



ESPO Statement on the process towards an EU taxonomy for sustainable investments

July 2020

The European Sea Ports Organisation (ESPO) supports the initial aim of the EU taxonomy framework to encourage investors to prioritise green and sustainable investments by providing them a clear manual with common definitions.

ESPO understands that in the light of the Green Deal and Green Recovery plans, the EU taxonomy for sustainable finance will also be used as a basis for the EU and Member States when setting public measures or instruments.

European ports believe, however, that the sustainability requirements and financing priorities put forward in sectoral legislation should remain the basis for EU funding and financing instruments.

The Trans-European Networks in the fields of transport, energy and digital and the Connecting Europe Facility are the outcome of a complex legislative process. The EU taxonomy should not create another layer on top of the priorities set in such sectoral legislation and should not overrule the established funding requirements and eligibility criteria for EU funded projects. By introducing another layer of requirements and definitions, the taxonomy framework will add on complexity and confusion for ports and other project promoters, which are preparing and/or submitting investments projects.

Where no sectoral requirements are in place, technical screening criteria can help to promote and facilitate sustainable investments. In that respect, definitions of sustainable economic activities and investments should remain technology-neutral and need to take into account the availability and market-readiness of sustainable solutions. They should include transitional and enabling activities, which provide a short- and medium-term solution on the path towards climate-neutrality.

Moreover, **when setting any technical requirements ports should be considered not only as components of maritime transport but as clusters of transport, energy and industry.** European ports help to avoid unnecessary transport, and thus negative transport externalities, by clustering industry in and around the port area. Through their community manager function, the port managing bodies connects the different modes of transport and provides digital services to the stakeholders of the port ecosystem, enabling efficient logistics chains. They are in that sense a strategic partner in Europe's ambitious decarbonisation agenda. **Investments in ports aiming at facilitating the decarbonisation**

of the port, including its diversity of stakeholders and activities should be considered sustainable as such.

Given the political impact of EU taxonomy in its current status, **the delegated acts which will prescribe the technical screening criteria should be developed in a fully transparent way in close cooperation and consultation with all relevant stakeholders** and should take into account EU sectoral legislation, as well as Member States' priorities in a comprehensive and coherent way. They cannot be seen as a mere technical exercise.
