



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL
MARKETS UNION

The Director-General

Brussels
fisma.b.2(2022) 426609

Dr Nadja Železnik
President of Nuclear
Transparency Watch

Dear Dr Železnik,

Thank you for your letter of 30 November 2021, regarding the extension of the EU taxonomy to nuclear and gas activities.

Turning Europe into the first climate-neutral continent by 2050 is one of the Commission's priorities. The European Green Deal sets ambitious targets to cut emissions to reach this goal and restore environmental sustainability. This equally requires changing the economic growth model and upgrading climate action and the protection of the environment across our economy and society.

Sustainable finance is an essential element to fund the green transition and the EU Taxonomy has an important role to play in this respect.

The Taxonomy is not an instrument of energy policy. Member States remain responsible for deciding on their energy mix. Instead, the EU Taxonomy guides private investment in activities that are needed to achieve climate neutrality in the next 30 years. It covers energy activities that enable economic sectors to move towards climate neutrality. The existing energy mix in Europe today varies from one Member State to another. Some parts of Europe are still heavily reliant on high carbon-emitting coal for their energy mix. The Taxonomy aims at accelerating the transition to a better and cleaner future. Under the EU Taxonomy, only investments that commit to this acceleration will be recognised.

In the Communications of 21 April 2021¹ and 6 July 2021², the Commission announced its intention to adopt a complementary Climate Delegated Act for some energy sectors, notably nuclear and gas, where they can comply with the criteria for activities under Art 10(2) of the Taxonomy Regulation. As you are aware, the Commission has consulted

¹ https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en

² https://ec.europa.eu/info/publications/210706-sustainable-finance-strategy_en

with the Member States Expert Group on Sustainable Finance and the Platform on Sustainable Finance on a draft text of the Complementary Delegated Act, as required by the Taxonomy Regulation. We have also listened to the views of the European Parliament. The Commission prolonged the consultation period, to allow for more time. A consultation of the public on Delegated Acts under the Taxonomy Regulation is not a legal requirement.

The Commission has analysed all the feedback received carefully, before agreeing the Delegated Act on 2 February. It is published on the Commission's website and will be formally adopted once the Delegated Act has been translated into all official EU languages. The Act will then be sent to the co-legislators for their scrutiny.

The inclusion of nuclear or natural gas activities comes with clear criteria and conditions, in line with our climate targets and with "do no significant harm" safeguards. Further, to guide the market, we propose added transparency for companies active in nuclear and gas to help investors make an informed choice. In response to the feedback, a number of targeted adjustments were made. For example, we allowed for more flexibility in the switch to renewable or low carbon gases, and removed the initially proposed intermediate steps.

We are grateful for the detailed feedback that you provided and hope to benefit from your active contribution also in the future.

Yours sincerely,

Electronically signed

John BERRIGAN