



January 7, 2023

## Activity Report 2022

### **ACTIVITIES**

A main effort in 2022 was dedicated to follow closely the evolution of the Taxonomy file (Taxonomy for Sustainable Financing, helping to label what kind of investment would be considered as sustainable). End of 2021 the first Delegated Act (DA) had been adopted. It was not including nuclear (and gas), even if earlier in 2021 the JRC had concluded that nuclear was not doing significant harm (DNSH criteria). weCARE produced a position paper in January 2022 to strongly advocate for the inclusion of nuclear in a Complementary Delegated Act (CDA). The Commission tabled its proposal for the CDA early April, giving up to six months for the Council and the Parliament to adopt it (without possibility of amendment). The CDA was covering both nuclear and (fossil) gas, as a result of a political deal (essentially between DE and FR). weCARE wrote a Letter to MEPs (around 100 MEPs on the weCARE distribution list) insisting on the importance of them approving the CDA – as some “pro-nuclear” MEPs could reject it because of the gas dimension. In the letter weCARE clearly stated that the CDA as proposed was not perfect – particularly the transitional dimension imposing various deadlines, saying that, while appropriate for gas, it was not understandable and even counterproductive for nuclear. The CDA was finally adopted, first by a simple majority at the European Parliament, and “automatically” by the Council when the deadline of six months was reached. Since that time weCARE continued to follow the discussion by industry groups to understand how they interpret the text and prepare the follow-up and implementation. One has to note that the Commission (DG FISMA in charge of the Taxonomy file) is not keen to interact with the nuclear industry to ease the process.

In March 2022, the Commission tabled its REPowerEU Communication proposing measures to help limit the negative effects of the energy crisis and the gas prices crisis in particular. In April, weCARE reacted by writing a Letter to the Commission President, two Vice Presidents (Timmermans and Dombrovskis) and two Commissioners (Simson and Breton). The letter was quite blunt, recognising the need for finding short term alternative gas supplies, but showing disappointment that medium and long-term measures (mainly more push for renewables and hydrogen – with financing means) did not include a single word on nuclear energy. The EnergieWende was used as the example of what not to do. The letter also clearly flagged already the need to launch a deep reform of the electricity market – as the exploding price of electricity was due to the soaring price of gas (even in countries not relying on gas for their electricity production, ia France). The Letter ended by asking the Commission to start the preparation of a new PINC (Programme Indicatif Nucléaire de la Communauté (Euratom), Illustrative Nuclear Programme of the Community). An answer from the Commission was received in July, without really tackling the points raised by weCARE.

After the summer break, weCARE wrote a Letter to like-minded Member States (via the Permanent Delegations in Brussels) in view of the upcoming Energy Council of 9 September. That letter, with a provocative title (Zeitenwende für Energiewende), insisted on the need to review the Green Deal Energy Policies. Six months after the start of the war in Ukraine, no proactive action was visible at EU level to really reduce the societal challenges associated with the energy crisis (apart from short term measures). Structural changes were urgently needed. Three areas of action were proposed by weCARE: (i) keep realistic decarbonisation targets but remove the renewables targets (they should be a tool for MS who want them, not a European goal), (ii) deeply reform the electricity market keeping in mind the interest of the consumers (households and industry), (iii) restore strong European support for nuclear energy and its role in decarbonisation.

The Commission replied to the weCARE Letter in November 2022.

weCARE participated in a Panel of the Entretiens Européens (20th Edition organised by ASCPE Claude Fisher). It was organised in Brussels and gathered around 100 participants. The Commission was represented by DG ENER (Directorate D Euratom Luxembourg), but a representative of DG Competition also participated in a Panel.

The speech of weCARE (Marc Deffrennes in French) is visible on the website of ASCPE: see item 4 in <https://m.youtube.com/playlist?list=PLfLpAq6WFg90zO4RvyQgb6xFaQulkuM3l&cbrd=1>

The main messages were in line with the letter sent earlier to the Commission: under the crisis conditions in which we find ourselves, need to reform EU Energy Policies (decarbonisation target but no renewable target), need to reform the electricity market respecting Art 194.2, and the promotional dimension of the Euratom Treaty, need for more support for nuclear and a new PINC.

weCARE was also invited to participate in November in the European Nuclear Energy Forum in Prague (hosted by the CZ Presidency and co-organised with Slovakia and the Commission). Noticeably, the travel costs of Marc Deffrennes and Richard Ivens were covered by the European Commission (DG ENR D). This gives a sign of recognition of weCARE even if we were invited as individual experts. weCARE had prepared a paper for distribution to the participants.

The paper recalled all the main messages produced by weCARE over the last months: solve open questions on the Taxonomy CDA, open all former EU budgets for nuclear projects as nuclear is now in the Taxonomy, revisit REPowerEU to include nuclear, keep decarbonisation targets but not renewables targets, reform deeply the electricity market, support more strongly research and innovation in nuclear (fission), issue a new PINC.

