

ePURE's feedback to the public consultation on the revised CEEAG

ePURE, the association representing the European producers of renewable ethanol from crops, waste, and residues, appreciates the opportunity to provide feedback on the publication of the draft revised Climate, Energy and Environmental Aid Guidelines (CEEAG).

ePURE supports the Commission's intention to modernise the current Energy and Environment Aid Guidelines 2014-2020 (EEAG) and to align them with EU's revamped energy and climate ambitions in view of the 55% emissions reduction target by 2030 and climate neutrality by 2050, as per the recently adopted European Climate Law.

In its previous inputs into the Commission's consultations of Jul. 2019 and Dec. 2020 ePURE already pointed out to

- **the need to review the existing EEAG regulating investment and operation aids granted to biofuels**, which were adopted prior to the debunking of all controversies surrounding biofuels, and European crop-based ethanol in particular, and
- the inconsistencies between the EEAG provisions and the Recast Renewable Energy Directive (RED II).

With this in mind ePURE values the work carried out by the Commission on the revised CEEAG, which appear more coherent with existing EU climate and energy legislation and the recent [authorisation](#) of the Swedish tax exemption for higher biofuels blends of Oct. 2020. In particular, ePURE embraces the alignment of the proposed guidelines 76, 77 and 96 regulating State Aid granted to biofuels with RED II provisions, which

- create a level playing field for sustainable biofuels and recognise their role in meeting the EU renewable energy targets;
- restrict the eligibility of crop-based biofuels to the compliance with RED II sustainability criteria;
- do not result in overcompensation.

However, ePURE respectfully seeks clarification and changes from the Commission as regards:

- **The formal exclusion of high ILUC-risk biofuels from receiving State Aid.** This is, indeed, our interpretation of guideline 76, but we believe it should be made more explicit as, in fact, the provision regulating high ILUC-risk biofuels (RED II Art. 26) does not belong to the sustainability criteria (Art. 29) but governs the sole accounting towards the RES-T target. An example of rephrasing could be: 'Support for biofuels, bioliquids, biogas and biomass fuels can only be approved to the extent that the aided fuels are compliant with the sustainability and greenhouse gases emissions saving criteria in Directive (EU) 2018/2001 and its implementing or delegated acts, **and do not fall in the category of high ILUC-risk biofuels.**
- **The reference to 'caps' in guideline 77.** We understand that this provision refers to the cap imposed to crop-based biofuels in accordance with RED II Art. 26. However, RED II already specifies in its Art. 29.1 the purposes for which biofuels need to fulfil the sustainability criteria laid down in para. 2 to 10. It spells out a) the eligibility towards the renewable energy targets, b) the fuels suppliers' obligation, and **(c) the eligibility for financial support.** Consequently, the CEEAG should not restrict the eligibility of any biofuel beyond the sole compliance with RED II sustainability criteria defined in art. 29. The cap on crop-based biofuels is a limit towards the accounting towards the overall renewable energy target and the fuels suppliers obligation in transport, set by RED II art. 26, and is not a sustainability criterion applicable to these guidelines.