BDI Position zum Delegierten Rechtsakt zur Taxonomie -VO

(technische Screening Kriterien wirtschaftlicher Tätigkeiten für einen substanziellen Beitrag zum Klimaschutz)

Bundesverband der Deutschen Industrie e.V.

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(4000 characters max.)

The BDI welcomes the efforts made by the European Commission to create uniform standards for sustainable investments by introducing a classification system ("taxonomy"). The ecological transformation of the economy to meet the 2050 climate goals will require massive investments which should be facilitated by policy instruments such as the European sustainable finance strategy.

However, the defined criteria should be set such that they encourage transition and facilitate investments into transitional technologies. When designing the taxonomy, it is important that all activities that can contribute to the success of the transformation of our economy towards greater sustainability in the short, medium and long-term are taken into account. The basis for this should always be a technology-open approach. Quantitative targets must be ambitious, but above all realistically achievable, especially for technologies that are of great importance for the transition. It must be ensured that existing plants can continue to operate and then be further optimized while they are gradually replaced by new technologies.

This is especially true for electricity generation from gas which makes an important contribution to the European energy supply and will make an important contribution to the energy transition.
Therefore, electricity generation from gas should be classified as "transitional activity". It provides a reliable source of energy and can balance out the fluctuations in electricity generation stemming from renewable energies. In view of scaling up a hydrogen economy in Europe, which is known as the “missing link” in the energy transition, thresholds should be set in a way that the existing gas infrastructure and power plants can stepwise be retrofitted into an hydrogen infrastructure or made fit for a high share of hydrogen blending into the gas system.

On this note, the construction of new hydrogen networks should be eligible for funding as well, since a successful introduction of a hydrogen economy is inseparably linked to the roll-out of the corresponding infrastructure. Gas and hydrogen networks, also at distribution network level, must therefore be classified as "enabling technologies”.

An essential element of the proposed criteria of the environmental objectives 1 and 2 of the taxonomy (climate change mitigation and adaptation) for the establishment of an open-technology comparability in the energy sector is the "Life Cycle Emissions Assessment" (LCEA). It offers a possibility to compare the emissions of all technologies for the generation of electricity, heating and cooling.

However, the requirements in the contribution to climate change mitigation for electricity production from gas (Art. 10(2) of Regulation (EU) 2020/852) with an LCEA level of less than 100 g CO2e/kWh (including emissions from extraction, transport and storage) are too ambitious to be realistically achievable today. We therefore urge the Commission to raise the LCEA level on "less than 250 g CO2e/kWh".

The BDI welcomes the increase in the limit values for direct CO2 emissions in the production of hydrogen and for the quantity of electricity of hydrogen used in the electrolysis process. These thresholds should not be lowered under any circumstances.

For the do not significant harm criteria we propose the following point of reference:

> *Power plants reach GHG emission levels associated with the best available techniques (BAT-AEEL) efficiency ranges set out in IMPLEMENTING DECISION (EU) 2017/1442 for large combustion plants. For gas combustion <50MW, efficiency ranges of IMPLEMENTING DECISION (EU) 2017/1442 for gas combustion ≥ 50MW should apply until efficiency standards for medium combustion plants have been defined as per Article 12 of DIRECTIVE (EU) 2015/2193.*

The BDI urges the Commission to carefully review its thresholds for power plants as the support for the transition of existing plants is essential for a successful energy transition. We welcome the fact that the European Commission takes positively into account R&D activities.

For more details on several industry sector criteria please find attached our position on the TEG report.

Ansprechpartner

Lilly Höhn
Referentin Energie- und Klimapolitik
T: +493020281407
L.Hoehn@bdi.eu