Zero Emissions Platform's response to the public consultation on the draft Clean Industrial Deal State Aid Framework (CISAF)

The Zero Emission Platform (ZEP) welcomes the opportunity to provide feedback on the draft Communication establishing a Framework for state aid measures to support the Clean Industrial Deal (CISAF).

The CISAF's aim to simplify state aid rules will allow Member States to accelerate the roll-out of renewable energy, deploy industrial decarbonisation, and ensure a sufficient capacity of clean tech manufacturing in Europe.

ZEP especially supports the CISAF as a pivotal instrument to crowd in and de-risk private investments that deploy industrial decarbonisation, insofar as insufficient private and public investments are one of the most pressing challenges in proving a business case for industrial carbon management. This was highlighted by the Commission in the Industrial Carbon Management Strategy, adopted in February 2024. Point (4) in the draft CISAF also stresses the importance of enabling "a longer planning horizon for Member States and investment predictability for businesses, without unduly distorting competition and trade while preserving cohesion objectives".

ZEP commends the work of the Commission to ensure that the CISAF delivers meaningful and impactful support on investments towards a full European value chain for the capture, transport, storage, and utilisation of CO_2. ZEP remains committed to assisting European policymakers as much as possible on all topics related to industrial carbon management.

Section 5 – Aid to deploy industrial decarbonisation

ZEP particularly welcomes Section 5 in the CISAF, dedicated to state aid for the deployment of industrial decarbonisation.

ZEP's contribution to this consultation focuses exclusively on this section.

While we support the general intentions and provisions of the CISAF, we would like to highlight gaps and inconsistencies in the text which could hinder the competitiveness and decarbonisation objectives set out in the Clean Industrial Deal. Furthermore, we believe that some amendments are also needed to ensure a more technology-neutral approach, in line with the Clean Industrial Deal.

This document includes ZEP's specific comments and recommendations related to:

- **Points:** 9, 76, 79, 80, 82, 83, 84, 85, 86, 90, 92, 95, 99, 102, 103, 104, 108, 115, 116, 118
- **Footnotes:** 47, 50, 56, 60

Point (76)	Footnote 47
Aid under this section will be granted on the basis of a scheme with an estimated budget. Member States must provide an estimate of the total direct greenhouse gas emissions to be saved, or of the total energy savings to be achieved through the scheme. Aid under this section can only be granted in the form of direct grants, repayable advances, loans, guarantees or tax advantages.[47]	*Other forms of aid* […] *such as aid in the form of* ***(Carbon) Contracts for Difference*** *and feed-in premia, as well as tradable certificates* ***are excluded*** *under this section. Aid in those forms or other forms of direct carbon abatement support can be assessed under the CEEAG.*

ZEP encourages the Commission to provide further explanation as to why Carbon Contracts for Difference (CCfDs) were excluded from this scheme. More specifically, it would be useful to understand whether it is simply because the CCEAG provides a better framework to assess these forms of aid, and/or whether this is related to the upcoming Industrial Decarbonisation Bank announced in the Clean Industrial Deal.

Many EU Member States are developing schemes which function with CCfDs and which have thus far proven successful in bringing projects to final investment decisions or close thereto. CCfDs function well as they provide certainty to investors, financiers and project developers on a guaranteed 'strike price' based on the costs of a given project. Deciding on what these costs are depends on various factors, including an understanding of what necessary infrastructure will be available in a reasonable timeframe. Moreover, a 'two-sided' CCfD can ensure that if projects are profitable, the project owners return profits to taxpayers in the future.

Point (79)(b)
To ensure that projects are implemented in a timely fashion and deliver the expected greenhouse gas emission savings, Member States must ensure that: *(a) the installation or equipment to be financed by the aid is* ***in operation within [36] months after the date of granting****;* *(b)* [...]

We believe that a maximum 36-month period between the grant date and the start of operations is too stringent for CCS projects due to the complexity of permitting processes, engineering, and construction.

This timeframe might be adequate for industrial heat pumps, but a 36-month implementation period is much more challenging for large-scale projects in energy-intensive industries, especially those requiring significant retrofits or greenfield builds. In an optimistic scenario, construction alone can take 18 months, with an additional 3 to 6 months for commissioning, qualification, and certification.

