



## **FEPORT – Position Paper EU Taxonomy Regulation**

### **1. Introduction**

FEPORT welcomes the opportunity to provide its remarks regarding the delegated acts that will be drafted to establish the technical screening criteria used to determine the environmental performance of economic activities and investments in the context of the EU Taxonomy Regulation (EU) 2020/852. FEPORT believes it is important that EU funding is based on criteria that embrace all aspects of sustainability.<sup>1</sup> Private port companies and terminals have invested large amounts of resources to green port operations and to reduce the carbon footprint of their activities. In addition, they provide well-paid work and contribute significantly to the EU's economy. EU support to intensify the efforts with respect to further improving the sustainability of port operations will be most welcome.

It is of paramount importance that port terminals and other actors in the maritime logistics chain continue to invest in research and development in order to move forward the green and digital transformations.

EU Taxonomy technical screening criteria should, therefore, enable sustainable investments while bringing consistency and convergence between existing EU pieces of legislation that apply to EU ports. It should be prevented that highly innovative companies are put at a disadvantage due to overly complex screening criteria.

The port sector is indeed very regulated, and all investments are already made in compliance with EU Regulations but also national ones.

### **2. EU environmental legislation applies to EU port investments**

Already numerous European Regulations and Directives are applicable to investments in EU ports, for example: the Bathing Water Directive, the Water Framework Directive the Dangerous Substances Directive, the Wild Birds Directive, the Health and Safety in the Workplace Directive, the Alternative Fuels Infrastructure Directive, the Shellfish Directive, the Urban Waste Water Treatment Directive, the Habitats Directive, the Environmental Impact Assessment Directive, the Waste Recaption Facilities Directive, the Strategic Environmental Assessment Directive and the Environmental Liability Directive. It is to be noted that some of those instruments are subject to intensive scrutiny and litigation to clarify their very basic meaning and assumptions (e.g. Water Framework Directive).

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<sup>1</sup> <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

FEPOR T argues that the EU Taxonomy Regulation Delegated acts should build on criteria and requirements already spelled out in the above-mentioned and other Directives and Regulations applicable to port operations. At the same time, care must be taken that additional regulatory requirements do not contribute to further delaying projects that would contribute to Europe's sustainability.

In order to facilitate sustainable investments, criteria should be holistic, i.e. taking into account the interests of various stakeholders and looking at all aspects of sustainability, but, at the same time, easy to apply. The creation of a complex myriad of additional requirements should be prevented in order to reduce compliance costs.

It is important that regulations make environmental compliance not too complex, because, if this is the case, important infrastructure projects can be delayed, thereby jeopardizing other EU policy objectives such as the completion of the TEN-T core network by 2030.

In this respect, the European Court of Auditors recently concluded that for many projects carried out to complete the TEN-T core network delays occurred due to, among others, different EU, national and regional environmental requirements.<sup>2</sup>

Similarly, many projects important to regional development have been delayed significantly.

Port related investments be it in infrastructure or superstructure projects are always capital intensive and long-term binding. Therefore, it is essential to mobilize EU financial support to build the green ports of the future. Taxonomy rules can help in this respect provided that the technical criteria are clear, stable and reliable.

Such infrastructure projects are vital for port terminals to be able to continue to play their role in providing the interface between maritime transport (which has the lowest carbon emissions per tonne/km) and low carbon landside logistics. Port terminals offer potential for significant emissions reductions in the transport sector, but this is contingent upon provision of enabling infrastructure such as connecting rail services and hydrogen refuelling points (for trucks). Taxonomy rules are crucial in this regard, as only with clear, stable and reliable technical screening criteria, infrastructure projects can be viable.

### **3. Build further on and support industry initiatives**

Industries, including port terminals, have already employed numerous initiatives to measure and classify the sustainability of their economic activities. FEPOR T and its members, for example, had already developed a methodology for calculating the GHG emissions of container terminals in 2017.

Such industry experience and expertise should be used and, where possible and applicable, incorporated in the taxonomy.

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<sup>2</sup> European Court of Auditors, *Special Report – EU transport infrastructures: more speed needed in megaproject implementation or deliver network effects on time*, June 2020, p.29, accessed through: [https://www.eca.europa.eu/Lists/ECADocuments/SR20\\_10/SR\\_Transport\\_Flagship\\_Infrastructures\\_EN.pdf](https://www.eca.europa.eu/Lists/ECADocuments/SR20_10/SR_Transport_Flagship_Infrastructures_EN.pdf)

#### **4. The EU Taxonomy should allow some transitional activities to be qualified as green**

Regarding this point, FEPOR is particularly concerned by the role that could be assigned to LNG in the EU Taxonomy Regulation.

In the first place, LNG is in many instances the cleanest maritime fuel available. In the second place, port operators have already made investments in LNG refuelling points as this was prescribed by the Alternative Fuels Infrastructure Directive 2014/94/EU.

FEPOR is therefore satisfied that, under some circumstances, the EU Taxonomy Regulation allows for transitional activities to qualify as green, e.g. when the activity has *“greenhouse gas emission levels that correspond to the best performance in the sector or industry”* and hope that also LNG can qualify as green in this respect.

#### **5. The EU Taxonomy must abide by a systemic approach.**

In certain situations, projects may have a negative environmental impact in themselves, but contribute to an overall systemic improvement. For instance, a green field port project may have a negative impact locally, but a positive impact by allowing a modal shift. This must be adequately reflected in the taxonomy.