The Sustainable Taxonomy:

Lessons from the EU experience

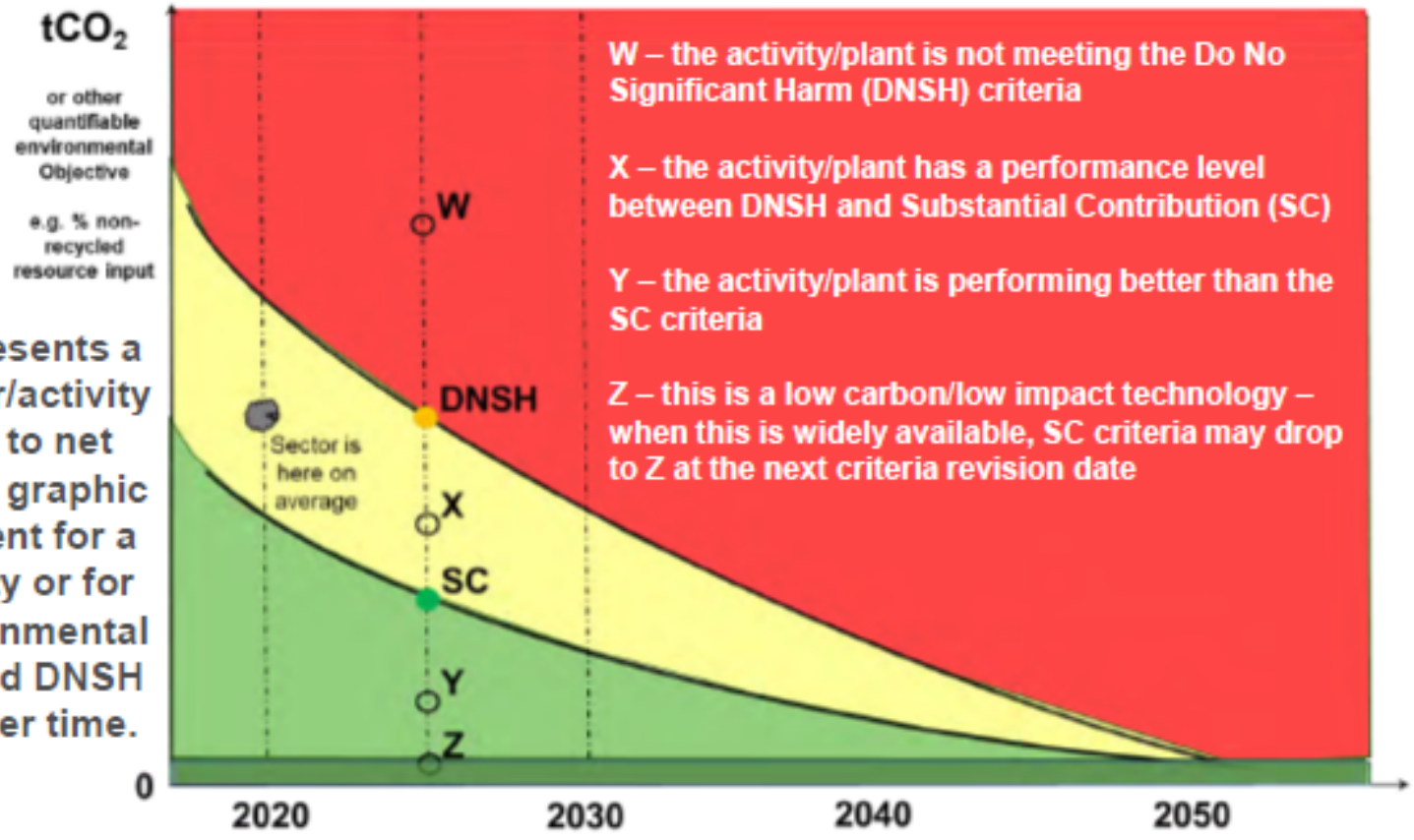
RECLAIM Finance

EU Taxonomy: Logic and content

6 objectives

Contribute to + Do not significantly harm (DNSH)

The Taxonomy and its criteria are dynamic



This graphic represents a high impact sector/activity with a transition to net zero by 2050. The graphic would look different for a low impact activity or for some other environmental objectives. SC and DNSH criteria tighten over time.

