



Guidelines on State aid for Climate, Environmental Protection and Energy (CEEAG)

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Context

- The **Guidelines on State aid for environmental protection and energy** (EEAG) were adopted in 2014
- The EEAG already provide a framework for supporting several areas of the Green Deal (e.g. decarbonisation, circularity and zero pollution)
- A **fitness check** on the State aid modernisation package was carried out in 2019. The results showed that the EEAG and corresponding GBER rules have generally delivered on supporting climate targets...
- ...but that certain aspects should be revised to be fully up to the challenge of the Green Deal and the Recovery after COVID-19

Timetable

- 8 week consultation: IIA & Open public consultation (questionnaire) in Autumn 2020
- Support study (published in June 2021)
- 8 week consultation of draft CEEAG in June/July 2021
- Adoption of revised CEEAG expected by end-2021

The new draft guidelines

The rationale of the revision

- The two main buildings blocks of the revision are:
 - An enlargement of the scope of the guidelines to cover new areas and technologies
 - A flexibilisation of the compatibility rules
- The wider scope of the guidelines needs to be accompanied by safeguards to ensure that the aid:
 - Is effectively directed where it is needed to improve environmental protection
 - Is limited to what is needed to achieve the environmental goals
 - Does not unduly distort competition or the integrity of the internal market
- The revision also aims at ensuring alignment and coherence with relevant EU legislation and policies in the environmental and energy fields

From EEAG to CEEAG

- The new *Guidelines on State aid for Climate, Environmental Protection and Energy (CEEAG)* reflect the increasingly important role of more ambitious climate policies in the green transition and of competition policy in supporting the Green Deal
- In particular, the revised guidelines have the aim to:
 - Open up and facilitate to a maximum and far above the 2014 EEAG those aid measures that are 2030-2050 compliant (**green**)
 - Closely scrutinise measures that are not fully 2050-proof (**grey**) to avoid lock-in effects and stranded assets
 - Phase-out support for measures that do not deliver for the Green Deal (**brown**)

How are green measures facilitated further?

ENLARGING THE SCOPE OF THE GUIDELINES

- New areas (e.g. industry, clean mobility infrastructure, resource efficiency, biodiversity)
- All technologies that can deliver the Green Deal (e.g. renewable and low carbon hydrogen, e-storage)

FLEXIBILISING COMPATIBILITY RULES

- Higher aid amounts (100% of funding gap) and new aid instruments (e.g. CCfDs)
- Simplified assessment of cross-cutting measures
- Generally no individual notifications for large green projects within approved schemes

ENDORISING GREEN SECURITY OF SUPPLY

- Allow stricter environmental requirements
- Allow more generous contract terms for green technologies

GBER-ISING GREEN ELEMENTS

- New articles for new measures
- Increased thresholds
- Higher aid intensities

Safeguards are needed to preserve the integrity of the internal market and the proper functioning of the energy market

Next GBER will facilitate

- Horizontal enlargement: wider and newer exempted possibilities to support renewables and other decarbonisation measures
 - Provisions revised to include CCUS, storage, green hydrogen, renewable energy communities
 - New provisions for clean vehicles, wider coverage of recharging infrastructure
 - Wider scope for rehabilitation and restoration of biodiversity, resource efficiency
- Vertical enlargement: higher notification thresholds and aid intensities
 - Higher notification thresholds in all areas
 - Up to 100% aid intensities when aid granted via competitive bidding; green bonus for energy performance in buildings and district heating and cooling
- Public consultation just launched: [2021 gber \(europa.eu\)](https://european-commission.europa.eu/2021-gber)

Overview of CEEAG – GBER revisions

Modifications proposed in CEEAG	Modifications proposed in GBER	Coherence with sectoral legislation
4.1 - Aid for the reduction and removal of greenhouse gas emissions including through support for renewable energy		
<ul style="list-style-type: none"> • Scope broadened to all decarbonisation technologies (e.g. production of renewable/low-carbon hydrogen and synthetic fuels, CCU) • Possibilities for RES-only and tech-specific schemes • Increased aid amounts up to 100% of funding gap • Safeguards to ensure aid is directed where it is necessary (public consultation, calculation of CO2 abatement cost) 	<ul style="list-style-type: none"> • Scope broadened to renewable hydrogen and storage (connected to new/existing RES), as well as decarbonisation and CCUS • Increased notification threshold + aid intensities for installations using only RES • Simplified methodology for aid calculation • Flexibility for renewable energy communities 	<ul style="list-style-type: none"> • Possibilities for tech specific schemes in line with RED II

GBER articles on RES

<i>CURRENT GBER</i>	<i>REVISED GBER</i>	<i>THRESHOLD</i>
Art. 39 - Investment aid for energy efficiency projects in buildings	Art. 39 - Investment aid for energy efficiency projects in buildings	20/30 M EUR per project at the level of the final beneficiaries
Art. 40 - Investment aid for high-efficiency cogeneration	Art. 41 - Investment aid for the promotion of energy from renewable sources, renewable hydrogen and high-efficiency cogeneration	20 M EUR per undertaking investment project
Art. 41 - Investment aid for the promotion of energy from renewable sources		
Art. 42 - Operating aid for the promotion of electricity from renewable sources	Art. 42 - Operating aid for the promotion of electricity from renewable sources	20 M EUR per undertaking project
Art. 43 - Operating aid for the promotion of energy from renewable sources in small scale installations	Art. 43 - Operating aid for the promotion of energy from renewable sources and renewable hydrogen in small scale installations and for the promotion of renewable energy communities	250 M EUR combined budget

Thank you



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