The participation at ENEF allowed some interesting contacts with the Chair and Rapporteur of the EESC TEN Committee and the MEP Chair of the ITRE Committee, as well as with Jan Horst Keppler (Chief Economist OECD NEA – former colleague of Marc Deffrennes), building some ideas for a possible weCARE event on the reform of the electricity market.

weCARE attended a one-day event in Brussels in October organised by the European SMR Partnership, and also a panel discussion on SMRs in the European Parliament organised in November by MEP Grudler.

weCARE replied to a questionnaire on the elements for a “future” nuclear Ecosystem in the EU. This questionnaire forms part of a study performed by Deloitte for the European Commission DG ENER D. A presentation had been made by Deloitte during the ENEF meeting in Prague, which resulted in lively discussion during which weCARE could express its views. A workshop of stakeholders on the nuclear Ecosystem questionnaire is planned for the 12 Jan in Prague. weCARE asked the Commission if it could be invited (in remote).

At the end of December a weCARE Young Generation Group was launched (with six young people participating for now).

### ***STATE OF PLAY OF EUROPEAN ENERGY AFFAIRS END 2022***

- On the Taxonomy, Austria is pursuing a Court Case against the CDA, claiming it to be legally unsound. Luxemburg might follow. But some other Member States may align with the European Commission in the defence.
- The Commission is supposed to issue a Proposal for the reform of the electricity market for the end of March 2023. A non-paper tabled for the Council meetings in December is mentioning pricing of inframarginal producers at their true costs (and not the gas costs), long term contracts for remuneration, and PPAs and CfDs for investments in infrastructures.  
A public consultation might be organised in early 2023.
- A number of Council meetings (Energy and European Councils) in November and December, resulted in a further push for deployment of Intermittent Renewable Sources and grid infrastructures. This is also in the final version of REPowerEU (adopted end 2022) – with again no mention of nuclear – even if the European Parliament had opened a door by mentioning low carbon sources instead of renewable sources (for Hydrogen production).
- A letter from the Commission President dated 14 December to the Member States (in view of the Council meetings) mentions the need to collaborate with the US (on IRA); increase of State Aid thresholds for Renewable sources, decarbonisation of industrial

- processes, clean technologies value chains; boost of REPowerEU (Interconnections, Renewables and Energy Efficiency), and stepping up the deployment of Renewables.
- The European Council of 15 December concluded with a better coordination for gas purchases and a cap of 180 Euros/MWh for gas in order also to limit the price escalation of electricity and pushed for the acceleration of renewable deployment. The reform of the electricity market should be prepared by an Impact Assessment – to have structural measures helping the uptake of renewables.
  - At the 19 December Energy Council, where rules were decided to ease investments in renewable sources (wind and solar parks) by streamlining the procedures and limiting possible legal actions against projects, the Commission proposed that REPowerEU should now include a target of 45 % Renewables for 2030 – compared with the previous 40% of the Fit for 55 (55% decarbonisation by 2030). Diverse positions of MS on this issue.
  - There is also work planned in the coming months on the review of the EU ETS and the CBAM (Carbon Border Adjustment Mechanism).
  - The Swedish Presidency priorities on Energy are: preparation of the next winter (filling gas reserves), Fit for 55 (Renewable Directive, Energy Efficiency), H2 and decarbonisation of the gas market. During a speech at the SE Parliament the SE PM declared that EU MS who wish to build nuclear should be allowed to do so.
  - The European SMR Partnership activities are progressing.

### ***MAIN LINES OF ACTIVITIES FOR 2023***

- The reform of the electricity market will be a main file for weCARE in the coming months. It is linked with the role of nuclear versus intermittent renewables. The idea developed during the contacts at ENEF should be pursued, leading to a weCARE event and a position paper on the matter. An open question is to have this before or after the issue of the Commission proposal, expected end of March (depending also if an Impact Assessment and a public consultation will take place early 2023).
- A first task for the Young Generation Group will be to help the design and drafting of information material for school pupils of 15-17 years (in physics classes) in Europe. The subject should be Climate Change and Energy: from myths to realities. weCARE members will have to be active in particular for the translation into their own languages and the large diffusion in schools in their countries.
- For sure all other Energy related files will be followed as usual.

*All weCARE Letters and Documents mentioned in this report are available on the weCARE website*

Marc Deffrennes, Richard Ivens, Serge Crutzen

weCARE

[marc.deffrennes@hotmail.com](mailto:marc.deffrennes@hotmail.com)

[richard.ivals@telenet.be](mailto:richard.ivals@telenet.be)

[crutzen.serge@gmail.com](mailto:crutzen.serge@gmail.com)

weCARE is a Brussels-based alliance of NGOs campaigning in Europe for Clean, Affordable and Reliable Energy. The weCARE website (<https://www.wecareeu.org/>) describes the aims and specific activities of the alliance and lists the current member organisations: Sauvons le Climat FR, Patrimoine Nucléaire et Climat FR, Terraprxaxis UK, 100TWh BE, Ekomodernist FI, Jihocesti TatKove CZ, Institute for Sustainable Energy PL, 18for0 IE, European Association for Energy Security SK, Stichting Energietransitie en Kernenergie NL.

weCARE is listed in the EU Transparency Register under number 473723535459-78.