



# The EU Taxonomy and Electrification of the Norwegian Continental Shelf

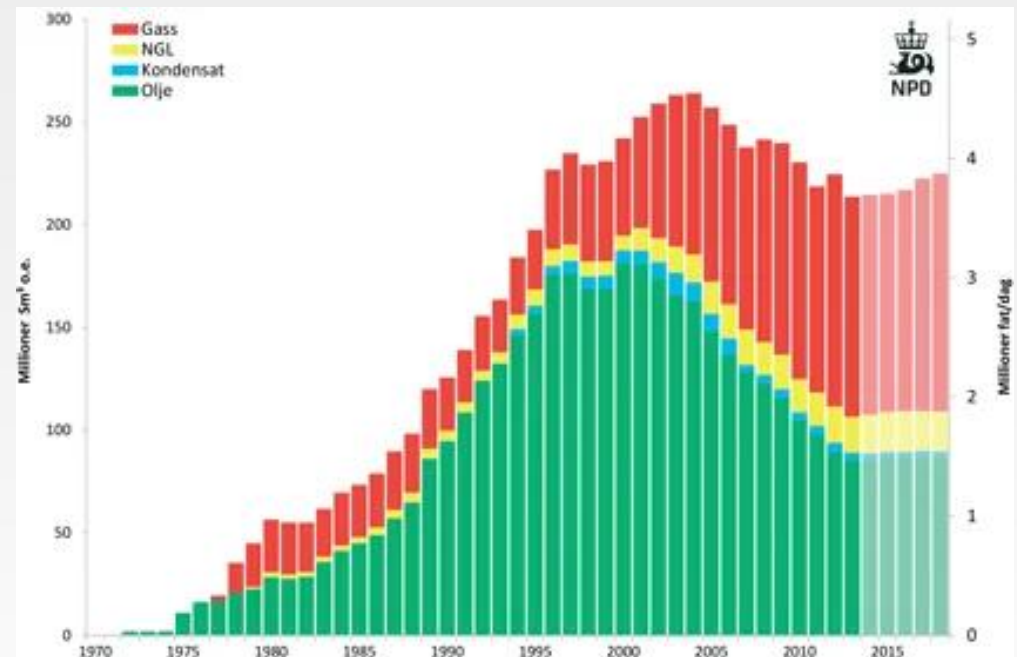
Ignacio Herrera Anchustegui  
Associate Professor – Faculty of Law  
Member of Bergen Offshore Wind Centre





# A few basics about the NCS

- **6+ times** the size of 'mainland' Norway
- Currently, **78 fields** are in production on the Norwegian continental shelf (NCS). In addition, there are 12 abandoned fields, all in the North Sea





