



European
Commission

THE GREEN DEAL INDUSTRIAL PLAN

State aid Temporary Crisis and
Transition Framework.
Fast, clear and predictable framework
to accelerate green investments

March 2023

Paving the way for Member States to design and implement support measures in sectors which are key for the transition to a net-zero economy



CRISIS MEASURES TO CUSHION THE ECONOMIC IMPACT OF RUSSIA'S AGGRESSION OF UKRAINE

- ▶ Limited amounts of aid
- ▶ Public guarantees
- ▶ Subsidised loans
- ▶ High energy prices compensation
- ▶ Support to reduce electricity consumption

Applicable until end 2023



TRANSITION MEASURES FOR THE NET-ZERO ECONOMY

- ▶ Roll-out of renewable energy production and storage (e.g. renewable hydrogen production) **PROLONGED**
- ▶ Industrial decarbonisation (e.g. renewable hydrogen use) **PROLONGED**
- ▶ Manufacturing of green technologies (e.g. electrolyzers for hydrogen production) **NEW**

Applicable until end 2025



MEASURES TO ACCELERATE INVESTMENTS IN KEY SECTORS FOR THE TRANSITION TOWARDS A NET-ZERO ECONOMY



ROLL-OUT OF RENEWABLE ENERGY PRODUCTION AND STORAGE

Who can receive support?

- ▶ Energy producers

What can be supported?

- ▶ All renewable energy sources (e.g. solar, wind, geothermal, biomass, renewable hydrogen)
- ▶ key types of energy storage

How can aid be granted?

- ▶ Simple competitive bidding process
or
- ▶ Predictable price setting or % of support over total investment cost in case of
 - ▶ (i) small projects receiving aid of up to €30 million
 - ▶ (ii) less mature technologies (e.g. geothermal)



INDUSTRIAL DECARBONISATION

Who can receive support?

- ▶ All industrial players

What can be supported?

- ▶ Electrification
- ▶ Use of green hydrogen and hydrogen-derivative fuels
- ▶ Energy efficiency

How can aid be granted?

- ▶ Simple competitive bidding process
or
- ▶ Predictable % of support over:
 - ▶ presumed necessary “financing gap”
or
 - ▶ total investment costs





MANUFACTURING OF GREEN TECHNOLOGIES



Who can receive support?

- Green tech manufacturers

What can be supported?

- Manufacturing of:
 - strategic equipment (batteries, solar panels, wind turbines, heat-pumps, electrolysers and carbon capture usage and storage)
 - Related key components
- Production or recycling of related critical raw materials

How can aid be granted?

- Simple schemes with maximum aid amount and maximum % of support over total investment costs, depending on:
 - size of company
 - location (assisted region or not)
 - type of support (higher % possible for tax credits, loans and guarantees)
- Ad-hoc* support for companies at risk of diverting investments to extra-EU locations:
 - Matching aid: maximum amount depending on support from 3rd country

or

 - Funding gap: amount needed to incentivize the company to locate the investment in the single market



whichever the lowest





MANUFACTURING OF GREEN TECHNOLOGIES

What are the safeguards for cohesion policy and the level playing field?

AD-HOC AID POSSIBILITIES	LOCATION OF INVESTMENT	SAFEGUARDS		
Single-EEA country project	<ul style="list-style-type: none"> ➤ 1 Member State ➤ Disadvantaged areas only 	Non-disadvantaged areas cannot receive matching aid if only one Member State is involved	State-of-the-art production technology from an environmental emissions perspective	Prohibition to relocate investments within the single market
Multi-EEA country projects	<ul style="list-style-type: none"> ➤ At least 3 Member States ➤ a significant part of the capital investment takes place in at least two disadvantaged areas ➤ an important part of such significant investment should take place in an 'a' area 	Aid possible also in non-disadvantaged areas, subject to real ecosystem effects across the EU		

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