



Public consultation on the revised Climate, Energy and Environmental Aid Guidelines (CEEAG) Comments from CIB - Consorzio Italiano Biogas

First of all, it should be pointed out that, despite the fact that the drafting of the Guidelines is still at a preliminary stage and in public consultation, it would appear that the Commission services are tending to anticipate part of the contents in their assessment of aid schemes in the process of notification. If confirmed, this approach should be strongly opposed by the Member States, since it would constitute a paradoxical retroactive application of a rule that has not yet been approved and is not even fully defined.

In any case, with regard to the contents of the draft State Aid Guidelines submitted for consultation, we highlight the following aspects, concerns and critical issues.

Public consultation. Although appreciable, a public consultation mechanism is provided before the notification which, risks aggravating procedures and lengthening timeframes if it is not limited to measures of great size and impact. It would therefore be advisable to provide for gradual and simplified consultation mechanisms for measures considered to have a lower impact.

Competitive tendering procedure. It's provided the obligation to adopt a competitive procedure based on economic criteria weighing at least 75% of the total. In order to encourage the widespread generation of energy from renewable sources, and even though an exemption is envisaged for small-scale projects, it is necessary to extend the range of parameters used to define "small-scale", at least up to 500kW of installed power, possibly providing for differentiation by type of production from RES (in the draft, the exemption thresholds have a range from 200 to 400 kW). In addition, in the light of the development of the renewable energy sector also through other energy vectors other than electricity (such as, for example, renewable gas), it is considered it should be introduced thresholds of exemption for the applicability of competitive procedures also for these forms of production. Without prejudice to the provisions of point 76 (on sustainability) for the production of biomethane, it can be considered "small projects" those related to the creation of installations on farms with a production capacity not exceeding 500 Smc/hour.

Paragraph 77 of the document reaffirms the **concept of ILUC** as one of the guiding criteria for the evaluation of support schemes for renewable energy from biomass. In this regard, it is recommended the application of appropriate evaluation criteria that take in due consideration the deep differences between the crops (and their crop cycles) that generate biomass fuels, biogas, bioliquids and biofuels.

It is considered that **the principle of the inapplicability of a new incentive scheme to investments already started or to installations already operating should be removed** if the new incentive scheme relates to different or additional ways of using production compared to the previous scheme, even without new investments or changes in management. Instead of the inapplicability of the new scheme, it should be introduced the principle whereby the applicability of the new scheme, which must be possible even where the previous scheme is still in progress, should take into account the incentives already received under the previous scheme.

Aid for clean mobility. Aid is allowed for the purchase or lease of clean transport vehicles, including the infrastructure needed and the possible modernization of existing vehicles. In this regard, it is noted that it is difficult to apply the granting of aid following a competitive bidding procedure for interventions on private vehicle fleets. As regards investments in transport vehicles fueled by natural gas, the document highlights several critical points regarding their eligibility. In this respect, it should be placed more emphasis on positive externalities where this technology is used for the modernization of existing vehicles and/or in transport sectors (heavy transport, shipping, agricultural machinery) where no alternatives are actually available.

Applicability. The application of any approved guidelines must provide for an adequate transition period of at least two full years (in other words, if they are approved by 2021, not before 1 January 2024).

The Commission proposal requiring Member States to review aid schemes that are already authorized in order to make them compatible with the new guidelines must be considered completely inappropriate as it risks affecting investments already made or underway. Moreover, this kind of application of the Guidelines risks to introduce elements of uncertainty for future investments. In general, any form of retroactivity should be avoided.