

AGA COMMENTS ON THE DRAFT PROPOSAL TO FURTHER FACILITATE THE IMPLEMENTATION OF AID TO PROMOTE THE GREENING AND DIGITAL SWITCHOVER

December 8, 2021



TABLE OF CONTENTS

AGA comments on the draft proposal to further facilitate the implementation of aid to promote the greening and digital switchover 1

I. Introduction.....1

II. AGA's considerations in relation to the proposed amendments to the General Block Exemption Regulation (GBER)1

1. It would be appropriate to include a new category concerning aids in the water sector.. 1

I. INTRODUCTION

The Commission has invited all interested parties to comment on certain proposed amendments to the General Block Exemption Regulation (GBER), which are included in a draft amending the Regulation (the "**Draft**"). According to the Commission, the aim of the revision is to reflect possible changes to various sets of state aid guidelines under review, as well as to further facilitate public support for the EU's green and digital transition.

Among other measures, the Draft proposes changes to the environmental protection and energy aid scheme, such as the following:

- Expand the possibilities for Member States to support various types of **"green" projects**.
- Introduce **new "greening"** conditions to be met by large energy-intensive companies in order to qualify for block exempted support in the form of tax rates.
- **Consider** the growing role of storage for the **integration of renewable energies into the electricity system**.
- Facilitate investments in **green hydrogen**.
- Encourage ambitious **building renovation** projects.

In addition to these changes to the environmental aid scheme, the Commission is also proposing a number of changes to the investment aid scheme for risk finance, research, development and innovation and regional aid.

The **Spanish Association of Urban Water Services Management Companies (AGA)** is an association that brings together the main operators -public, mixed, and private- of services related to the integral water cycle throughout the Spanish territory. On behalf of the Association, here are the main comments and proposals in relation to this issue.

Thank you for the opportunity to participate in this public consultation. We hope that you find our contributions reasonable and that you will take them into consideration.

II. AGA'S CONSIDERATIONS IN RELATION TO THE PROPOSED AMENDMENTS TO THE GENERAL BLOCK EXEMPTION REGULATION (GBER)

1. It would be appropriate to include a new category concerning aids in the water sector.

The European Commission has formulated its budget for the period 2021-2027 around a new European Green Pact focused on promoting environmental sustainability and addressing the effects of climate change.

The water cycle presents a series of factors that make it an ideal lever for recovery and an optimal driver of the objectives of the *European Green Deal*:

- It has the capacity to **generate** quality and equitable **employment**, higher qualifications and training, greater weight of permanent employment contracts and less gender pay gap.

- Promotes **environmental sustainability**, encourages reuse and responsible consumption, reduces carbon footprint and pollution reduction.
- It is a **socially responsible** sector that supports groups in vulnerable situations, with bonuses and solidarity funds to support low incomes, large families, retired people, etc.
- It has a great capacity to **channel investments** and promote the creation of essential and quality infrastructures.
- Promoting **digitization** and **technology** as major tools for monitoring and combating the effects of climate change and, in particular, extreme weather events, as well as achieving greater efficiency.

In addition, the water sector generates social, economic, and environmental benefits for the entire population of the European Union.

For this reason, it is considered that it would be appropriate to include a new category in the General Block Exemption Regulation specifically designed to regulate aids in the field of water. A category providing for exemptions concerning aids for the development of actions in the field of water, aimed at achieving the SDGs and in line with the objectives of the *European Green Deal*.

We would like to end by insisting that in the new scenario it is necessary to promote actions to adapt to the new climate situation, to develop the circular economy as much as possible and to avoid tragedies such as those suffered in many countries in recent months as a result of torrential rains.

At the same time, it is necessary to continue working on preventing climate change and dealing with emergency situations, coordinating work on an ongoing basis, and promoting the development of activities in the field of water, intelligent basin management and the implementation of digitalisation in water management as a mechanism to combat the challenges posed by climate change.