



EU Taxonomy and Motorway Operators

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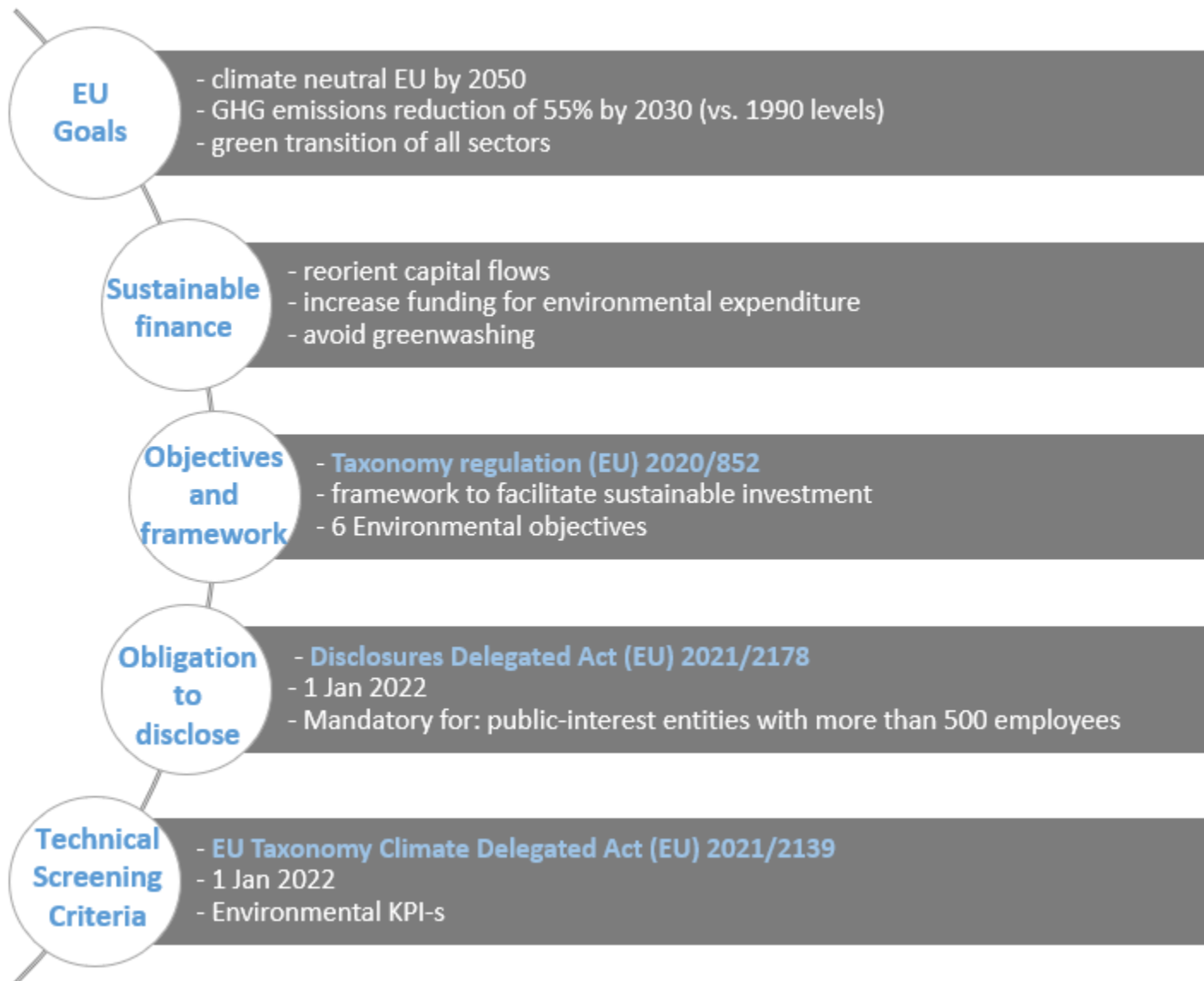
Introduction

- The goal of this presentation is to share with you:
 - Our understanding of the extensive scope of the EU Taxonomy regulation,
 - The sequence of steps we've been following so far,
 - The remaining challenges we see.

- The presentation will cover:
 - Background and Legislative Framework of EU Taxonomy,
 - A case of a motorway operator's core activity – Slovenian Motorway company DARS,
 - Conclusions.

