

## **European Community Power Coalition Statement regarding the Taxonomy**

Just before the year end, on 31st December 2021, a draft text of a Taxonomy Complementary Delegated Act covering certain gas and nuclear activities was sent to Member States Expert Group from the European Commission on Sustainable Finance and the Platform on Sustainable Finance with a request for feedback. The Platform has been instructed to provide their contributions by 12 January. A leak of the consultation document was published by Euractiv<sup>1</sup>.

Moreover, on the 21st of January, the response of the EU Platform on Sustainable Finance to the Complementary Delegated Act<sup>2</sup> provided a negative opinion regarding the inclusion of fossil gas and nuclear, stating that such activities could not be considered sustainable within the meaning of the Taxonomy Regulation.

The new draft proposal on the taxonomy poses a great threat for the Paris Agreement targets and undermines the efforts around the implementation of the European Green Deal, since it provides the ability, under some criteria, for private investments on fossil gas and nuclear to be labelled as green investments. As a coalition that promotes community energy, we do not believe that fossil gas and nuclear energy can be considered green investments that can promote the energy transition. As a matter of fact, quite recently, we have sent a Letter to Executive-Vice President for the European Green Deal, Mr Frans Timmermans and the Commissioner for Energy, Ms Kadri Simson, to express our concerns regarding the replication of citizen energy community measures in the EU's Gas Directive<sup>3</sup>.

It is imperative that in order to reach climate neutrality, we shall accelerate the efforts towards renewable deployment and energy efficiency at a fast pace, under a just framework so that no one will be left behind. Energy communities are an organisational concept aimed at empowering citizens to participate and take ownership of renewable energy and other clean technologies for a successful and democratic energy transition that provides economic, social and environmental benefits.

We assess this development as a negative one for the whole transition towards climate neutrality and we call on the EC and the EP to not move ahead with this plan. The European Institutions must safeguard the transition and provide clear signals in the direction of moving away from fossil fuels as well as nuclear power. Indeed, the latter poses a threat to other environmental objectives, and fails to respect the “do no significant harm” principle of the EU Taxonomy.

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<sup>1</sup> Euractiv leaked document on the Taxonomy: <https://www.euractiv.com/wp-content/uploads/sites/2/2022/01/draft-CDA-31-12-2021.pdf>

<sup>2</sup> Response to the Complementary Delegated Act (21/01/2022): [https://ecostandard.org/wp-content/uploads/2022/01/20220124\\_Platform\\_finance\\_CDA\\_response.pdf](https://ecostandard.org/wp-content/uploads/2022/01/20220124_Platform_finance_CDA_response.pdf)

<sup>3</sup> Do not replicate citizen energy community measures in Gas Market reform proposals – Letter: <https://communitypowercoalition.eu/2021/12/10/do-not-replicate-citizen-energy-community-measures-in-gas-market-reform-proposals-letter/>

The proposal risks undermining climate targets as well as delegitimizing the green agenda and transition. If the complementary Delegated Act is adopted, then a great deal of the responsibility for further expansion of fossil gas or nuclear investments that will operate competitively against renewables as 'green energy', will lie with the EU institutions and member states. Time is critical in the battle against climate crisis. We cannot afford to lose time or undermine current efforts by sending contradictory messages to citizens and the private sector. EU institutions should stand for a successful and reliable EU Green Deal and should work for a sustainable future for all.