In practice, within the EEA, expected lead times for proposed CO_2 storage projects typically range from 4 years in Denmark to 6 years in Norway, and 7 years in the Netherlands. Longer lead times are not uncommon. For example, the Northern Lights project began in 2016, underwent site selection changes in July 2018, and expects to commence storage operations in 2025; i.e. a timeline of 7-9 years. Most CO_2 storage projects in Europe are currently located in the North Sea, but other regions in Europe are assessing the feasibility to exploit their storage potential. These projects will involve first-of-a-kind technologies and the implementation timeline will likely be slowed down due to the high due diligence process, prospect selection, regulators going through the permitting process for the first time, etc. Lead times are not so different for CO_2 capture projects. For instance, ammonia turnaround cycles for large-scale fertiliser sites in Europe can take up to 6 years. Other variables beyond the control of project developers such as permitting procedures and infrastructure readiness can also significantly impact this timeline.

Therefore ZEP suggests to replace the 36-month period with a period of at least 60 months (5 years). Furthermore, considering the broad scope of technologies covered by Section 5, flexibility is essential. For this reason, the Commission might want to consider making the timeline technology-dependent to account for specific engineering and construction complexities. Since no CCS project can exist in isolation and depends on progress across the entire value chain (capture, transport, and storage), it is key that the Commission accounts for and seeks to mitigate cross-chain risk.

Extending the deadline would also ensure that the CISAF remains technology neutral, as similar time limits are not applied to offshore wind, hydropower, and renewable hydrogen production installations (see Point 37).

Point (80)
*The scheme should include an effective system of **penalties in case that deadline or applicable thresholds are not met**.*

ZEP welcomes the inclusion of penalties to ensure that projects supported by state aid are implemented in a timely manner.

However, carbon capture projects are characterised by their long-term execution, cross-chain risks (i.e. reliance on the other parts of the value chain to be in place), and a long history of delays and disputes between responsible parties.

Point (80) currently places the entire responsibility on the emitters, yet some factors influencing project timelines and outcomes are beyond their control. A more balanced approach is needed to account for these uncertainties.

For these reasons, Point (80) should at least be complemented with the possibility to request an extension and/or derogation if the project can demonstrate legitimate reasons for its delay into entering operation – which could include, but is not limited to, permitting delays and unforeseen construction delays.

Point (82)
For aid schemes covering investments relying wholly or partly on the use of hydrogen, Member States must impose conditions ensuring that projects ***use only renewable hydrogen[48], or a combination of renewable hydrogen****, hydrogen which is produced from biomass compliant with the sustainability and greenhouse gases emissions saving criteria in Directive (EU) 2018/2001 and its implementing or delegated acts,* ***and low-carbon hydrogen[49]****. In the latter case, the share of renewable hydrogen must equal at least the average share of electricity from renewable sources in the Member State concerned as measured two years before each year of operation [plus [10] percentage points].*

The Clean Industrial Deal promotes both the uptake of renewable and low-carbon hydrogen, whose role is pivotal to help decarbonise hard-to-abate sectors.

In the short to medium term, the availability of renewable hydrogen will be greatly limited by its high costs. It still requires a massive scale-up of electrolysers, additional renewable electricity capacity, and acceleration of electricity grid roll-out.

The role of low-carbon hydrogen is thus especially relevant. The vast majority of hydrogen produced in Europe is currently generated by steam methane reformation and auto-thermal reformation. Decarbonising these plants with CCS would help mitigate the emissions of these carbon-intensive processes without having to completely re-build the industrial facilities, while also offering a pragmatic solution to sustain a large supply of low-carbon hydrogen until green hydrogen becomes available (and affordable) in larger quantities.

Consequently, the phrasing of Point (82) should be adjusted to allow the option of using only low-carbon hydrogen [until X date]. Furthermore, strengthening support for low-carbon hydrogen would ensure a more technology-neutral approach within the CISAF.

Point (83)	Footnote 50
For aid schemes covering also investment to deploy carbon capturing equipment[50], [...]	***Investments in transport, storage and utilisation installations are not covered under this section.*** *By way of exception, connecting infrastructure (to a network) can be covered under this section provided it complies with point (74).*

Point (108)	Footnote 60
In relation to investments to deploy carbon capturing equipment[60], [...]	***Investments in transport, storage and utilisation installations are not covered under this section.*** *By way of exception, connecting infrastructure (to a network) can be covered under this section provided it complies with point (74).*

The current definition of "carbon capturing equipment" requires further elaboration and does not adequately recognise the critical role that CO_2 transport and storage infrastructure plays in the deployment of CO_2 capture.