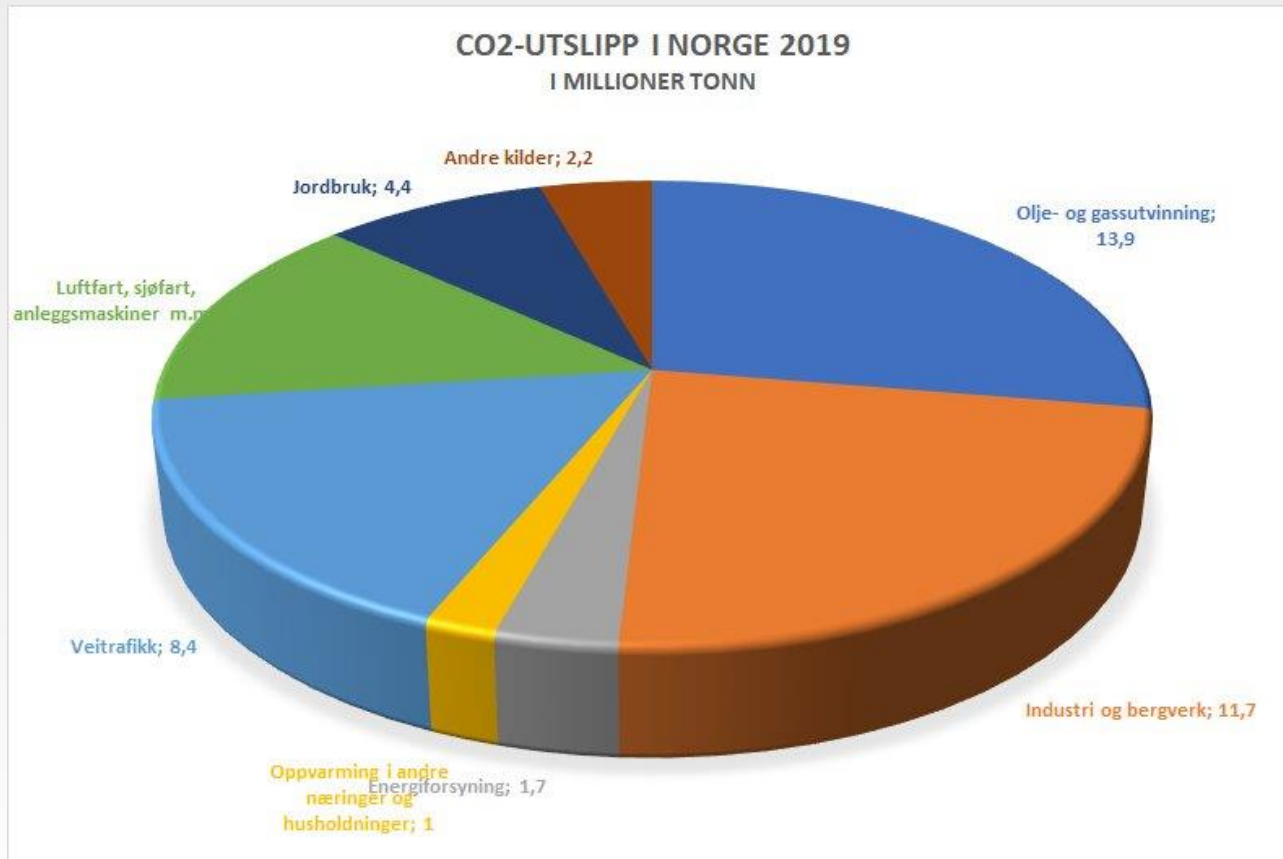
# Effects of Oil and Gas E&P

- Hydrocarbons produce CO<sub>2</sub> emissions when consumed
- But also **when extracted**
- Most oil and gas platforms use gas (from the same well) to power itself up
- About **10%** of the world's gas emissions associated to hydrocarbons come from their E&P (Statistics Norway 2015)





# Effects of Oil and Gas E&P





# What's the point with electrification anyway?

- **Reduce CO2 emissions**
- Making E&P of **oil and gas greener**
  - Sure, but oil and gas is bad, right?
    - Well, but it is 60% of the globe's energy demand
    - Not easily substituted
    - We produce around 2% of the world's hydrocarbons production
- Clear financial reasons to electrify
  - EU-ETS
  - National CO2 and other gases taxes
- [Wind of Change: A Scandinavian Perspective on Energy Transition and the 'Greenification' of the Oil and Gas Sector](#)





# Electrification & Taxonomy





## EU TAKSONOMI

# EU's nye klimaregler: Havvind til plattformer og karbonfangst offshore ikke godkjent som grønt

Heller ikke strøm fra land vil bli definert som grønt.



Havvind vil bli definert som grønt hvis strømmen leveres til land, men ikke hvis den går til en oljeplattform. (Montasje: Equinor)



ELLEN SYNNOVE VISEITH ENERGI 26. NOV. 2020 - 05:15



Johan Sverdrup er det tredje største oljefeltet på norsk sokkel, med forventede ressurser på 2,7 milliarder fat oljeekvivalenter. Feltet elektrifiseres fra land. Foto: Carina Johansen / NTB

SAMFUNN

## Nye EU-regler mot grønnvasking soter til norsk energi- og miljøpolitikk

Et nytt EU-system for bærekraft vil ikke definere havvind og strøm fra land til oljeplattformer som bærekraftig, og vannkraften er visst ikke så miljøvennlig heller.



Av Joakim Birkeli Jacobsen | 30. november 2020, 09:43







Aftenposten

A-magasinet

Oslo

Sport

Meninger

Søk



Meny

Meld deg på Aftenpostens  
nyhetsbrev om klassisk musikk

Les mer



Politikk | EU

## Norge og EU på kollisjonskurs om klimagrep

Regjeringen vil forsyne norske oljeplattformer med strøm fra land. EU vil motvirke det.



