

Dear President von der Leyen,
Vice-President Timmermans and Dombrovskis,
Commissioner McGuinness,

11 January 2022

EUROSOLAR requests that you withdraw the inclusion of natural gas and nuclear power in the European taxonomy for sustainable financing. (Please see [website for full position](#).) Inclusion means that financing streams meant for a sustainable energy transition will be diverted to these fossil and unsustainable energy sources. This carries the risk of discrediting and derailing the entire European program of green financing, and the very Green Deal the Taxonomy is intended to support.

We deem this decision as not scientifically based and join with the many other reports and statements by scientific institutes, financial and civil society organizations to reject methane and nuclear power as eligible for green finance. We sound the alarm for the consequences of a decision for their inclusion in the Taxonomy.

Including these harmful energy systems would substantially harm all of the six environmental objectives the Taxonomy Regulation is specifically intended to uphold:

1. Climate change mitigation: **they further contribute to climate change through life-cycle emissions and opportunity costs.**
2. Climate change adaptation: **they make climate change adaptation infinitely more difficult by creating rigid systems prone to failure in extreme weather events.**
3. The sustainable use and protection of water and marine resources: **they do great harm to water and marine resources through heating and pollution.**
4. The transition to a circular economy: **they obstruct the transition to a circular economy in creating unsolvable linear waste streams.**
5. Pollution prevention and control: **they are both leading polluters.**
6. The protection and restoration of biodiversity and ecosystems: **they are proven contributors to biodiversity and ecosystem damage and collapse in mining, processing, construction and waste production.**

Diverting green financing to gas and nuclear would be a massive step backwards damaging the credibility of the leadership role of the European Commission. The capture of the public interest by fossil and nuclear industrial influence must be halted and false targets and comforting illusions rejected. The physical heating of our planet is advancing with increasing momentum, the massive concomitant social changes are already occurring and bold and visionary leadership to steer Europe is needed more than ever.

EUROSOLAR presents a vision for such a bold strategy which we would like to offer for inspiration and support, [the Regenerative Decade: www.earthdecade.org](http://www.earthdecade.org). The Green Deal deserves to be strengthened, not weakened. To transition in time, we need 100% renewables before 2050, carbon sequestering agriculture, reforestation and a circular economy focused also on atmospheric carbon

are part of the needed grand mobilization. And there needs to be a stop to fossil fuels and nuclear power, their subsidies, and any favorable funding schemes they receive.

As our democracies become increasingly challenged by anti-science and corporate capture, it is of utmost importance that the European Commission not invalidate its own efforts to stream finance toward technologies that will deliver the goals it set out for the energy transition.

We urge you to reject the inclusion of natural gas and nuclear in the taxonomy.

Yours sincerely,

EUROSOLAR e.V.
European Association for Renewable Energy
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EUROSOLAR Netherlands
Vincent Dekker, Co-chair
Carol Olson, Co-chair

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World Council for Renewable Energy, Peter Droege, General Chairman

Besides its general European mission, EUROSOLAR e.V. is present in these continental Europe nations and regions:

EUROSOLAR Austria

EUROSOLAR Bulgaria

EUROSOLAR Catalonia

EUROSOLAR Denmark

EUROSOLAR Germany

EUROSOLAR Georgia

EUROSOLAR Italy

EUROSOLAR Luxembourg

EUROSOLAR Netherlands

EUROSOLAR Russia

EUROSOLAR Spain

EUROSOLAR Turkey

Testimonies and appeals by other groups, institutions and organisations

Green funding for nuclear and natural gas?

The basis for the EU's decision to include nuclear and gas technologies as sustainable green investments is found not to have a scientific basis, as shown in a selection of reports summarized below. We join them in their rejection of the inclusion of these fossil energies in the taxonomy.

JRC's REPORT ON NUCLEAR POWER and CRITICISM OF JRC REPORT

The EU's decision to include nuclear energy on its list of sustainable investments is based on a report by the **Joint Research Council (JRC)**. A review by the Scientific Committee on Health, Environmental and Emerging Risks (SCHEER) group is one of two reviews by the groups associated with the EC.

