



Sweden's response to European Commission's call for feedback on draft climate complementary delegated act to EU Taxonomy Regulation

This document contains Sweden's response to the European Commission's call for feedback on the draft climate complementary delegated act as regards the additional criteria on environmentally sustainable activities under the EU Taxonomy Regulation.

General remarks

Regarding the process

We welcome the call for feedback from member states on the draft delegated act. However, we are critical of the way in which the process around the delegated act has been handled, both in terms of transparency and inclusiveness. The consultation was launched during a period when member states were less able to respond, with an initial turnaround time of only eight working days. Even with the later extension of the deadline, the consultation period remains too short considering the level of detail, complexity, controversial nature, and importance of the file. In addition, and for the same reasons, we believe that the Commission should have held a public consultation around the draft, in accordance with the requirements of the Taxonomy Regulation, the Interinstitutional Agreement on Better Law-Making and the recently adopted Better Regulation Guidelines. We also believe that the EU Platform on Sustainable Finance should have been involved/consulted at an earlier stage in the process. Both member states and other stakeholders should be given opportunity and sufficient time to leave meaningful and effective feedback on this new material. A proper impact assessment is also lacking. A broad and orderly consultation process, and

impact assessment is critical if the Taxonomy is to become a credible tool. We urge the Commission to launch a public consultation and ensure a more transparent and inclusive process in the continued work.

Regarding activities related to fossil gaseous fuels

- We do not support the inclusion of activities related to fossil gaseous fuels as sustainable in the Taxonomy. This would alter the nature of the Taxonomy framework, risk undermining the credibility and usefulness of the Taxonomy as a tool for financial market participants and legitimise fossil gaseous fuels as an energy source for the future. The Taxonomy should be a tool to steer investments away from fossil fuels and into fossil-free alternatives, i.e. activities that can *substantially contribute* to the climate mitigation objective.
- We urge the Commission to consider other options to recognise the role of fossil gaseous fuels in the transition to a climate neutral economy, e.g. in relation to its continued reflections on an extended Taxonomy or alternative tools. We note that the decision to include fossil gaseous fuels as sustainable in the Taxonomy will set a precedent that challenges the logic of an extended Taxonomy.
- If included, activities related to fossil gaseous fuels must be subject to the same emission limit as renewable energy, nuclear and other energy-related activities, in line with the principle of technological neutrality.

Regarding nuclear-related activities

- It is important to respect the principle of technological neutrality and, on that basis, nuclear-related activities should be included in the Taxonomy.
- All fossil-free technologies that have potential to contribute to the climate-related objectives and that meet strict safety and environmental requirements should be able to qualify for the Taxonomy. This includes activities that contribute to the climate change mitigation objective by supporting the transition to a climate-neutral economy consistent with a pathway to limit the temperature to 1.5 degrees above pre-industrial levels.
- The criteria should not specify time limits for nuclear.
- The criteria should ensure that there is a plan for long-term sustainable and safe disposal of spent nuclear fuel and radioactive waste, including sufficient financing and arrangements to ensure the correct management and disposal of waste, *as and when the need arises*.

- The criteria should build on the Euratom treaty and its secondary legislation, and national nuclear licensing processes in line with the national responsibility given by international conventions.
- The delegated act cannot influence the division of competence between the EU and member states as regards reactor safety.
- Distribution and utilisation of heat from all fossil free energy sources, including nuclear, should be included in the Taxonomy.

Please see the appendix for two more detailed activity-specific comments.

Appendix: Activity-specific comments

Activity 4.28 Electricity generation from nuclear energy in existing installations

- The description of the activity covers only modification of existing nuclear installations for the purposes of extension. It should be clarified that the activity also covers the operation of existing nuclear installations, as is the case for other electricity generation activities.
- The description of the activity includes a requirement related to national authorisation processes. In Sweden, lifetime extensions of nuclear power plants are not relevant as their licenses are not limited in time. This requirement is therefore not applicable in Sweden and should be removed, i.e. “authorised by Member States’ competent authorities by 2040 in accordance with applicable national law” should be deleted from the description of the activity or amended by “if applicable”.