Schibsted

Aftenposten er en del av Schibsted. Schibsted er ansvarlig for dine data på denne siden. [Les mer her](#)



TU Maritim

MENY

LEDIGE JOBBER

WEBINARER

BLI EKSTRA-ABONNENT

SØK

LOGG INN

ELEKTRIFISERING AV SKIP

## Elektriske skip til oljesektoren vil ikke bli regnet som grønt av EU

Elektriske oljeplattformer og havbruk kan også møte på problemer.



Elektrifisering av skip som frakter fossilt brennstoff vil ikke kvalifisere som grønt slik EUs regelverk legger an til å bli. (Bilde: Statoil)



ELLEN SYNNOVE VIETH

MARITIM

13. NOV. 2020 - 05:15





# Delegated Act 21 April 2021

## *Article 1*

The technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives laid down in Article 9 of Regulation (EU) 2020/852 are set out in Annex I to this Regulation.

- No specific rules for electrification of the the continental shelf
- Does contain rules for generation of electricity
  - Wind
  - Hydropower





# Delegated Act 21 April 2021

---

## 4.3. Electricity generation from wind power

### *Description of the activity*

Construction or operation of electricity generation facilities that produce electricity from wind power.

Where an economic activity is an integral element of the 'Installation, maintenance and repair of renewable energy technologies' as referred to in Section 7.6 of this Annex, the technical screening criteria specified in Section 7.6 apply.

The economic activities in this category could be associated with several NACE codes, in particular D35.11 and F42.22 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

### *Technical screening criteria*

---

Substantial contribution to climate change mitigation

---

The activity generates electricity from wind power.






---

Do no significant harm ('DNSH')

---

(2) Climate change adaptation	The activity complies with the criteria set out in Appendix A to this Annex.
(3) Sustainable use and protection of water and marine	In case of construction of offshore wind, the activity does not hamper the achievement of good environmental status as set out in Directive 2008/56/EC of the European Parliament and of the Council <sup>158</sup> ,

---

<sup>158</sup> Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for community action in the field of marine environmental policy (Marine Strategy Framework Directive) (OJ L 164, 25.6.2008, p. 19).





resources	requiring that the appropriate measures are taken to prevent or mitigate impacts in relation to that Directive's Descriptor 11 (Noise/Energy), laid down in Annex I to that Directive, and as set out in Commission Decision (EU) 2017/848 <sup>159</sup> in relation to the relevant criteria and methodological standards for that descriptor.
(4) Transition to a circular economy	The activity assesses availability of and, where feasible, uses equipment and components of high durability and recyclability and that are easy to dismantle and refurbish.
(5) Pollution prevention and control	N/A
(6) Protection and restoration of biodiversity and ecosystems	The activity complies with the criteria set out in Appendix D to this Annex <sup>160</sup> . In case of offshore wind, the activity does not hamper the achievement of good environmental status as set out in Directive 2008/56/EC, requiring that the appropriate measures are taken to prevent or mitigate impacts in relation to that Directive's Descriptors 1 (biodiversity) and 6 (seabed integrity), laid down in Annex I to that Directive, and as set out in Decision (EU) 2017/848 in relation to the relevant criteria and methodological standards for those descriptors.





# ... and now what?

NY  Norsk Industri  Lo

Kontakt oss | Kurs og arrangement | Juridisk bistand

dustri / Dette jobber vi med / Økonomi / Bærekraftig finans / Taksonomi-kriterier lagt frem i EU