The SCHEER report states that it didn't have the time to do a full assessment. "It was noted that the SCHEER did not include experts in long-term high-level radioactive waste treatment and storage technologies and risks and therefore any comments on those sections are limited. ... Furthermore, the SCHEER report reacts to the JRC's favorable comparison of nuclear to other technologies and conclusion that nuclear is not more harmful than another. The SCHEER report says: **"It is the opinion of the SCHEER report that the comparative approach is not sufficient to ensure "no significant harm."** "

The **Heinrich Böll Stiftung** commissioned a report, "Sustainability at risk" in September, 2021. [Sustainability_at_risk_2021_final_0.pdf](#) (boell.org) This report challenges important aspects of the JRC report:

- 1) Feasibility of new nuclear builds are put in question because nuclear reactor closures are outpacing nuclear new builds, which are struggling with **technical and financial problems**.
- 2) Although the JRC presents geological storage of **nuclear waste** as a solved issue, there is **no geological disposal in operation today**. While one Member State is constructing a disposal facility, most are planning to address this after 2050. Furthermore, the JRC report doesn't mention the ~500 billion euros needed to finance the waste facilities.
- 3) The JRC report assesses **severe accidents** based only on fatalities and fatality rates - "clearly an insufficient risk metric to fully represent the consequences of severe accidents." JRC doesn't account for, "for example, the number of people evacuated or relocated, the area of land contaminated for decades or even centuries nor the economic consequences of a severe accident." These accidents violate the idea that nuclear 'does no significant harm' to people and the environment.
- 4) "The JRC reports evades the complex history and an in-depth discussion of the use of nuclear energy and **nuclear proliferation**. However, the simple fact is that "all nuclear

technologies have a dual-use characteristic and therefore carry a potential for misuse". Any discussion of a "do no significant harm" criterion not covering nuclear proliferation is thus incomplete."

For more detailed information on the crisis of nuclear waste see a Greenpeace commissioned expert report on the nuclear waste crisis.

The **German Federal Office for the Safety of Nuclear Waste Management (BASE)**, with support from the German Federal Office for Radiation Protection (BfS) published their 'Expert response to the report by the EU Commission's Joint Research Centre "Technical assessment of nuclear energy with respect to the 'Do No Significant Harm' criteria in Regulation (EU) 2020/852, the 'Taxonomy Regulation'". It expresses concerns that the JRC report "barely touched on some environment-related aspects of using nuclear energy or did not consider them in its assessment at all". For example, it ignored the consequences of severe accidents. Furthermore, the JRC does not adequately address the problem of radioactive waste, and contradicts its own previous position that the best strategy is not to generate radioactive waste in the first place. The BASE report states: "the problem of disposing of radioactive waste has already been postponed by previous generations to today's and it will 'remain' a problem for many future generations. The principle of "no undue burdens for future generations" has therefore already been (irrevocably) infringed, while the (Do No Significant Harm) DNSH-hurdle of "significant harm" has also been infringed. It concludes: "The JRC Report is therefore incomplete and therefore fails to comprehensively assess the sustainability of using nuclear energy."

The **Redeker report on behalf of the Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology**, "Nuclear Power and the Taxonomy Regulation". This report is a legal opinion on whether nuclear power can be recognized as a sustainable activity under the criteria of the Taxonomy Regulation (TR). For an activity to be characterized as sustainable under the TR, it:

1. contributes substantially to one or more environmental objectives;
2. does not significantly harm any of the other environmental objectives;
3. is carried out in compliance with minimum social safeguards; and
4. complies with technical screening criteria established by the Commission.

The legal analysis goes through the regulations and finds that comparatively low carbon emissions associated with nuclear power are not enough to satisfy the criteria to substantially contribute to mitigate climate change (point 1). Four aspects of nuclear power are highlighted as especially problematic with regard to the Do No Significant Harm (DNSH) requirement (point 2):

1. Concerns as to the resilience of nuclear power to climate change, including the frequency of extreme weather events, and rise of sea levels and temperatures, leading to droughts, lack of cooling water, rising water temperatures and conflicts of interests w.r.t use of water.
2. The harms from uranium mining and milling

3. Severe accidents and their consequences on biodiversity and ecosystems. These should not be characterized only in terms of humans and human fatalities.
4. Radioactive waste.

This legal analysis also finds that EU primary law confirms that nuclear power cannot be added to the European Taxonomy. Furthermore, they find that there is good reason to consider that the Commission's investigation has fallen short of the obligation to gather the necessary expertise. The way the Commission has done this inclusion to the Taxonomy has opened up the possibility of a legal challenge.

