

CEWEP feedback to the
draft Guidelines on State aid for climate, environmental protection and energy
(CEEAG) 2022 - July 2021

CEWEP, the **Confederation of European Waste-to-Energy (WtE) Plants**, welcomes the opportunity to comment on the new draft of the Climate Energy and Environment Guidelines for State Aid, based on the new climate ambition of the European Green Deal.

By diverting waste from landfills and producing low carbon energy, WtE (incineration with energy recovery) plants greatly reduce the overall GHG impact of the waste sector. Throughout the years, this has also helped the member states to reach their national emissions reduction targets. WtE plants serve society, protect the environment and the climate by reducing the volume of waste, treating polluted substances in an environmentally sound way and recovering climate-friendly energy and materials in the process.

It is fundamental that **CEEAG, in accordance with the previous guidelines for 2014-2020, continues to cover energy and environment topics in a circular economy perspective**. These policy measures shall enable synergy effects between those areas and lead to decarbonisation and strengthening of the environmental protection. WtE plays a crucial role in circular economy diverting waste from landfills and treating residues from recycling processes and should remain eligible for aid in line with the EU waste hierarchy.

We support the possibility in the new CEEAG to broaden the aid scheme to allow the participation of other sectors, technologies or projects that can all contribute to a targeted objective, namely towards decarbonisation. It is fundamental to open the possibility of support to an entire sector or all undertakings facing the same environmental challenge (such as the waste management sector as a whole) to ensure a **level playing field and minimise competition distortions**.

Throughout the years, WtE has demonstrated to be an effective solution towards GHG reduction through decarbonisation of the electricity and heating systems, improving energy efficiency, use of local and renewable sources and reduction of waste disposal in landfills. Considering the new European Green Deal targets, **the CEEAG should continue to support WtE improvements in heat utilisation and energy efficiency through district heating and industrial steam projects**, especially in member states that still heavily rely on landfills and where an integrated waste management system has yet to be developed.

Moreover, with bigger penetration of intermittent renewables in electricity production there is a need for **balancing and storage options**. WtE can also fulfill this purpose together with creating new synergies such as with clean Hydrogen production for low carbon transport.

CEWEP also welcomes the opportunity to specifically support CCUS technologies in WtE plants, which have already started to be explored and envisioned by the sector.



Through fossil fuel substitution for the equivalent production of electricity and heat, the avoidance of methane emissions from landfills and the recovery of precious materials from bottom ash, the European WtE sectors is largely offsetting its fossil CO₂ emissions while helping to decarbonize our economies and the waste management sector. These contributions lead already to net climate benefits and through the further application of CCUS technologies, the WtE sector would be able to reach even net negative CO₂ emissions.

CEWEP (Confederation of European Waste-to-Energy Plants) is the umbrella association of the operators of Waste-to-Energy plants across Europe. CEWEP's members are committed to ensuring high environmental standards, achieving low emissions and maintaining state of the art energy production from remaining waste that cannot be recycled in a sustainable way.