Background and Legislative Framework of EU Taxonomy





Environmental Objectives



Climate change mitigation



Climate change adaptation



The sustainable use and protection of water and marine resource



The transition to a circular economy

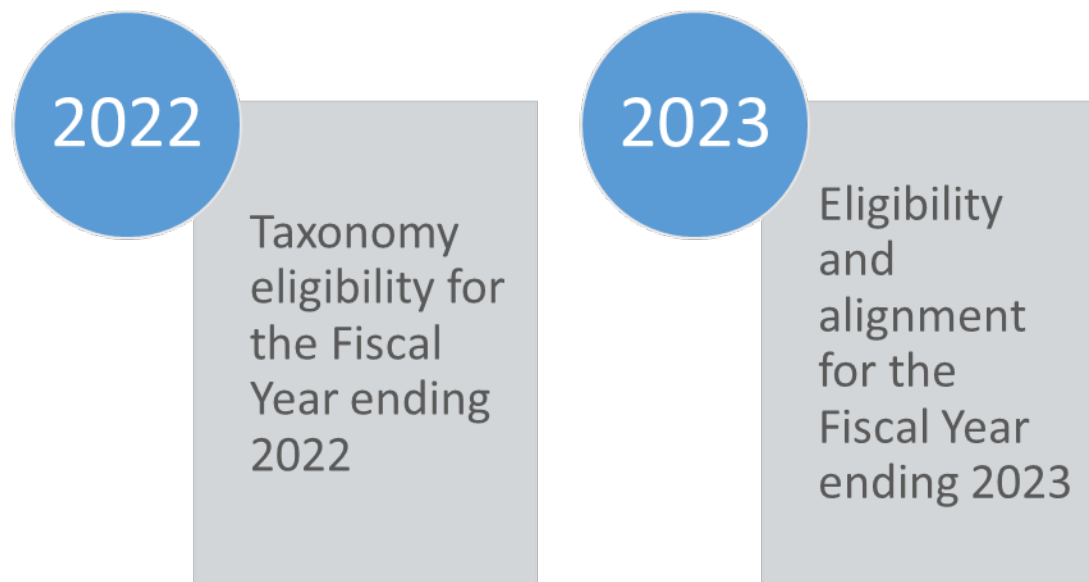


Pollution prevention and control



The protection and restoration of biodiversity and ecosystems

Reporting Timeline and Scope



- The proportion of **Taxonomy-eligible** and **Taxonomy non-eligible** economic activities in:
 - the total turnover,
 - capital expenditure (CapEx)
 - operational expenditure (OpEx).

*Article 10 and Annex I
of the Disclosure
delegated act*

A Case of a Motorway
Operator's Core activity –
the Company DARS, Slovenia



Description of the Activity in the Climate Delegated Act

- Annex I - climate change mitigation
- **Annex II - climate change adaptation**
6.15 Infrastructure enabling road transport and public transport



Adaptation-Related Economic Activities - 2 types

- **Adaptation activities** implement solutions, that ensure that the economic activity itself is made climate resilient.
 - Only CapEx and OpEx qualify as environmentally sustainable (not turnover).
Conditions!
- **Enabling activities**, whose core business is enabling adaptation, increasing the level of resilience to physical climate risks of other subjects.
 - turnover and CapEx in OpEx are taxonomy-eligible.



Article 11 (1)a
of the Taxonomy
Regulation

Point 1.1.2.2
of Annex I
to Disclosures
Delegated Act

„CapEx
category c“

What a Motorway Operator Reports as Taxonomy Eligible CapEx





- **Yearly CapEx and OpEx from the expenditure plan**
- **Purchase of Output from the Taxonomy-aligned economic activities** of Annex I to the Climate Delegated Act, notably activities listed in points 7.3 to 7.6:
 - energy efficiency equipment;
 - charging stations for electric vehicles in buildings;
 - devices for measuring, regulation and controlling energy performance;
 - renewable energy technologies.

The Necessary Conditions for the Taxonomy-Eligibility of CapEx

- **a climate risk and vulnerability assessment** has been performed
- **an expenditure plan** has been set up to implement adaptation solutions that reduce the activity's most significant physical climate risks.