CO_2 capture involves the separation of CO_2 from gases generated by industrial production processes or directly from the air, followed by treatment and compression before delivery to a transport, use and/or storage facility. Capture projects vary considerably depending on the source of CO_2. They require new equipment *as well as* the construction of new facilities.

The explicit exclusion of investments in transport, storage and utilisation installations most likely stems from the fact that large energy infrastructure projects (including CO_2 pipelines and CO_2 storage facilities) are considered natural / legal monopolies under the CEEAG (Section 4.9.1, points 371-375). However, clarifying this aspect in footnotes 50 and 60 would improve clarity and accessibility.

It also unclear to us whether the exclusion of transport and storage installations only concerns CAPEX, and whether OPEX could still qualify for state aid support schemes. As the Clean Industrial Deal noted, the challenge for industrial decarbonisation in Europe concerns both capital and operational expenditures. If possible, the CISAF should therefore seek to provide options for OPEX support, especially given the high electricity prices in the EU.

The EU still requires a massive ramp-up of CO_2 transport and storage infrastructure. CCS project developers currently face a lack of harmonisation between state aid schemes in the EEA, which triggers competition between European countries and does not provide CCS projects with the necessary flexibility with regards to the infrastructure choice. ZEP strongly encourages the European Commission to explore every avenue, including the CISAF, to support these projects.

Point (83)(a)
For aid schemes covering also investment to deploy carbon capturing equipment[50], Member States must ensure that projects covering investments in carbon capturing equipment will upon entry into operation: *(a) connect to a **net-zero strategic CO_2 storage project** in accordance with Regulation 2024/1735 or to another **complete carbon capture and storage or utilisation ('CCS' or 'CCU') chain**; and* *(b)* [...]

Point (108)(a)
In relation to investments to deploy carbon capturing equipment[60], Member States must ensure that projects covering investments in carbon capturing equipment will upon entry into operation: *(a) connect to a **net-zero strategic CO_2 storage project** in accordance with Regulation 2024/1735 or to another **complete carbon capture and storage or utilisation ('CCS' or 'CCU') chain**; and* *(b)* [...]

Points (83)(a) and (108)(a) seem to suggest that capture projects can receive state aid if they are connected to a "net-zero strategic CO_2 storage project". However, Article 13(3) of Regulation 2024/1735 (the "Net Zero Industry Act") states that CO_2 storage projects can only qualify as net-zero strategic projects if they contribute to reaching the EU 2030 CO_2 injection capacity target, i.e. that the provision under this subparagraph would only apply to these projects until 2030.

Points (83)(a) and (108)(a) also specify that capture projects can receive state aid if they are connected to *"another complete CCS or CCU chain"*. However the use of the term "complete" here is confusing. If this implies that a carbon capturing project must have legally secured access to an existing (or at least permitted) CO_2 transport system and a CO_2 storage reservoir, we risk limiting further deployment of industrial carbon management in Europe and exacerbating the current "chicken and egg" situation, where no private entity is prepared to invest in CO_2 pipelines and storage sites without the certainty of obtaining the necessary volumes of captured CO_2, and vice versa. ZEP recommends that the Commission clarifies what it means by "another complete CCS or CCU chain", and that it considers the future deployment of new CO_2 transport and storage infrastructure.

Point (83)(b)
*(b) result in the **avoidance** of direct greenhouse gas emissions taking into account the entire CCS or CCU chain.*

Point (95)(a)
*(a) The bidding process must be open to all eligible projects under the scheme that are delivering the same type of contribution to the environmental objectives of the measure, i.e. its contribution to greenhouse gas emissions **avoidance** or its contribution to energy efficiency improvements; and*

Point (108)(b)
*(b) result in the **avoidance** of direct greenhouse gas emissions taking into account the entire CCS or CCU chain.*

To ensure consistency with the academic literature and the terminology used in other pieces of EU climate legislation, it would be more accurate to refer to the "reduction" of greenhouse gas emissions – and not "avoidance" – in Points (83)(b), (95)(a), and (108)(b).

Furthermore, the text in Points (83)(b) and (108)(b) does not specify how emissions reduction would be calculated and verified, e.g. whether capture projects will be asked to conduct a life-cycle assessment (LCA) to be eligible for state aid.

