

EFIEES' general views on the draft Clean Industrial Deal State Aid Framework (CISAF)

EFIEES is the voice of private energy service companies (ESCOs) and their national associations across Europe. Our members represent over 100.000 professionals committed to the design and implementation of energy efficiency measures in public and private buildings, industrial facilities, as well as to the efficient operation of district heating & cooling networks.

EFIEES welcomes the proposal for a new Clean Industrial Deal State Aid Framework (CISAF), and the Commission's **efforts to bring together climate and competitiveness** in times of intense economic competition, while having faced recent energy crises of different origins. **To make the Clean Industrial Deal happen, Europe needs to support all ready-to-use and scalable clean solutions such as energy efficiency measures.**

By including investments to reduce greenhouse gas emissions or improving the energy efficiency of industrial activities among the eligible measures, the draft CISAF goes in the right direction to ensure that State Aids rules support the EU energy transition while strengthening competitiveness. **For European industries, improving energy efficiency indeed means decarbonising without deindustrialising.** The reduction in the primary and final energy consumption of a given industrial site allows for optimising investments in alternative energy sources and equipment.

In that sense, **energy management solutions provided by ESCOs** have a key role to play as they allow to **contain energy consumption while guaranteeing energy and CO2 performance over time.** Thus, these solutions, not only ensure energy efficiency improvements but also give the long-term guarantee and visibility that industries need while **lowering their sensitivity to energy prices.**

Moreover, industries need focused, and specialised skills to navigate the energy transition. Such outsourced resources are exactly what Energy Service Companies (ESCOs) are providing to their industrial clients. Such virtuous partnerships between the energy services sector and European industries have to be promoted and kept in mind when rethinking our energy and economic systems within the Clean Industrial Deal. Competitiveness is not all about costs, but also about **modernisation** of the industry, and this is also what partnering with ESCOs bring to the industries.

Yet, beyond the CISAF proposal, **the overall State Aid Framework should also be improved to make sure that the decarbonisation of the European Union becomes and remains a source of growth, notably through better support to energy efficiency measures.** The energy we do not need, produce or use will always be the greenest and, on the long term, the cheapest. Therefore, ESCOs, which are

project aggregators, should be allowed to **collect** public support **on behalf of the project beneficiaries**. However, this is currently not permitted under sections 117 and 118 of the CEEAG¹. Furthermore, this possibility should apply regardless of the size of the ESCO, whereas under section 85, 140, 145 of the CEEAG, and under article 38.b.3 of the GBER ², only SMEs that are ESCOs are currently eligible for (direct) state aid.

¹ [Guidelines on State aid for climate, environmental protection and energy 2022 \(2022/C 80/01\)](#)

² [Commission Regulation \(EU\) 2023/1315 declaring certain categories of aid compatible with the Internal Market - art 107 and 108 of the Treaty](#)