



EUROPEAN COMMISSION

Brussels, 5-II-2008  
C (2008) 502

**PUBLIC VERSION**  
**WORKING LANGUAGE**  
**This document is made available for  
information purposes only.**

**Subject: N779/2007– Spain**  
**Prolongation of N198/2006**

Sir,

## **1. PROCEDURE**

1. By electronic notification A/63, dated 28.12.2007, registered on 03.01.2008, the Spanish Authorities notified the Commission of prolongation of Scheme previously amended by the Commission on 12.04.2006, case N 198/2006 – ESP, Modification of Aid for Energy Saving, Energy Efficiency and Renewable Energies<sup>1</sup>, the text of which is accessible on the website of the Commission: [http://ec.europa.eu/comm/competition/state\\_aid/register/ii/by\\_case\\_nr\\_n2006\\_0180.html#198](http://ec.europa.eu/comm/competition/state_aid/register/ii/by_case_nr_n2006_0180.html#198).
2. The Spanish Authorities notified the prolongation under the simplified notification procedure set out in Article 4 of the Commission Regulation (EC) No 794/2004 of 21 April 2004 implementing Council Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty<sup>2</sup> ("Implementing Regulation").

## **2. DESCRIPTION OF THE MEASURE**

3. The objective of the scheme is to promote development of actions and projects of energy saving, energetic efficiency and use of renewable energies. The aim is to

---

<sup>1</sup> OJ C 157, 06.07.2006, p. 14.

<sup>2</sup> OJ L 140, 30.04.2004, p. 01.

Excmo. Sr. D. Miguel Ángel MORATINOS Y CUYAUBÉ  
Ministro de Asuntos Exteriores y Cooperación  
Plaza de la Provincia 1  
E - 28071 MADRID

facilitate the achievement of the energy policy objectives of the Basque Country government. The main components of the policy are:

- Reducing the energetic intensity by rationalising the use of energy;
- Reducing the degree of energetic dependency via a better use of own resources; and;
- Achieving a sustainable development.

4. The Spanish Authorities seek authorization for the prolongation of the Scheme without any changes with effect from 01/01/2008 until the entry into force of the new Environmental Guidelines. The prolongation will not, however, exceed 31.12.2008.

5. The budget for the direct grants remains the same i.e. EUR 3.5 million p.a.

### **3. ASSESSMENT**

6. By notifying the schemes before the implementation of the changes, the Spanish Authorities have fulfilled their obligation according to Article 88(3) of the EC Treaty.

#### **3.1 Presence of State aid under Article 87(1) of the EC Treaty**

7. The scheme constitutes State aid in the meaning of Article 87(1) of the EC Treaty. The aid scheme is financed from State resources. It will strengthen the position of the beneficiaries by providing an advantage to the recipients. The aid is thus likely to distort competition, and, to affect trade between Member States.

#### **3.2 Compatibility of the aid under Article 87(3)(c) of the EC Treaty**

8. The Commission finds no reason to take another position to the notified prolongation than in its previous State Aid decision. There are no material changes in the Scheme.

### **4. CONCLUSION**

9. The Commission has accordingly decided not to raise objections to the notified prolongation, because the aid can be found compatible with the common market in accordance with Articles 87(3)(c) of the EC Treaty and Article 61(3)(c) of the EEA Agreement, since it continues to comply with the provisions of the Environmental Guidelines.

10. The Commission reminds the Spanish Authorities that, in accordance with Article 88 (3) of the EC Treaty, plans to refinance, alter or change this scheme have to be notified to the Commission pursuant to provisions of Commission Regulation (EC) No 794/2004 implementing Council Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 [now 88] of the EC Treaty (OJ L 140, 30.4. 2004, p.1).

11. The Commission also reminds the Spanish Authorities that they have to re-notify the Scheme in connection with adoption of future revised Environmental Guidelines.

12. If this letter contains confidential information, which should not be disclosed to third parties, please inform the Commission within 15 working days of the date of receipt. If the Commission does not receive a reasoned request by that deadline, you will be deemed to agree to the disclosure to third parties and to the publication of the full text of the letter in the authentic language on the Internet site:  
[http://ec.europa.eu/community\\_law/state\\_aids/index.htm](http://ec.europa.eu/community_law/state_aids/index.htm)

Your request should be sent by registered letter or fax to:

European Commission  
Directorate-General for Competition  
State Aid Registry  
B-1049 Brussels  
Fax No: + 32-2-296 12 42

For the Commission

Neelie KROES  
Member of the Commission