Point (84)
Compliance with point (83) is presumed if the scheme provides that only projects are eligible that: *(a) concern the installation of carbon capturing equipment to the extent that the captured CO_2 is (i) utilised in such a way that it has become permanently chemically bound in a product so that it does not enter the atmosphere under normal use, including any normal activity taking place after the end of the life of the product, or (ii)* ***used for the production of synthetic fuels*** *in accordance with applicable EU law; and/or* *(b) concern the installation of carbon capturing equipment with a view to its permanent geological storage.*

Considering that state aid allowed by the CISAF will be limited, it is important that it prioritises projects that contribute to overall emission reductions and yield the greatest benefits for European competitiveness and decarbonisation. For these reasons, ZEP appreciates the explicit mentions in Point (84) of permanent geological storage and CCU applications in which the CO_2 is permanently chemically bound in a product.

It is unclear why the Commission has singled out synthetic fuels as the only form of non-permanent CCU eligible for state aid support. ZEP recommends that the Commission provides further justification for its inclusion in the scope of eligible carbon capturing projects.

Point (86)(a)

The Commission will presume that aid granted under the scheme complies with point (85) if the following conditions are met:

(a) the scheme requires that beneficiaries submit ***a funding gap calculation*** *to the Member State concerned as part of the aid application using the* ***uniform funding gap template referred to in point (92)****, and only projects displaying the existence of a* ***funding gap as defined in point (9)(f)*** *are eligible for aid under the scheme; or*

(b) [...]

Point (92)

As an alternative to point (90), Member States can also choose to determine the maximum aid amount under an aid scheme as the funding gap of the eligible investment. Applicants under the scheme must be required to use a uniform template for calculating the funding gap. ***Member States need to set up the methodology they will follow*** *to verify that cash flow projections underpinning NPV calculations are credible and coherent with the decarbonisation project.*

Point (9)(f)

(f) ***'funding gap' means the difference between the net present value ('NPV') of the project*** *(the factual scenario) taking into account all expected future positive and negative cash-flows including taxes generated by the investment over its lifetime and a terminal value, discounted using the beneficiary's weighted average cost of capital, and the NPV of all expected cash-flows related to the counterfactual investment (the counterfactual scenario);*

CCS and CCU projects in the EEA face a significant funding gap. However, the definition of "funding gap" in Point (9)(f) focuses exclusively on the difference between a project's factual scenario versus counterfactual scenario. It does not reward a project's potential to drive innovation and boost efficiency.

The evaluation of industrial investments should not be solely based on net present value (NPV) – as mentioned in Points (86)(a) and (92) – but also on their effects on value chains, the development of strategic production capabilities, and the associated cost per ton of CO_2 removed. Furthermore, when determining the NPV, the cost of capital and the discount rate must be tailored to the specific subsector and must also consider exposure to energy prices and international market conditions.

Point (85)
Member States must demonstrate that the aid scheme is limited to supporting investments which would not take place without the aid, taking into account policy measures and mechanisms introduced to remedy the same market failure, including the ETS.

Point (86)(b)(i)
The Commission will presume that aid granted under the scheme complies with point (85) if the following conditions are met: *(a)* [...] *(b) for decarbonisation investments, the scheme contains the following requirements:* *(i) in industrial installations subject to the ETS[51], [...]:* - *the investment reduces the installation's greenhouse gas emissions by **at least [10]%** when, before the investment, such emissions are **at the level or below the most efficient installations**; or* - *the investment reduces the installation's greenhouse gas emissions by **at least [40]%** and brings them below the relevant ETS benchmarks, when they were **above most efficient installations**;* *(ii)* [...]

Subparagraph (b) also suggests that, for industrial installations subject to the ETS, only investments that reduce the installation's GHG emissions by [at least 10% if below or at the level of "most efficient installations", and at least 40% if above the level of "most efficient installations"] shall be granted.

Considering the complexity of large industrial sites, where significant emission reductions often result from a combination of coordinated projects rather than a single intervention, this approach risks excluding the majority of industrial decarbonisation projects. Even if a particular solution has a relatively small overall reduction potential, it may still be indispensable for the decarbonisation of certain sectors and should therefore be eligible for support.

