



EuLA's response to the European Commission's communication on the Green Deal Industrial Plan

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EuLA, the European Lime Association, is the voice of the lime sector in Europe. Lime is one of the earliest industrial commodities known to man and it continues to be one of the essential building blocks of modern industry, used in many essential processes such as making construction products, producing iron and steel, treating contaminated land, purifying drinking water, making sugar and even cleaning gases from power stations. Lime and its derivatives are also important additives for making paper, glass, pharmaceuticals and agricultural products.

EuLA welcomes the Commission's communication on the Green Deal Industrial Plan (GDIP), as a strong response to the United States' Inflation Reduction Act (IRA) by setting out four needed fundamental pillars to protect green technology across the EU.

As the GDIP clearly states, the net-zero industrial age will be framed by the decisions taken today. **Therefore, for Europe to lead the way globally in the net-zero industrial age, there needs to be an explicit focus on energy-intensive industries.** These sectors are strategic in bringing low-carbon technologies to the market, but they are not getting the full attention they would need within the decarbonisation path to achieve their potential. For instance, lime is used in many processes, such as manufacturing construction products, as well as producing iron and steel. These are parts of value chains that are not thought about daily but are vital to Europe's sustainable future. Considering that lime is an essential feedstock to many sectors, addressing emissions from lime will be important to reach net-zero. Therefore, supporting the greening of EU industries is imperative, especially for sectors like lime, which have not received targeted support to date.

As a European based product that is essential for many industrial value chains, but also hard to abate, the lime industry sees a path to net zero. The path is one that requires – in addition to changes in fuel mix and increasing energy efficiency – a large-scale deployment of carbon capture technology (CCS). Since 69% of the lime industry's emissions are the result of process emissions (from the decarbonisation of limestone), this means that over two thirds of lime's emissions cannot be reduced in any other way than by carbon capture. In fact, there is potential for the lime sector to achieve negative emissions by 2050 with the use of CCS technologies.

Furthermore, a focus on infrastructure for decarbonisation is critical. Although the GDIP considers hydrogen, it should also take into account the importance of open and fair access to multi-modal CO₂ transport and storage infrastructure. This is essential to the deployment of CCUS technologies, and is therefore integral to the decarbonisation of energy intensive industries. As a member of the European Union's CCUS Forum, and as the co-chair of the forum's Industrial Partnership working group, EuLA calls on the Commission to consider the

wide array of sectors that have realised that without CCUS, the EU will fail to meet its objective of being climate neutral by 2050 by a significant margin.

Lastly, a strong financing plan for clean-technology production is needed, which includes clear criteria in terms of climate benefit the aid should achieve. This includes a substantive investment framework that supports innovative green industries with a more flexible implementation of state aid rules. The state aid rules must be balanced between the Member States' interests and the economic benefits, in order to maintain the proper functioning of the single market. The strategy should take inspiration from certain elements of the IRA, such as dedicated tax rebates for green technology deployment and other incentives. However, granting an easier access to state aid should not simply lead to larger financial support, but should also ensure that the aid is moving EU industry closer to net-zero. For that reason, the aid should be made conditional on achieving clear, verifiable progress towards decarbonisation.

Altogether, if successfully deployed, the GDIP can offer strong support and protection to green technology investment in the EU. However, these measures being taken to promote clean tech **must take carbon capture technologies into account moving forward if the EU is ever to achieve its climate neutrality goals.**

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EuLA represents about 95% of the European non-captive lime production through its 24 covered Member States (companies & national associations). The European lime sector operates more than 160 plants in the EU, producing a total of more than 18 million tons of lime and dolime, providing around 9,000 jobs in Europe.