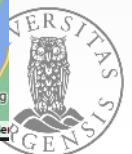
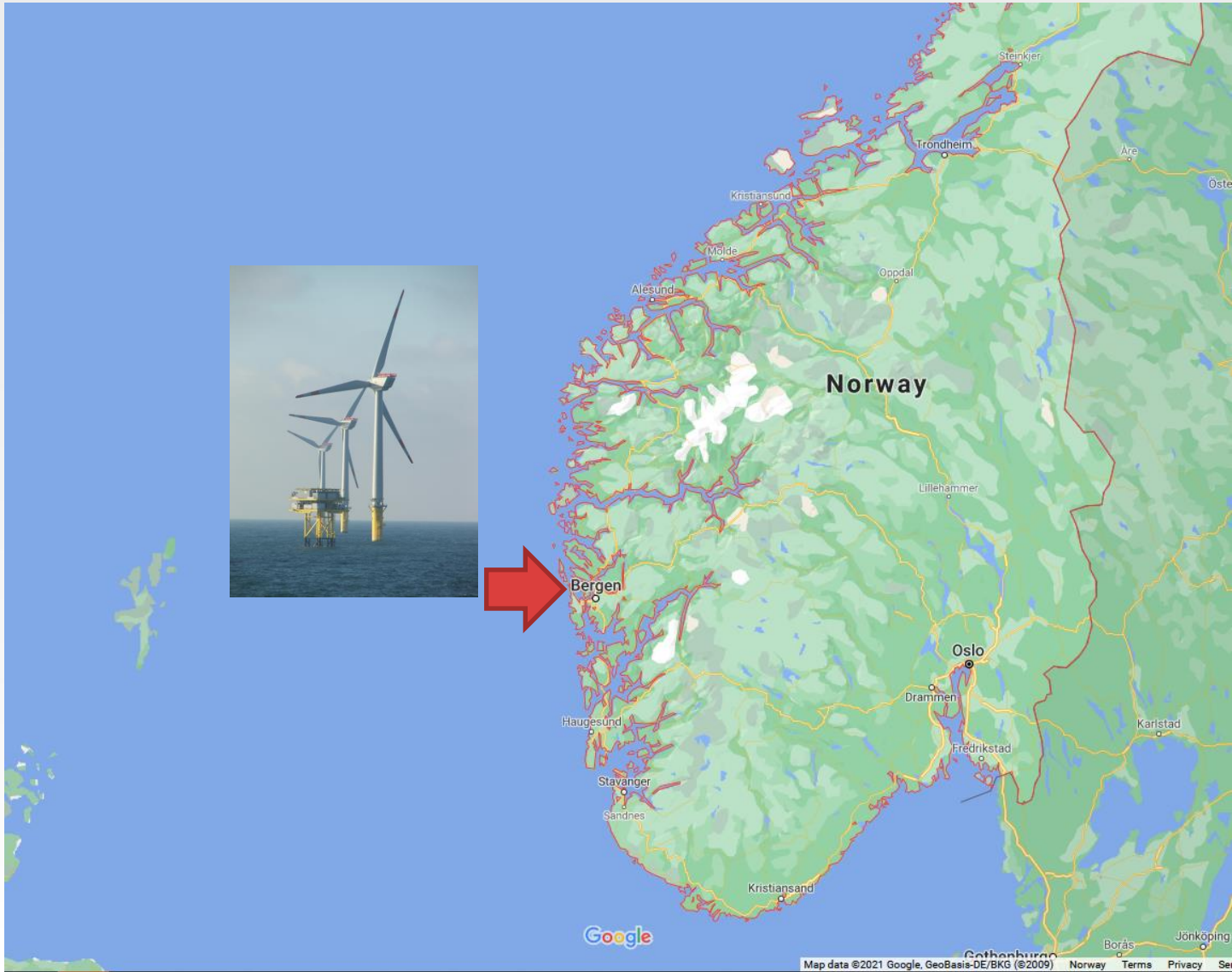
## Taksonomi-kriterier lagt frem i EU