Furthermore, it is unclear whether the 10% / 40% reduction applies at the level of the entire installation or to individual sub-installations. Applying this threshold at the installation level would likely impose a disproportionately high barrier, particularly for integrated or multi-process sites, and could disqualify meaningful decarbonisation efforts from potentially receiving state aid, including new installations. While this can be achieved with CCS, this is extremely ambitious for most technologies. Setting the eligibility according to the average emissions of ETS installations at a national level instead could help give a good indication of where reduction levels stand in terms of what is regionally possible, including access to infrastructure, low-carbon carbon fuels, and alternative raw materials.

Point (90)
For individual aid amount up to EUR [200] million, the maximum aid amount under an aid scheme can be determined on the basis of the eligible costs of an investment, i.e. the total investment costs directly related to the achievement of the greenhouse gas emission savings or energy efficiency, and an aid intensity not higher than: *(a)* ***[50]%*** *for investments enabling the use of hydrogen[54];* *(b)* ***[30]%*** *for investments in* ***carbon capture equipment****;* *(c)* ***[35]%*** *for investments in the production of renewable energy, energy storage, or investments in electrification that use only fully renewable electricity;* *(d)* ***[20]%*** *for all other technologies.* *Where an investment falls under more than one of the categories listed in points (a) to (d), the* ***lowest applicable aid intensity applies.***

Point (90) contradicts the technology-neutral approach promoted in the Clean Industrial Deal. CCS is essential for achieving the ambitious draft 2040 climate target and deserves an equal level of attention and support relative to hydrogen. Rather than allowing different maximum aid intensity levels for various technologies, the CISAF should adopt a technology-neutral stance that prioritises GHG emissions reduction and project abatement potential. ZEP recommends harmonising rules with the same maximum for all technologies.

The amounts in Point (90) would create confusion for investments spanning multiple categories, such as blue hydrogen production. This may lead to unnecessary project fragmentation solely to maximise state aid, resulting in inconsistent interpretations, unequal aid distribution across Member States, and inefficiencies. If the Commission maintains different maximum aid intensity levels for different technologies, ZEP recommends developing a more robust system that clearly identifies separate supply chain components.

Given the critical importance of industrial carbon management technologies and infrastructure for reaching net zero, ZEP emphasises the need to support these projects at sufficient scale and timing to meet Europe's climate objectives. These projects require especially high CAPEX and significant OPEX. Limiting individual aid amounts to a maximum of EUR 200 million could be too low for large-scale CO_2 capture, transport and storage projects. Generally speaking, limits on maximum individual aid amounts or intensity should not be overly restrictive – these projects' greenhouse gas emission abatement potential is more important. First movers should also receive special attention and additional support.

Point (102)
Schemes allowing aid for the installation of carbon capturing equipment with a view to its storage or utilisation are considered to comply with the condition in point (98) if the scheme provides that those projects are only eligible where the equipment ***complements other decarbonisation solutions*** *to cater for* ***residual greenhouse gas emissions*** *from sectors that are* ***technically unable*** *to achieve full decarbonisation.*

Point (115)
In relation to projects involving the installation of carbon capturing equipment with a view to its storage or utilisation the equipment must ***complement other decarbonisation solutions*** *to cater for* ***residual greenhouse gas emissions*** *from sectors that are* ***technically unable*** *to achieve full decarbonisation.*

Residual emissions consist of emissions that are hard to avoid or to fully eliminate, due to technical and economic limitations. Consequently, ZEP advises to provide a better definition of residual emissions in the text, and to amend Points (102) and (115) with the following:

> *"… residual greenhouse gas emissions from sectors that are technically* ***and financially*** *unable to achieve full decarbonisation."*

In addition, both Points (102) and (115) mention the fact that a carbon capture project supported by state aid must "complement other decarbonisation solutions". Yet the text does not specify what qualifies as a decarbonisation solution, whether a project must show that it has exhausted all other (i.e. non-CCS) options – which would be the logical condition to identify the "residual greenhouse gas emissions" that a carbon capture project seeks to mitigate – nor at what level these "other decarbonisation solutions" must be applied (for e.g. at the same emitter or across the support scheme).

Point (102)
Schemes allowing aid for the installation of carbon capturing equipment with a view to its storage or utilisation are ***considered to comply with the condition in point (98)*** *if the scheme provides that those projects are only eligible where the equipment complements other decarbonisation solutions to cater for residual greenhouse gas emissions from sectors that are technically unable to achieve full decarbonisation.*

Point (99)
In all other cases, Member States must demonstrate that indirect greenhouse gas emissions linked to the eligible projects ***do not offset*** *direct greenhouse gas emission reductions achieved through the investment*[56]*.*

Footnote 56
Member States can demonstrate that this is the case based on the scheme's design (e.g. where the scheme requires that additional electricity demand is covered by a directly connected renewable electricity installation) or on simulations of greenhouse gas emissions calculations per reference project.

