

Meeting with CEFIC

8 October 2020

Participants: [REDACTED]

- CEFIC requested the call to better understand the Commission's reasoning behind the revised Emission Trading System (ETS) State aid guidelines. They expressed their disappointment that the sector 20.14 Basic Organic Chemicals will not be eligible for indirect ETS costs compensation in the Fourth Trading Period 2021-2030.
- CEFIC noted its interest to participate in the upcoming consultations in the context of the review of the Energy and Environmental Aid Guidelines (EEAG).
- Cabinet Vestager and COMP explained the in-depth analysis and process undertaken to review the ETS State aid Guidelines. The analysis of the risk of carbon leakage due to indirect ETS costs performed by the Commission was based on quantitative parameters and a qualitative assessment of the sector's situation in terms of market characteristics, profit margins, abatement potential, and fuel/electricity substitutability. The qualitative analysis was supported by an external independent consultant.
- Cabinet Vestager and COMP invited CEFIC to submit data as part of the upcoming public consultation and inception impact assessment on the EEAG in the coming months.