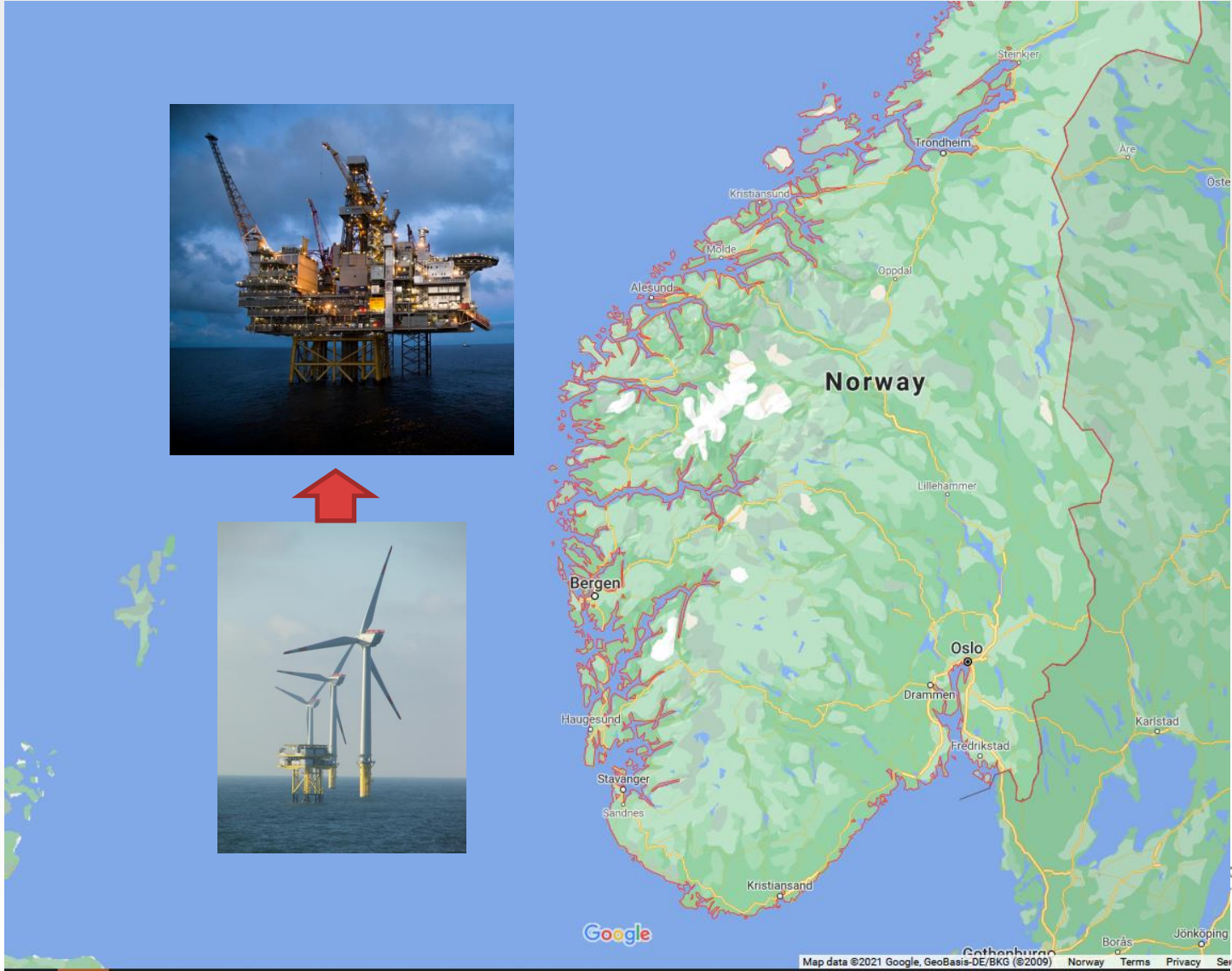
Aktuelt, Nyhet, Gjenvinning, Energi og klima Publisert 22.04.2021

### Havvind

I norske medier har det vært diskutert om produksjon av havvind, som elektrifiserer olje- og gassplattformer, omfattes av kriteriesettet for klimatilpasning. Slik Norsk Industri ser det er det utvilsomt at produksjon av kraft fra havvindparker omfattes av taksonomien uavhengig av hvor kraften brukes. Vindmøller som installeres direkte på bygninger ("on-site") som er dedikert til produksjon eller transport av fossile brenslers vil ikke møte taksonomi-kriteriene for klimatilpasning.