3 main energy flaws

Transitional status = criteria to be updated regularly + sunset clause (permits before XX)

Detailed analysis of the taxonomy DA on nuclear and gas:

https://u6p9s9c8.rocketcdn.me/site/wp-content/uploads/2022/02/Summary-and-analysis-DA-taxonomy-February-2nd-2022-Reclaim-Finance.pdf

Lessons on nuclear and gas

- Nuclear waste as the main argument against and restricting criteria (facility, cost)
- Open door to new generation nuclear (generation 4, does not exist yet)
- « Sunset clause » almost worthless (2045 for permits for new reactors and 2040 for lifetime extension)

- 270 gCO2/Kwh threshold with caveat (100 g for other power sources)
- Justification on the ground of a potential shift to low carbon gases (2035)
- Argument of replacing coal power plants (efficiency argument)
- Theoretically, cannot be included if RE are available and more cost effective

Big bad lobbying

Search the register

Share

The Register allows you to search entries by **keyword** as well as by certain criteria (**data reporting**). Data reports can be exported to Excel, XML and PDF format.

Download (in Open Government format) the complete list of registered organisations or of persons accredited for access to the European Parliament's buildings from the Open Data Portal

Search | **Data reporting**

Enter keywords or the ID number...

METHODOLOGY

Reclaim Finance identified players in the transparency register who are significantly involved in the gas or nuclear sectors. These players operate nuclear or gas power plants, sell/build nuclear or gas infrastructures (e.g. turbines, pipelines), sell specific services related to gas or nuclear, represent companies that operate nuclear or gas power plants or sell nuclear or gas infrastructures, sell natural gas, manage the gas network, support LNG development, and/or are notoriously pro-gas or nuclear organizations. They use the words "gas", "LNG" or "nuclear" in the register entry.

Reclaim Finance focused on meetings that took place from January 2020 to May 2021. These meetings happened around the publication of the TEG's final report – March 2020 – and afterwards, when gas and nuclear inclusion were debated at the level of the EU Commission. They are thus likely to have had an influence on taxonomy decisions.

Reclaim Finance then aggregated the public data from the transparency register to obtain figures for each energy source. In order to ensure a faithful and conservative estimate of gas and nuclear lobbying, while Reclaim Finance used the full data available for companies and organizations involved, it decided to count each consulting firm involved as being one person and one FTE only. In fact, unlike in-house lobbying carried out directly by companies, it is impossible to precisely determine how much of its resources a consulting firm dedicates to a single client and, therefore, to pro-nuclear or gas lobbying. Nonetheless, Reclaim Finance used the most precise data available in the transparency register to assess how much companies spend on financing gas and nuclear lobbying through these firms.

It is worth noting that due to the voluntary and non-binding nature of the transparency register the data reported in this report do not account for:

- Companies that choose not to register in the transparency register.
- Additional lobbying (e.g. meetings, spending) that is not recorded or underreported in the transparency register.
- Consultancy firms and companies that protect gas or nuclear interests but do not clearly mention them in the transparency register.

https://u6p9s9c8.rocketcdn.me/site/wp-content/uploads/2020/08/Reclaim-Finance-Media-Briefing-EU-Sustainable-Taxonomy-1.pdf

Table 1. EU Gas lobbying

Number of lobbyists	Number of FTEs used	Annual spending on EU lobbying (in € million)	Meetings from January 2020 to May 2021	Meetings concerning the EU taxonomy or sustainable finance strategy
776	402,60	64.9 - 78.4	323	27

Source: Reclaim Finance based on data from the EU transparency register

Table 7. Overview of EU Nuclear Lobbying

Number of lobbyists	Number of related FTEs	Annual spending on lobbying (in € million)	Meetings from January 2020 to May 2021	Meetings concerning the EU taxonomy or sustainable finance strategy
120	60.3	6.3 - 7.9	44	9

Source: Reclaim Finance based on data from the EU transparency register

Content: Updating lobbying data + retracing various inclusion proposals

https://u6p9s9c8.rocketcdn.me/site/wp-content/uploads/2021/07/Report-EU-taxonomy-Out-with-science-in-with-lobbyists-RF.pdf

Lessons on nuclear and gas

- Complicated lobbying mechanisms (notably relying on CSOs and experts – including JRC)

- Strong inital state backing from France / Finland => coalition of states Czech Republic, Poland, Hungary, Slovakia, Slovenia, Romania and France

Gas and nuclear alliance Vs Opponents divided

Flexibility and grid support (limited number of hours)
Use to replace coal and for a limited time period only
Use of low carbon fuels (not in the leaked proposals) = link to strong hydrogen lobbying
Political support from several EU countries (Czech Rep, Poland…)

Hot Topics

Green NGOs announce exit from EU's sustainable finance platform

Announcement comes days after RI reported discussions on departure by unnamed NGOs.

Gina Gambetta - 14 September 2022

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Questions

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RECLAIM Finance