



Members of the European Parliament
Bât. ALTIERO SPINELLI
60, rue Wiertz
B-1047 Brussels

23 June 2022

RE: Comments on Complementary Delegated Act in view of plenary vote

Dear Member,

You will soon vote on the adoption of the Complementary Delegated Act (CDA) setting out technical screening criteria for certain nuclear and gas-related activities under the Taxonomy Regulation.

The transition of the industry in line with the climate objectives of climate neutrality by 2050 and 55% GHG emissions reductions by 2030 requires massive investments and affordable energy. To enable this, industries with ambitious transformation targets and plans need access to capital. Especially in the current situation with the Russian war in Ukraine, it is paramount that our economy stays efficient and competitive, and this requires an efficient and accelerated transition towards a climate-neutral energy system.

The CDA allows the classification of certain economic activities in the natural gas and nuclear sector under very strict conditions and for a limited period in time. We consider the CDA as an ambitious compromise in line with the EU's climate objectives, in particular, because of the following reasons:

- **The CDA enables a transition towards a climate-neutral energy system:** The technical screening criteria (TSC) are very ambitious but tap into massive investments and further innovation potentials. The CDA not only considers the need to enable a pathway towards a climate-neutral energy system. It also supports immediate emission reductions through strict TSC. It is important to clarify that the CDA will not undermine the expansion of renewable energies, but on the contrary will encourage an effective transition by enabling zero- and low-carbon power generation, which supplements variable renewable energies and thus maintains the security of supply.
- **The CDA supports the REPowerEU plan to become independent from Russia:** In the medium term, hydrogen-fired power plants converted from gas-fired power plants labelled as transitional activities under the CDA will provide an essential contribution to the security of energy supply - independent from Russian natural gas. Together with nuclear power generation, which already provides mature low-carbon energy, diversification to other suppliers (LNG imports) and the availability of renewable and low-carbon gases will enable power plants to



provide secure and low-carbon energy to the industry while reducing the dependency on Russia in line with the EU's REPowerEU plan.

- **The CDA safeguards the applicability and legal certainty of the Taxonomy for investors and investees:** The CDA provides investors with a high degree of transparency concerning their investments by introducing specific disclosure requirements for businesses related to their activities in the gas and nuclear energy sectors. An independent third party with the resources and expertise will ensure an impartial and diligent verification of compliance with the criteria. The proposed provisions for transparency and verification safeguard the applicability and legal certainty of the Taxonomy for investors and investees and enable them making informed investments decisions in support of the transition.

Therefore, **we recommend rejecting the motion for objection in the Plenary vote on 7 July.** We stay at your disposal for any questions you may have on this important topic. We are looking forward to continuing the dialogue on how to achieve a decarbonised, competitive European economy.

Yours sincerely,

Markus J. Beyrer