70] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[71] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[72] Available at : https://www.ojk.go.id/keuanganberkelanjutan/Uploads/Content/Regulasi/Regulasi_22012011321251.pdf
[73] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[74] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf

Malaysia	Climate Change and Principle-based Taxonomy of Malaysia (2021)[75]	Guiding Principle 5 (GP5): Prohibited activities, Section 7.23	Section 7.23 lists under GP5 (Prohibited activities) those 'activities that are in contravention with national human rights and labour laws'. The standards expressly referred to 'include but are not limited to' certain domestic laws.	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[76]
Mexico	Sustainable Taxonomy of Mexico (2023)[77]	It includes a minimum safeguards clause as one of the four technical evaluation criteria (Table 1.7) and a chapter with a specific gender equality index (Chapter 3)	It makes specific reference to domestic laws and international instruments, including the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, UN Principles on Responsible Investment, the UN Global Compact. Chapter 3 includes a gender equality index based on three pillars (dignity in working conditions, welfare, social inclusion)	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[78]; G20 Sustainable Finance Roadmap (2021)[79]
Mongolia	Mongolian Green Taxonomy (2019)[80]	Principles 4 and 5 require, respectively, alignment with international standards and good practices and compliance with ESG standards, including social risk management regulations and standards	There are no specific references to international human rights instruments. However, Principle 4 states that 'In the absence of commonly agreed local standards, the taxonomy should reference international standards and best practices'. Moreover, Principle 5 refers to the Mongolian Sustainable Finance Principles and Sector Guidelines, which in turn refer to some international standards, including the IFC Performance Standards.	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[81]

[75] Available at : https://www.bnm.gov.my/documents/20124/938039/Climate+Change+and+Principle-based+Taxonomy.pdf
[76] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[77] Available at : https://www.gob.mx/cms/uploads/attachment/file/809773/Taxonom_a_Sostenible_de_M_xico_.pdf
[78] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[79] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[80] Available at : https://www.sbfnetwork.org/wp-content/assets/policy-library/1270_Mongolia_Green_Taxonomy_2019_MSFA.pdf
[81] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf

New Zealand	In progress	--	--	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[82]
Peru	In progress	--	--	UNEP, Common Framework of Sustainable Finance Taxonomies for Latin America and the Caribbean. Latin America and the Caribbean (2023)[83]
Russia	Russian Green Taxonomy (2021)[84]	There does not seem to be any specific safeguards clause incorporating human rights (text inaccessible)	There does not seem to be any specific safeguards clause incorporating human rights	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[85]; G20 Sustainable Finance Roadmap (2021)[86]
Singapore	Singapore-Asia Taxonomy for Sustainable Finance (2023)[87]	Minimum safeguards applicable to all assessments (Section: Taxonomy in Practice)	Express reference to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, ILO Core Labour Standards, the OECD Due Diligence Guidance for Responsible Business Conduct	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[88]
South Africa	South African Green Finance Taxonomy (2022)[89]	Principle 3: Comply with Minimum Social Safeguards (Section 2.8)	References mainly to domestic instruments but also to the OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and ILO Core Labour Conventions, the OECD Due Diligence Guidance for Responsible Business Conduct, the Equator	National Treasury of South Africa, A comparison of the EU Green Taxonomy with South Africa's Green Taxonomy (November 2022)[90]; G20 Sustainable Finance Roadmap (2021)[91]

[82] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[83] Available at : https://www.unepfi.org/publications/common-framework-for-sustainable-finance-taxonomies-for-latin-america-and-the-caribbean/
[84] Available at : http://publication.pravo.gov.ru/Document/View/0001202109240043
[85] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[86] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf
[87] Available at : https://www.mas.gov.sg/-/media/mas-media-library/development/sustainable-finance/singaporeasia-taxonomy-dec-2023.pdf
[88] Available at : https://documents1.worldbank.org/curated/en/953011593410423487/pdf/Developing-a-National-Green-Taxonomy-A-World-Bank-Guide.pdf
[89] Available at : https://sustainablefinanceinitiative.org.za/wp-content/downloads/SA-Green-Finance-Taxonomy-1st-Edition-Final-01-04-2022.pdf
[90] Available at : https://www.treasury.gov.za/comm_media/press/2022/2022111101%20Report_A%20Comparison%20Between%20the%20EU%20Green%20Taxonomy%20and%20South%20Africa%E2%80%99s%20Green%20Taxonomy.pdf
[91] Available at : https://g20sfwg.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf

			Principles (EP4), the IFC Performance Standards	
South Korea	South Korean Green Taxonomy (2021)[92]	Text inaccessible	Text inaccessible	World Bank, Developing a National Green Taxonomy: A World Bank Guide (June 2020)[93]; G20 Sustainable Finance Roadmap (2021)[94]
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