



## Nuclear Excluded from EU Sustainable Finance? An Aberration!

On April 15, 2020 the European Council adopted the "green taxonomy" sustainable finance regulation, the result of a political agreement reached with the European Parliament in December 2019. This text includes only renewable energies; nuclear power is excluded in spite of its being carbon-free. Nuclear is considered to be a "transition energy" on the same footing as natural gas, a powerful greenhouse gas whose combustion generates CO<sub>2</sub> emissions. Thus, nuclear is not included in the panel of energies that can benefit from European funds targeted at mitigating climate change, despite the request from several countries such as Poland and Slovakia.

In addition to their vote, many States expressed written positions which revealed persisting disagreement. France, however, voted approval with no reservation, thus disregarding its own nuclear industry, even though France's advance in climate change mitigation rests largely on nuclear energy.

As a reminder, the regulation that was adopted is part of a "sustainable finance" package which will oblige financial products to conform to strict criteria in order to qualify as "sustainable". The European Commission is now preparing the "delegated acts" to be presented by the end of the year. These will establish the precise screening criteria. In other words, while there are obvious differences on the very substance of the regulation, a number of EU civil servants, finance experts, and pressure groups will work towards establishing detailed regulations which will soon be applicable. The insane European machine is at work!

In preparation for this process, the EU Technical Working Group (TEG) has delivered its recommendations to the Commission. Unsurprisingly, nuclear energy is firmly excluded from climate mitigation investments. This TEG - which comprises representatives from "sustainable development" finance, is itself counseled by the WWF NGO and the WISE "experts board", both organizations being resolutely antinuclear; this explains that.

Once again, *"Save the Climate"* cannot but observe the voluntary intermingling of climate change mitigating industrial solutions and so-called "green" solutions whose primary purpose is to allow some to reap considerable profits via so-called "sustainable" financial frameworks such as the EU taxonomy. These financiers have fully understood that energies massively supported by public funds which enjoy an absolute guarantee that their production is purchased at a fixed price can yield enormous profits: in France, the French Energy Regulatory Commission (CRE) observes that the rate of return on wind and solar power investments is excessive, even shocking, and has no justification, given that these investments entail no true industrial risk. Who will pay? The European citizens, of course; with European institutions wanting to enforce policies similar to those of Germany or Denmark, despite their considerable CO<sub>2</sub> emissions and their very expensive electricity. Let us recall that the French Court of Auditors (*Cour des Comptes*) has evaluated at 121 billion Euros the amount already committed to the wind and photovoltaic producers, money that the French are currently paying via their taxes. This tally keeps on growing even as Europe is plunging in an economic crisis!

In the perspective of *"Save the Climate"*, at a time when Europe, along with the rest of the world, is facing an unprecedented health, economic and social crisis, the European Parliament must urgently adopt a responsible strategy, in line with the present historical situation, and grant absolute priority to all carbon-free energy sources. This means the taxonomy must include nuclear energy on the same footing as renewable energies and thus enable unbiased financing of all the non CO<sub>2</sub> emitting energy sources! Recall that nuclear accounts for half of the carbon-free electricity produced in Europe!

In the perspective of *"Save the Climate"*, the taxonomy as it has been adopted supports a mix of renewable & gas for electricity generation, an environmental and economic aberration. In the short term it will place us at the mercy of the few and powerful gas suppliers, among which Russia: too bad for Europe's energy independence and for its commercial balance!

Europe has to give unbiased priority to carbon-free energies and ensure the fair financing of all of them, nuclear included. It must preserve a sufficient level of independence, ensure reliable electricity supply. In accordance with the subsidiarity principle, it must let each country assume its responsibility and do its best, according to its assets, to reach the emission targets that it sets for Europe.