We also note that Point (102) makes a reference to Point (98) to confirm that the electricity used to drive a carbon capture process is not subject to the limitations otherwise imposed on indirect emissions from the electricity used in decarbonisation projects.

However, they are still subject to Point (99), which states that Member States must demonstrate that a project's indirect emissions "do not offset" direct emission reductions achieved through the investment. The Commission should clarify whether this refers to a 1:1 ratio (i.e. that indirect emissions must not "completely" negate direct emission reductions), or whether it is their intention to set a maximum proportional threshold that must not be exceeded (in which case, a calculation methodology should be provided).

Point (103)
*The Member State must demonstrate that the aid **does not finance an increase of the overall production capacity of the beneficiary**. This is without prejudice to limited capacity increases resulting from technical necessity not exceeding [5%] compared to the situation before the aid.*

Point (116)
*The Member State must demonstrate that the aid **does not finance an increase of the overall production capacity of the beneficiary**. This is without prejudice to limited capacity increases resulting from technical necessity not exceeding [5%] compared to the situation before the aid.*

The prohibition on capacity increases outlined in Points (103) and (116) contradicts the core objectives of the Clean Industrial Deal and the key recommendations outlined in Draghi's report.

The Clean Industrial Deal explicitly aims to "accelerate industrial decarbonisation" while "strengthening European industrial competitiveness" through promoting sustainable production and creating markets for clean products. Restricting capacity growth would undermine these dual objectives.

The point should instead be that the aid must target the most effective and strategic decarbonisation of industries. This may lead to the growth of an industry as it becomes sustainable and competitive, but this is a good outcome for the EU and its Member States. Decarbonisation and competitiveness must go hand in hand, without one undermining the other.

Point (104)
In addition to the provisions laid down in Section 4 and Section 5.1 to 5.4, this subsection contains specific compatibility conditions for renewables and decarbonisation projects that have been ***positively assessed under the Innovation Fund****. The selection criteria applied under the Innovation Fund for these types of projects present several safeguards minimising competition distortions and limiting the support granted to the minimum needed. Accordingly and provided they comply with this subsection and section 3, the Commission will consider compatible with the internal market on the basis of Article 107(3), point (c), of the Treaty, aid measures to support investments set out in point (32) and (69) for projects that have been awarded a* ***'Sovereignty Seal'*** *referred to in Article 4 of Regulation (EU) 2024/795*[57]*.*

Point (118)
Member States may set up schemes covering either one or both of the following categories of projects: *(a) projects that have been* ***awarded a Sovereignty Seal*** *but that have not been selected for funding in line with Commission Delegated Regulation (EU) 2019/856;* *(b) projects that have been* ***awarded a Sovereignty Seal****, and that have been selected for funding in line with Commission Delegated Regulation (EU) 2019/856.*

Considering the urgent need to scale up investment in decarbonisation technologies, ZEP welcomes the express recognition of projects that have been positively assessed under the EU Innovation Fund as well as those that have been awarded the so-called "Sovereignty Seal" under the STEP Regulation (Regulation 2024/795), and their compatibility to receive state aid support through the CISAF.

ZEP recommends that state aid is prioritised for projects that have received a Sovereignty Seal. The Seal is awarded to high-quality projects that support the development or manufacturing of critical technologies throughout the Union, safeguard and strengthen the respective value chains, or address shortages of labour and skills critical to all kinds of quality jobs in those sectors. As stated in Recital 11 of the STEP Regulation:

"The Sovereignty Seal should be used as a quality label, to help projects attract public and private investments by certifying its contribution to the objectives of STEP. Moreover, the Sovereignty Seal should promote better access to Union funding, in particular by facilitating cumulative or combined funding from several Union instruments. Member States should also be encouraged to take into account the Sovereignty Seal when granting financial support through their own programmes."

In line with the provisions mentioned above, ZEP thus strongly advises the Commission to strengthen the synergies between the CISAF and the STEP Regulation. The Commission may want to explore the option of automatically granting state aid for projects that have been awarded a Sovereignty Seal, without requiring further evaluations.