THE INCLUSION OF GAS AS SUSTAINABLE and VARIOUS RESPONSES

The inclusion of natural gas as sustainable flies in the face of all the efforts to limit the use of fossil fuels over the last years. It took many years to get to the Paris Agreement in 2015, in which the world apparently acknowledged the danger of climate heating and resolved to take action to limit it. The most obvious action is to limit fossil fuels. It has been widely acknowledged over the last decade, if not longer, that the huge subsidies for fossil fuels need to be stopped in order to achieve a transition to renewable energy sources. By providing more favorable finance to fossil gas, the EC is poised to lose its global leadership position in transitioning to renewable energy. It appears to have been captured by corporate interests.

The United Nations Environmental Programme (UNEP) published its 2021 Production Gap Report in which it sounds the alarm that despite the intentions to reduce greenhouse gas emissions the world is on track to produce twice the amount of fossil fuels in 2030 than is consistent with reaching the goals in the Paris Agreement. This situation is largely unchanged since its first production gap report in 2019. They find that "Global gas production is projected to increase the most between 2020 and 2040 based on governments' plans. This continued, long-term global expansion in gas production is inconsistent with the Paris Agreement's temperature limits." This is the case, even without the favorable funding that would be available if it is included as sustainable in the EU's taxonomy.

The International Energy Agency (IEA) also foresees that a major decline of natural gas after 2025 is necessary to achieve net zero in 2050. This is also visible in its World Energy Outlook 2021. In order to keep the global temperature rise to 1.5°C, there must be no investments in new fossil fuel projects and gas plants must be shut down by 2035 in industrialized countries.

225 scientists, financial institutions and NGOs¹, are sounding the alarm about a proposal by the European Commission to classify new fossil gas projects as environmentally sustainable

¹ **Signatories** include financial institutions: Folkesparekassen, Merkur Cooperative Bank (Denmark), Association of Ethical Shareholders (Germany), Triodos Bank, Triodos Investment Management, ASN Bank, ASN Beleggingsfondsen, and Eurosif - the European Sustainable Investment Forum. **Signatories** also include civil society: WWF European Policy Office, Climate Bonds Initiative, Climate Strategy & Partners, Transport & Environment, BirdLife Europe and Central Asia, E3G - Third Generation Environmentalism, Greenpeace European Unit, European Environmental Bureau, Friends of the Earth Europe,

under the EU Taxonomy of Sustainable Investments in their Open Letter – Gas Attack in Taxonomy.

They write: “This new proposal drafted by the European Commission suggests that fossil gas does no harm to the environment, and therefore could be included as Sustainable for Finance under the EU Taxonomy. **These are baseless claims and are opposed to climate science.** Introducing fossil gas in the EU taxonomy is firmly against the recommendations of the Commission’s Technical Expert Group **and caves in to the demands of the gas lobby.**”

The Club of Rome is also calling for the taxonomy to exclude natural gas and nuclear, and ‘not allow progress to be undermined by national interests’. “Sandrine Dixson-Declève, co-president of the Club of Rome and member of the European Commission advisory Platform on Sustainable Finance says, “Natural gas should not be classified as “green” and should not be included in the EU Taxonomy Climate Delegated Act. The moves to label natural gas as a transitional activity, in as far as falling within the limits of Article 10(2) of the EU Taxonomy Regulation, is completely misleading, may lead to a serious mis-selling of risk, and will undermine the EU’s efforts to transform its economy.” She continues: “China has

