

Will EU`s Taxonomy Regulation make the industry greener?

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SETTING THE SCENE

Green is seen as a business opportunity

Still, the so-called green economy represents a **contradiction** between environmental protection and industrial interests with a focus on free trade and growth (Brand, 2012).

CALL FOR COORDINATED ACTION

A call for regulations that minimizes the total environmental impact represents a coordinated responsibility that have to be taken by others than the industry themselves.





**IS EVERYTHING GREENING WITH
THE TAXONOMY?**

REBOUND-EFFECTS ACROSS SECTORS AND GEOGRAPHIES

Seemingly positive effects may do negative harm to the environment that offsets the advantages.

CONDITIONED BY:

1. Lack of full information, responsibility and control when components of the production systems are far away (also outside Europe)
2. The focus on just greenhouse emissions makes us forget to really consider other serious forms of impact such as loss of biodiversity and areal fragmentation
3. Location, scale and timeframe across sectors.



REPLACEMENT EFFECTS

Pinpoints a greener choice (individual or policy level)

Example of renewal that will give:

+ energy efficiency

- adds on to a increase in the total consumption and use of materials, as replaced objects keeps on polluting elsewhere.

A REBOUND AND REPLACE EXAMPLE:

The electrical car example:

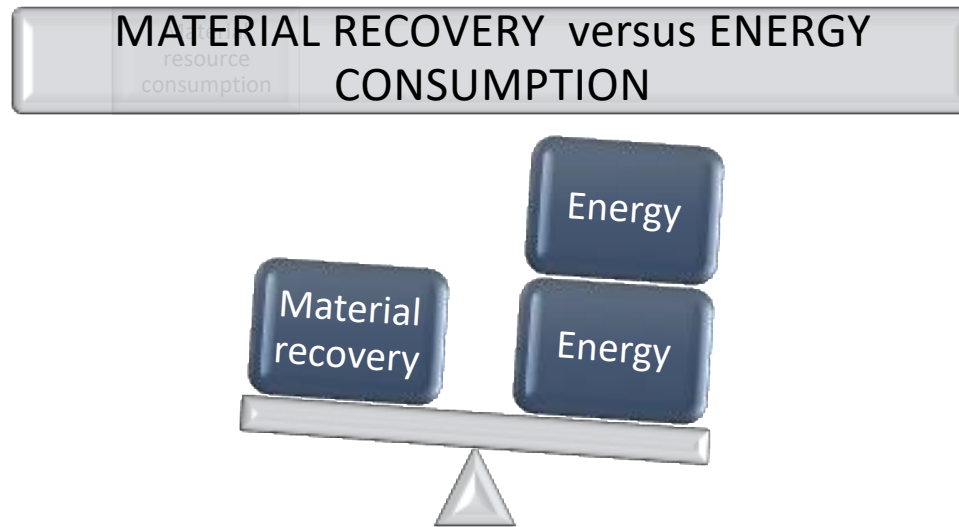
1. Car number 2 in the household
2. Use of car in stead of public transport or cycling
3. Form of energy producing electricity may be pollutive
4. And what about the working conditions and pollution of the lithium mines in Kongo or emissions from nickel production etc.
5. Less expenses used on a private care creates more spending power and another holiday flying to Florida.
6. REPLACEMENT: And what happened to the old diesel car. Is it perhaps still running somewhere else? (a large market for second hand cars in low income countries).
7. Similar arguments are relevant for ships, airplanes etc.

HOW DO WE MINIMIZE NEGATIVE REBOUND AND REPLACEMENT EFFECTS?

1. We need to bring the whole value chain into our calculations.
2. We need to consider the responsibility to all geographical levels of the value chain (legal, ethical, social, ecological sense).
3. Call for Life Cycle Assessments (the importance and tricky temporal dimension).
4. Replacement costs (including use of materials, circulation and disposals)
5. We have to bring in other measures than just greenhouse emissions



IS CIRCULATION FEASIBLE? AND WHO IS ASKING?



THE TAXONOMY CAN BE SEEN AS A COLLECTIVE SECTOR PUNISHMENT

1. What about those within a sector that really needs to go green? Should they not have a favourable funding position to make them more environmental friendly.
2. The one size fits all problem, and the fact that many industries and value chains operates across sectors.
3. We need a public sector financial support that is operating outside the taxonomy regime that compensates for market failure:
 - a) supporting the non-green businesses in their struggle to turn green.
 - b) and to cover up for the weakness of the taxonomy-regime

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THANK YOU

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