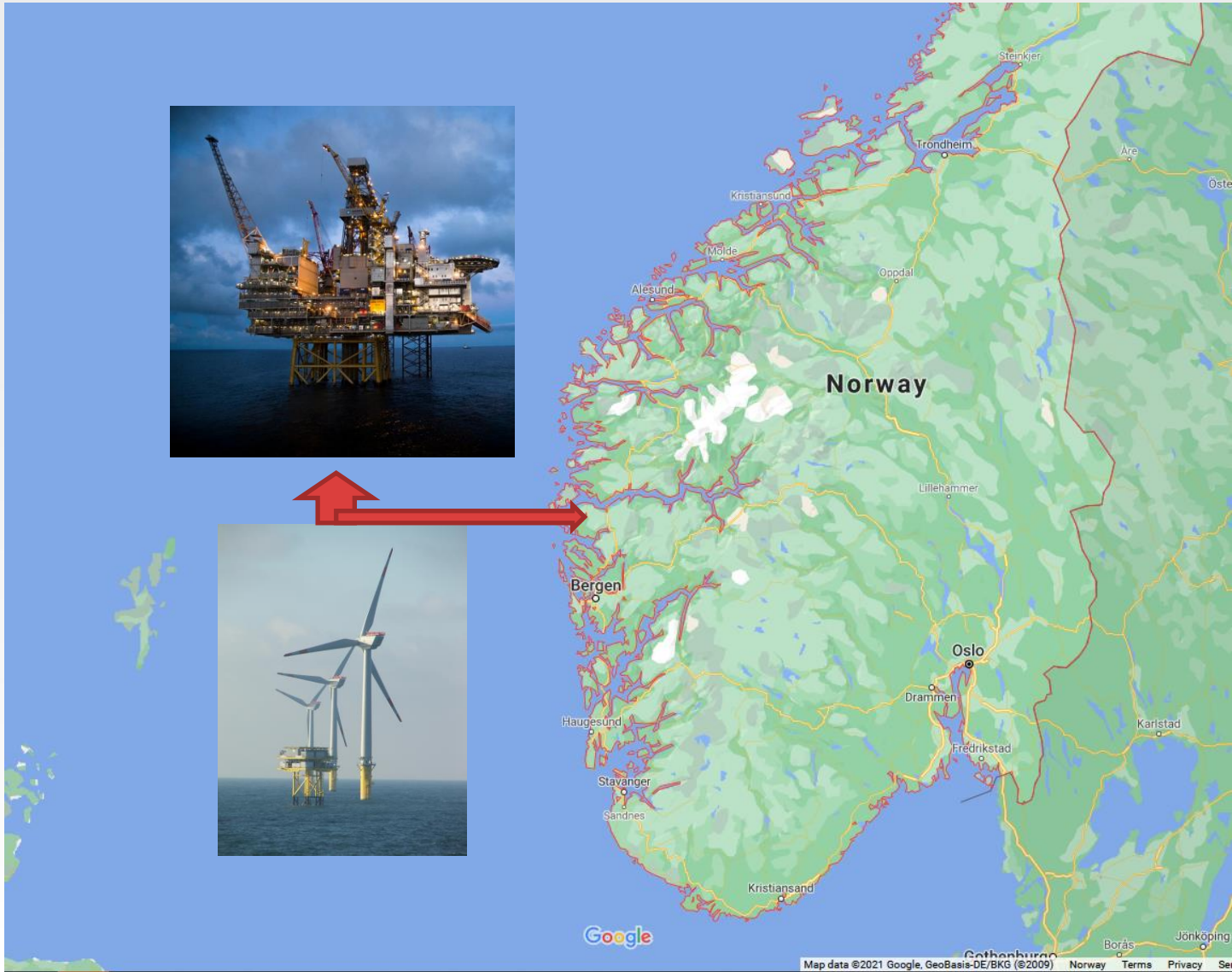


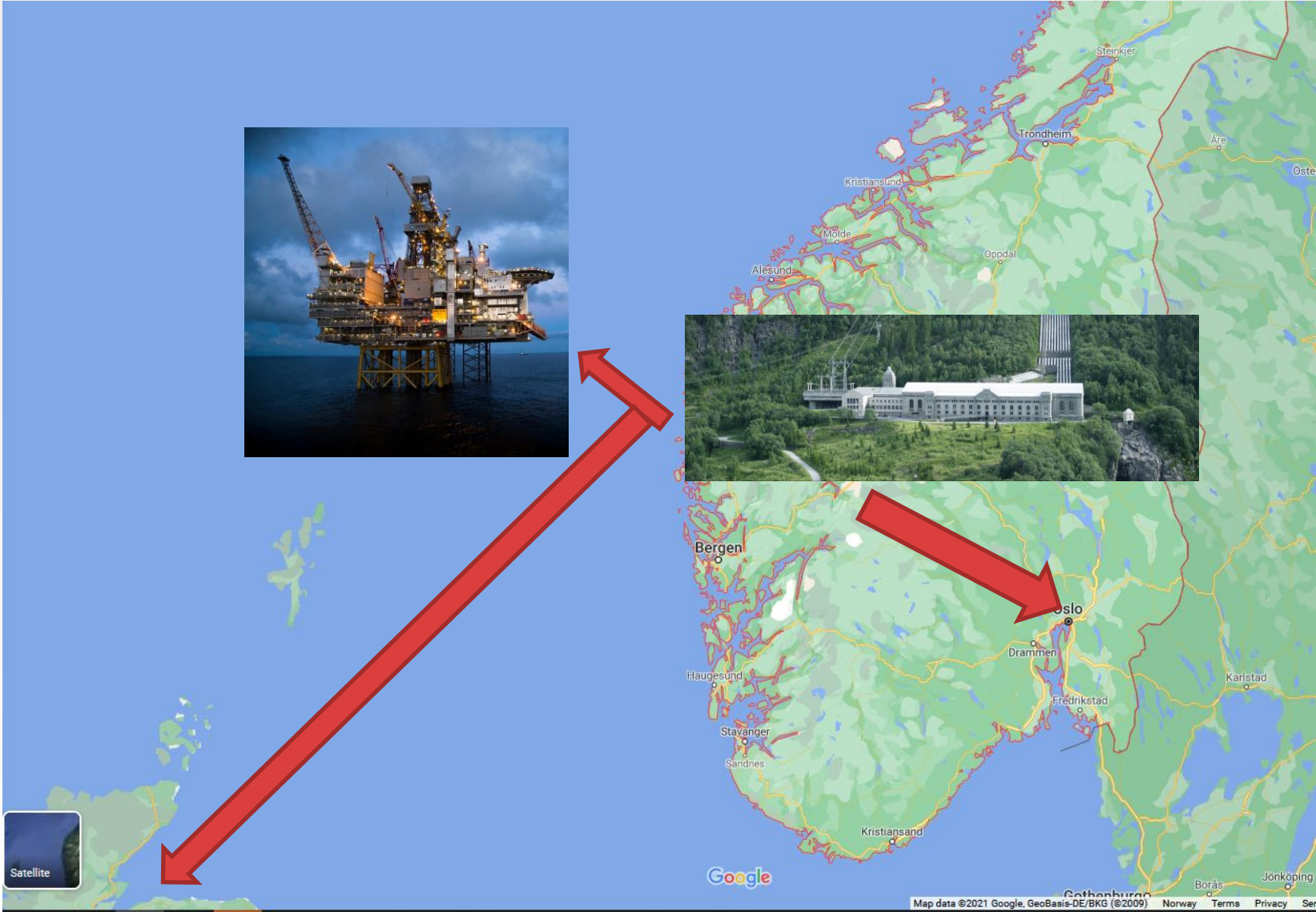
Google

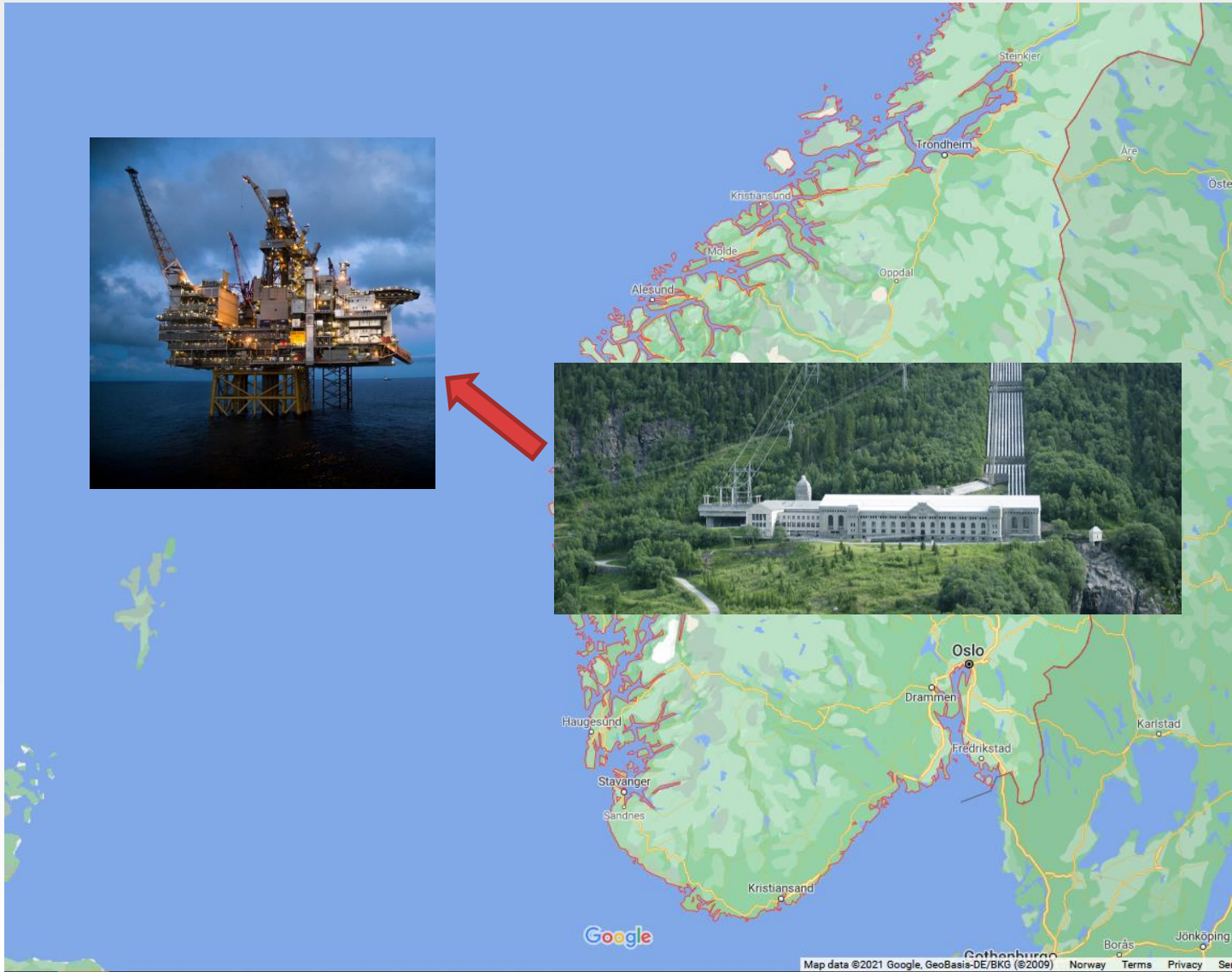
Map data ©2021 Google, GeoBasis-DE/BKG (©2009) Norway Terms Privacy Ser













# Assessment of projects

- Taxonomy is a **checklist**
  - Contribute to environmental objectives
  - No significant harm
  - Sufficient safeguards
  - Technical screening is passed
- And promote the **objectives**:
  - Mitigation, adaptation, sustainable use, circular economy, pollution and protection
- Taxonomy as an **instrument with an end**





# Assessment of projects

- Technical criteria is not an automatic free pass:
- Different projects need to be assessed:
  - «the Commission should establish technical screening criteria that provide for sufficient legal clarity, that are practicable and easy to apply, and for which **compliance can be verified** within reasonable cost-of-compliance boundaries” (Recital 47 EU Taxonomy Regulation).





## Some elements to consider

- Substantial contribution the **environmental protection/climate** change
  - Presumed if technical criteria fulfilled
- **Nothing** on technical specifications about wind for oil and gas
  - Or electricity for oil and gas





# Some elements to consider

- But... we have **analogies**:
  - Regulation of ships for oil and gas transport
    - **not in line**
- Carbon-intensive lock-in effect?
  - Is this a case?
- Taxonomy does not in principle affects **state aid to electrify**
  - But could if there is a spillover





## ... on other news

- **CCS** considered within the Delegated Act
  - Opportunity for the Norwegian Continental Shelf
  - Norwegian government priority
  - Same issues as wind for oil and gas?
- **Natural gas** «pending»
  - What about gas and oil together?
    - Seems very very unlikely
- Keen interest of Norwegian Government to include **aquaculture** in the future

