

Indirect costs compensation in the EU ETS – Revision of the State Aid Guidelines

Agenda

Date: January 16, 2020

Time: 10:00 -12:30

Location: ERCST Offices, Rue Archimède 61, 1000, Brussels

The state aid guidelines are up for revision – not review – which means that they could change significantly. The current guidelines expire on 31 December 2020, and the new guidelines would ‘indicatively’ be ready by Q3 2020 – just a few months before the new ones actually enter into force.

The new state aid guidelines will need to balance a number of issues, among which:

- carbon leakage risk
- risk of overcompensation and potential windfall profits
- risk of internal market distortion
- how to incentivise cost efficient decarbonisation

In 2019, the European Commission launched two consultations, a public one and a targeted one, on the revision of the ‘Guidelines on certain State aid measures in the context of the greenhouse gas emission allowance trading scheme post-2012’. ERCST has actively engaged on this topic, organising a series of meetings on state aid guidelines and indirect costs compensation, and responding to the first public consultation.

The draft state aid guidelines were published on January 14, 2020, and are now subjected to a public consultation. This meeting has the intention of discussing the draft guidelines with EU stakeholders, and will address a number of questions including:

- Should the state aid guidelines be aligned with the new carbon leakage list?
- What role for conditionality (e.g.: energy efficiency improvements, industrial performances, etc ...)?
- How to frame the state aid guidelines in the context of increasing industrial electrification, which could potentially lead to higher production costs?

9:30

Coffee and registration

10:00

Welcome

- A. Marcu, Director of ERCST

10:10 – 10:30

Keynote speech

- R. Vermeeren, DG Clima, European Commission

10:30 – 12:20

Roundtable discussion on the draft guidelines

ERCST will presents its views on the draft guidelines. This short presentation will be followed by followed by a roundtable discussion with participants, where stakeholders will be asked to share their views and feedback.

Icebreakers

- C. O'Donoghue, Eurometaux
- A. Graf, Agora Energiewende
- R. Batier, Cerame-Unie
- H. Häder, Eurelectric

This will be followed by a roundtable discussion with participants

12:20 – 12:30

Concluding remarks and next steps

12:30

End of the meeting

List of Participants

Last Name	First Name	Organisation
Abt	Shradha	BASF
Aiello	Adolfo	EUROFER
Bakardzhieva	Olga	FIPRA
Bastiat-Jarosz	Dawid	PKN Orlen
Batier	Renaud	Cerame-Unie
Beavor	Edmund	Europex
Bedini	Giulia	MLex
Bedini	Giulia	MLex
Bhagwat	Mukund	European Copper Institute
Botschek	Peter	European Chemical Industry Council
Charpentier	Solene	EDF
Chestnoy	Sergey	UC RUSAL
Cholakova	Daniela	AURUBIS
Christofyllidis	Symeon	FuelsEurope
de Jong	Femke	Eurima
Debruxelles	Jean-Pierre	FuelsEurope
Delarue	Juliette	ClientEarth
Dérobot	Alexandre	France Industrie
Donkers	Frank	Donkers Market Intelligence
Douspis	Audrey	Michelin
Dybka	Dariusz	ERCST
Gamalejeva	Jelizaveta	Eurideas
Graf	Andreas	Agora Energiewende
Häder	Henning	Eurelectric
Henne	Hans-Christian	Aurubis AG
Imbault	Olivier	Air liquide
JARVINEN	Kimmo	Finnish Steel and Metal Producers association
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Jungk	Gunnar	Thyssenkrupp Steel Group
Kaczmarek	Anna Maria	Business Science Poland
Keim	Martin	Heinrich-Böll-Stiftung European Union
Lachowicz	Katarzyna	Business & Science Poland
Lambrecht	Kristin	Permanent Representation of Germany to the EU
lemoyne	thierry	ARKEMA
Lott	Alyssa	FIPRA
Lucas	Pauline	Euroheat & Power
Madsen	Jorgen	Dansk Energi
Marcu	Andrei	ERCST
Martin	Erwann	Polish Electricity Association (PKEE)

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Roundtable on Climate Change and Sustainable Transition

Massi	Simone	Confindustria
Mesic	Daniel	CEZ
Mingo	Ana	logos
Murphy	Andrew	Transport & Environment
Naletto	Simonetta	Enel SpA
Nochevnik	Daria	EFET
O'Donoghue	Cillian	Eurometaux
Paceviciute	Irma	Equinor
Papapostolou	Christina	POWER PUBLIC CORPORATION S.A.
Piotrowska	Kamila	IOGP
Richard-Morin	Justine	AFEP
Rosenmayr	Clemens	EUROCHAMBRES
Ruiken	Koert	Ministry of Economic Affairs and Climate, The Netherlands
Sardone	Immavera	Hydro
Sirikumarkul	Kanika	Wetlands International
Sobczak	Patrycja	Perm Rep of Poland to the EU
Sulowska	Alina	CEEP
Szkutnik-Wolszczak	Aleksandra	KGHM Polska Miedz S.A.
Teelahk	Anneli	The European Association for Storage of Energy
Van Dessel	Michiel	ExxonMobil
van Eck	Sophie	Permanent Representation of the Netherlands to the EU
Vangenechten	Domien	ERCST
Vanhoegaerden	Chris	UPS
Vellabona	Magdalena	Cerame-Unie
Vermeeren	Ruben	European Commission
Vessia	Øyvind	Ørsted
Vinck	Nadia	Euroalliages
Wlostowski	Tomasz	EU Strategies
Zvolikevych	Anna	DTEK