



Naturvern-
forbundet



NORSKE
LAKSEELVER

Commissioner Maria Luís Albuquerque
Commissioner Jessica Roswall
Commissioner Dan Jørgensen

Oslo, 26 June 2026

We wish to refer to the letter of 20 May 2026 submitted by the Norwegian Ministry of Energy, the Ministry of Finance, and the Ministry of Climate and Environment.

Our organisations, representing over a million memberships between us, find it deeply concerning that Norway, Europe's largest producer of hydropower, is attempting to undermine the intentions of the EU Taxonomy for Sustainable Finance and, by extension, the Water Framework Directive (WFD).

It is essential that the Commission upholds the requirement that water bodies must achieve Good Ecological Status (GES) or Good Ecological Potential (GEP) in order for hydropower activities to qualify as environmentally sustainable under the EU Taxonomy.

The entire purpose of the EU Taxonomy is to create incentives for sustainable development, by facilitating the flow of investments and capital towards environmentally sustainable activities and to prevent green washing. It is intended to encourage companies and investors to do more than the minimum legal requirements that govern permitting decisions and the application of exemptions. Otherwise, every activity that receives a permit would automatically qualify as sustainable.

Although companies are required to report on sustainability, there is no obligation to comply with the Taxonomy's sustainability criteria. It is fully legal to operate in ways that do not qualify as sustainable under the Taxonomy. Failing to meet the Taxonomy criteria may however have financial consequences through less favourable access to financing, in addition to reputational implications. We understand that it represents a significant shift for the Norwegian hydropower sector to no longer be able to regard itself as inherently "green" simply because it is renewable.

We consider it essential that the European Commission maintains the current standards of the EU Taxonomy by retaining GES and GEP as the applicable requirements. The purpose of the Taxonomy is to incentivise genuinely sustainable activities, not simply to reflect what is legally permissible under existing regulatory frameworks.

Accordingly, we do not believe it is reasonable to argue that every activity authorised by public authorities should automatically be regarded as environmentally sustainable.

We strongly disagree with the Norwegian Government's interpretation of sustainability in relation to the implementation of the Water Framework Directive. The Government's position is reflected, among other places, in the Norwegian guidance document on Section 12 of the

Norwegian Water Regulation, which implements Article 4(7) of the Water Framework Directive. The following passage is particularly problematic:

"Pursuant to Section 12(1)(b), the activity in question must be 'sustainable'. Neither the Water Framework Directive nor the Regulation provides a definition of this term. Under Norwegian law, however, permits are generally subject to a number of statutory and regulatory conditions that must be satisfied before authorisation can be granted. The Ministry interprets the concept of 'sustainable' to mean that the combined body of this legislation may be regarded as an expression of the national assessment of what constitutes sustainability for the particular type of activity concerned.

Where an activity is carried out pursuant to a permit issued by a public authority, the sustainability requirement shall be deemed to be fulfilled. For the competent sector authority responsible for assessing Section 12, this means in practice that the concept of 'sustainable' does not impose any additional requirements beyond those already laid down in the applicable legislation."

In our view, this interpretation fundamentally conflicts with both the purpose of the EU Taxonomy and the intention of the Water Framework Directive. It effectively assumes that any activity authorised under existing legislation is automatically sustainable, thereby depriving the concept of sustainability of any independent substantive meaning. To argue that everything permitted under the Directive, including derogations and Less Stringent Objectives, automatically constitutes sustainable use of water resources and therefore satisfies the Taxonomy is neither scientifically nor legally persuasive. On this point, we fundamentally disagree with the Norwegian Government, a position we have also expressed in our public hearings concerning the Norwegian Water Regulation¹.

The ministries write that:

"the proposed amendments do not fully align with the Water Framework Directive, as it seemingly does not allow for derogations to 'less stringent objectives' (LSO) consistent with the Directive"

It is correct that the Water Framework Directive allows for Less Stringent Objectives under specific circumstances. However, it is equally clear that the intention of the EU Taxonomy is fundamentally different. Its purpose is not to classify activities that rely on derogations as environmentally sustainable. Simply put, these are not the types of projects that green investors expect - or wish - to finance. They expect higher environmental performance.

Norway is fortunate to possess a climate and topography exceptionally well suited to hydropower production. While much of Europe's hydropower is generated in run-of-river plants, Norwegian hydropower largely consists of large mountain reservoirs capable of storing

¹ Consultation response December 2023 from Norwegian NGOs concerning the Norwegian government's proposed amendments to the the Water Regulation:
https://www.regjeringen.no/contentassets/8d1bc1143d424b058a3e9d2e410c4855/annen-frivillig-organisasjon/sabima-wwf-verdens-naturfond-naturvernforbundet-den-norske-turistforening-norges-jeger-og-fiskerforbund-og-norsk-friluftsliv.pdf?uid=Sabima_WWF_Verdens_naturfond_Naturvernforbundet_Den_Norske_Turistforening_Norges_Jeger_og_Fiskerforbund_og_Norsk_Friluftsliv

enormous volumes of water over long periods. This flexibility is what underpins the concept of Norway as "Europe's green battery."

It is important to recognise that approximately half of Norwegian hydropower generation comes from facilities constructed before 1970, many of the largest are more than a century old, and therefore predate modern environmental legislation entirely. The significant environmental impact of Norwegian hydropower is recognised by Norwegian environmental authorities. The Norwegian Parliament has acknowledged the need for significant ecological improvements in many regulated rivers. It is simply unreasonable to claim that such facilities satisfy today's sustainability standards without ever having been subject to modern balancing of societal energy needs against environmental considerations in their design or operation.

The environmental impacts of hydropower are, however, substantial. Hydropower has wholly or partly contributed to many habitats and species ending up on Norway's Red Lists. Hydropower generated under such conditions cannot, in our view, be regarded as environmentally sustainable.

To classify these activities as Taxonomy-aligned would be inconsistent with a science-based understanding of sustainability, the objectives of the Water Framework Directive, and the Taxonomy's own requirement that economic activities make a substantial contribution to environmental objectives while doing no significant harm to others.

We therefore respectfully urge the Commission to uphold the existing Taxonomy criteria, including the requirement that hydropower projects achieve GES or GEP, and to resist interpretations that would equate regulatory compliance alone with environmental sustainability. Weakening these criteria would undermine both the credibility of the EU Taxonomy and its fundamental purpose of directing capital towards genuinely sustainable investments.

This input is on behalf of:

The Norwegian Biodiversity Network (Sabima),
The Norwegian Association for Outdoor Organisations,
The Norwegian Hunters' and Anglers' Association,
WWF Norway,
The Norwegian Trekking Association,
The Norwegian Society for the Conservation of Nature and
The Norwegian Salmon Rivers