Climate-Related Hazards

HAZARDS	Temperature-related 	Wind-related 	Water-related 	Solid mass-related 
Chronic	<p>Changing temperature (air, freshwater, marine water)</p> <p>Heat stress</p> <p>Temperature variability</p> <p>Permafrost thawing</p>	<p>Changing wind patterns</p>	<p>Changing precipitation patterns and types (rain, hail, snow/ice)</p> <p>Precipitation or hydrological variability</p> <p>Ocean acidification</p> <p>Saline intrusion</p> <p>Sea level rise</p> <p>Water stress</p>	<p>Coastal erosion</p> <p>Soil degradation</p> <p>Soil erosion</p> <p>Solifluction</p>
Acute	<p>Heat wave</p> <p>Cold wave/frost</p> <p>Wildfire</p>	<p>Cyclone, hurricane, typhoon</p> <p>Storm (including blizzards, dust and sandstorms)</p> <p>Tornado</p>	<p>Drought</p> <p>Heavy precipitation (rain, hail, snow/ice)</p> <p>Flood (coastal, fluvial, pluvial, ground water)</p> <p>Glacial lake outburst</p>	<p>Avalanche</p> <p>Landslide</p> <p>Subsidence</p>

Conclusions



Current Situation and Challenges

Current efforts

- Understand the legislation
- Identify open questions
- Identify taxonomy-eligible activities
- Identify departments and persons in charge of taxonomy-eligible investments
- Internal workshops
- Develop recording and disclosure procedures

Next steps

- Receive answers to open questions (DG FISMA)
- Challenge capex/turnover data against necessary conditions for eligibility and alignment
- Prepare reports for 2022
- Study the remaining delegated acts, adopted in 2022

Climate change mitigation

- heat pumps
- electric charging stations
- CNG and LNG filling stations
- IT investments (vehicle charging)
- vehicle fleet – electric passenger cars
- energy improvement of buildings (window replacement, insulation, etc.)
- analysis for the installation of solar power stations
- LED lighting
- purchase of energy from renewable sources
- energy information system
- energy consumption meters
- training (energy use, etc.)

Climate change adaptation

- wind protection
- weather stations
- platforms for snow removal from vehicles
- connections and material for ...
- insurance policies
- notification system
- awareness raising among users (winter conditions, fog)
- TCMS simulator
- adaptation solutions at rest areas
- climate risk assessment

Water and marine resources

- provision of substitute marsh meadows and dead river branches
- measures to reduce water consumption
- disposal of tunnel wash water
- waste water treatment
- storm water monitoring in retention basins

Circular economy

- construction waste recycling
- reuse of removed materials
- measures to reduce the consumption of grit material and chemicals (equipment purchase)

Pollution

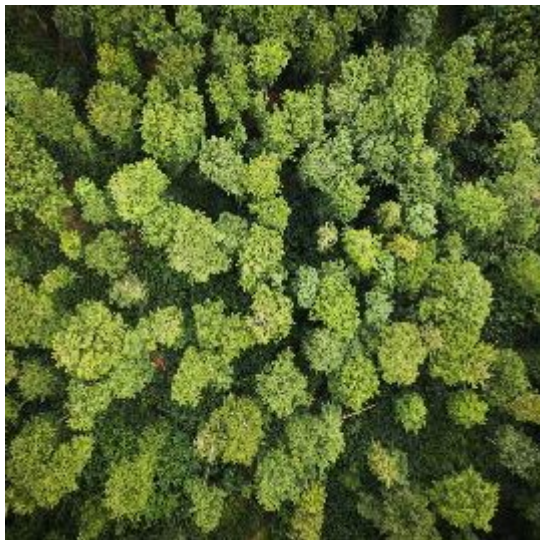
- analysis and examination of measures to reduce light pollution
- lighting replacement (lamps)
- measurements, analysis and execution of measures to reduce noise
- oil separator installation and cleaning
- retention basin cleaning
- equipment for monitoring grit consumption
- disposal and management of non-hazardous and hazardous waste
- drip trays for waste sand from de-sanding areas
- illegal landfill cleaning
- construction waste management

Biodiversity and ecosystems

- wildlife corridors and underpasses
- replacement habitats and sites
- afforestation
- studies
- barrier erection
- acoustic deterrent devices



Act in an environmentally sustainable way and demonstrate it in order to maintain adequate access to resources and financing conditions for the motorway infrastructure.



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