ClientEarth, Reclaim Finance, Bellona Europa, Climate & Company Climate Action Network (CAN) Europe, Oil Change International, WeMove Europe, Avaaz, Ecumenical Council for Corporate Responsibility, ActionAid International, NABU, ECOS, Alliance of Associations Polish Green Network, Zelena akcija, Croatia, Stowarzyszenie Ekologiczne EKO-UNIA (Ecological Association EKO-UNIA), Environmental Planning and Education Network, Fundacja “Rozwój TAK - Odkrywki NIE”, Poland, Pasaules Dabas Fonds, Institute for Circular Economy - Bulgaria, Humusz Szövetség, Fondation Nicolas Hulot, Swedwatch, Climate Food & Water Action Europe, Re-set: platform for socio-ecological transformation, Umanotera, Slovenian Foundation for Sustainable Development, BankTrack, Bankwatch Romania, Andy Gheorghiu Consulting, Green Liberty, Stowarzyszenie Pracownia na rzecz Wszystkich Istot, Clean Air Action Group (Hungary), Society for Sustainable Living (STUŽ), Éghajlatvédelmi Szövetség / Hungarian Climate Alliance, Reflex Környezetvédő Egyesület, Foundation for Environment and Agriculture (Bulgaria), Climate Action Coalition (Bulgaria), Environmental Association “Za Zemiata” (Bulgaria) Institute for Circular Economy (Bulgaria), Bluelink Foundation, Socio-Ecological Union international, 350 Denmark, ASUFIN - Asociación de Usuarios Financieros, CEE Bankwatch Network, Deutsche Umwelthilfe, Fair Finance International, Veblen Institute for Economic Reforms, Centre for Transport and Energy, VedvarendeEnergi, Association of European Energy Research Centres (EUREC), Global Witness, National Ecological Center of Ukraine, Fair Finance Guide Netherlands (Eerlijke Geldwijzer), Estonian Green Movement, Energiaklub, The Common Good, Abibinsroma Foundation, Debt Observatory in Globalisation (ODG), Treeunion Netherlands, Energy Watch Group, Focus Association for Sustainable Development, ShareAction, Ocean Energy Europe, Re:Common, EKOenergy Ecolabel, ZERO - Association for the Sustainability of the Earth System, Réseau Action Climat France, Cittadini per l’Aria Onlus (Italy), Transport & Environment France, Transport & Environment Italy, Redazione emergenzaclimatica.it, Legambiente, SDGLabs.ai, Sciaena - Oceans Conservation Awareness, FairFin, Urgewald, SumOfUs, 50by40, Climate Safe Lending Network, Limity Jsme My, Ecologistas en Acción, Citizens' Climate Europe, Deutscher Naturschutzring - German League for Nature, Animal Protection and Environment, Climáximo, Ecoloxistes n’Aición d’Asturies, Rifondazione Comunista, Both ENDS, Nodo Cantabria Plataforma por un Nuevo Modelo Energético, Legalità per il clima, Carbon Market Watch, Climateka, ECODES - Fundación Ecología y Desarrollo, ActionAid Denmark, Nesehnuti, VCOE, National Society of Conservationists (Hungary), AnsvarligFremtid, Rivers without Boundaries, VšĮ “Žiedinė ekonomika” Stop Waste Incineration- Protect the Environment, Natuur & Milieu, Divestera AP-fonderna, Biodiversity Conservation Center, Défense Des Milieux Aquatiques, Baltic Pipe Nej Tak (Block Baltic Pipe), Limity Jsme My, CSOP Veronica (Ecological Institute), Pensioen Vergroeners (the Netherlands), Negative Emissions Platform asbl, Milieudéfense - Friends of the Earth Netherlands, Partnership for Policy Integrity, Sí Se Puede Canarias, Red Tree Heritage Institute, Eco-Union, Forum Ökologie & Papier, Etika, Terra Cypria - the Cyprus Conservation Foundation, Crimean Republican Association Ekologiya i Mir, GLOBAL 2000 (Austria), BirdWatch Ireland, France Nature Environnement, International Rivers, Crimean Republican Association Ekologiya i Mir, 2Celsius, Naturfreunde Internationale, Coastwatch, CEPA (Slovakia), The United Reformed Church Bellingham Catford & Lee Green, Lithuanian Consumers Alliance, Worcestershire Methodist Church (UK), Czech Climate Coalition.

developed a taxonomy that excludes fossil gas while the South Korean taxonomy excludes nuclear power. Slippage at the EU level would both put Europe's system in disrepute but also lower the bar globally allowing for more ambition to be squandered in other country schemes. Even Russia is proposing a taxonomy that could forgo gas."

The Institute for Energy Economics and Financial Analysis (IEEFA) comments that "the situation in the EU could make way for China to take the lead in upholding high quality green energy finance standards. China's new Green Bond Endorsed Project Catalogue—its equivalent green taxonomy—now excludes gas, LNG and coal-fired power activities." With their long-term strategy, China is "ready to take the reins from the EU".

Considering that the European Commission has stepped up as a global leader in the energy transition, it is quite shocking that it now flips to divert funding for sustainable technologies to fossil natural gas and nuclear. This decision lacks scientific basis. As our democracies become increasingly challenged by anti-science and corporate capture, it is of utmost importance that the European Commission not invalidate its own efforts to stream finance toward truly sustainable activities and discredit itself as an institution. If it does so, it might as well give up on the Green Deal and take a back seat to other countries who still have their eye on the prize.