

FEAD feedback to the GBER amendments

FEAD, the European Waste Management Association, representing the private waste and resource management industry across Europe, **welcomes the proposed revision to the General Block Exemption Regulation (GBER) to broaden the possibilities for Member States to implement aid measures supporting the green and digital transition** without prior notification and approval by the Commission. In line with the Green Deal and the European Climate Law objectives as well as the Circular Economy Action Plan, state aid measures should promote resource efficiency and support the transition towards a circular economy.

1. Increased threshold

FEAD welcomes the increased notification threshold from EUR 15 million to EUR 20 million for investment aid for environmental protection, which is in accordance with what we advocated for in our previous feedback.¹

2. Scope extension. State aid should cover all chains of the circular economy

FEAD further welcomes the extended scope of the existing provisions on aid for the recycling and re-utilisation of waste, by including other investments that aim at increasing the level of resource efficiency or contributing to the transition towards a circular economy. Reaching the ambitious recycling targets requires further and consequential investment in waste management facilities. **Public support in investments in selective collection and in recycling facilities is particularly needed, in order to help the recycling chain and its outcome, the secondary raw materials, to be competitive against virgin materials, and in recovery installations.**

The transition to a circular economy requires, however, that all chains of the circular economy are covered. This includes energy recovery from non-recyclable waste. Each type of waste must be treated according to the waste hierarchy (Directive 2008/98). Prevention, re-use, recycling and recovery of waste is, by order of priority, the way forward to achieve a circular economy. All these activities of the circular economy should be eligible for state aid when aligned with the waste hierarchy. As the recycling chain results in a certain amount of residual waste which cannot be recycled after collection and sorting, and there are waste flows that are initially not recyclable (e.g., waste containing substances of concern), the energy content of such non-recyclable waste or residues can be used in Waste-to-Energy processes.

In this line, **FEAD supports the scope extension of the GBER to investment aid for the production of biofuels, bioliquids, biogas and biomass**, without exclusion of food-based biofuels, as well as the eligibility of costs for the construction of dedicated

¹ FEAD feedback to the fitness check of the General Block Exemption Regulation (GBER), De minimis Regulation, Regional aid Guidelines, Research, Development and Innovation (RDI) Risk finance, and the EEAG, in 2019, as well as the draft guidelines on Climate, Energy and Environmental State aid, in 2021.

infrastructure and storage facilities for waste heat, among others, that enable an increase in the level of environmental protection.

3. CCU/CCS inclusion

FEAD further supports the inclusion of specific provisions under which investment aid for carbon capture and utilisation or storage (CCU/S) is considered compatible and exempted from the notification requirement.

4. Compatibility with fair competition

Finally, FEAD also supports the extension of the GBER to provisions ensuring the compatibility of the investment aid with the fair competition and market position of other entrepreneurs – regardless their ownership structure.

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