European Commission - Press release





State aid: Commission updates guidance for measures to support the green transition

Brussels, 4 April 2023

The European Commission has published today updated State aid <u>guiding templates</u> to assist Member States in designing measures, which will be included in their national Recovery and Resilience Plans ('RRPs'), in line with EU State aid rules. In particular, the updated technical documents will help Member States design measures that further contribute to the implementation of the <u>European Green Deal</u>, while helping to end the dependence on Russian fossil fuels and fast forward the green transition as set out in the <u>REPowerEU Plan</u>.

Updated guidance templates

The Recovery and Resilience Facility ('RRF'), the key instrument at the heart of the €800 billion NextGenerationEU recovery plan for Europe, supports coordinated planning and financing of cross-border and national infrastructure, as well as energy projects and reforms, to mitigate the economic and social impact of the coronavirus pandemic, fast-forward the green and digital transitions and increase the Union's overall resilience. In February 2023, the RRF Regulation was amended to integrate dedicated REPowerEU chapters in Member States' existing RRPs. In order to ensure a swift roll-out of the REPowerEU measures, the Commission encourages Member States to submit their modified RRPs by 30 April 2023 at the latest.

In <u>December 2020</u>, the Commission published guiding templates to assist Member States in designing State aid measures forming part of their RRPs covering numerous types of investments projects in line with the "European flagships" of the Commission's <u>Annual Sustainable Growth Strategy 2021</u>. To help Member States modify their plans in the context of REPowerEU, the Commission has now introduced targeted updates to the templates that are most relevant for the design of new measures under REPowerEU chapters.

In particular, several templates have been adjusted to the new 2022 <u>Guidelines on State aid for Climate</u>, <u>Environmental protection and Energy</u>, the revised <u>State aid Framework for Research</u>, <u>Development and Innovation</u>, the new <u>Temporary Crisis and Transition Framework</u>, and the endorsed amendment to the <u>General Block Exemption Regulation</u>.

The Commission amended the following templates:

Flagship	Guiding template
Power up	Energy and hydrogen infrastructure
	Energy from renewable sources, including renewably sourced hydrogen production, as well as investment/operating aid for the reduction and removal of greenhouse gas emissions including through support for renewable energy and energy efficiency
	District heating and/or cooling, generation and distribution infrastructure
1	District heating and/or cooling, generation and distribution infrastructure
	Energy efficiency in buildings

_	Electric recharging stations and hydrogen stations for road vehicles
	Acquisition of zero and low-emission road vehicles
	Other low emission transport modes
Scale up	Innovative processors and semiconductor technologies
	Cloud capabilities

Background

All investments and reforms entailing State aid included in the national recovery plans presented in the context of the RRF must be notified to the Commission for prior approval, unless covered by one of the State aid block-exemption rules.

The Commission assesses measures entailing State aid contained in the national recovery plans presented in the context of the RRF as a matter of priority and has provided guidance and support to Member States in the preparatory phases of the national plans, to facilitate the rapid deployment of the RRF. At the same time, the Commission makes sure in its decision that the applicable State aid rules are complied with, in order to preserve the level playing field in the Single Market and ensure that the RRF funds are used in a way that minimises competition distortions and do not crowd out private investment.

In December 2020, the Commission <u>published</u> eleven <u>State aid guiding templates</u> providing sector-specific guidance as to when: (i) State aid may be excluded, and therefore prior notification to the Commission is not necessary; (ii) State aid would be involved, but no notification is necessary because it falls under a block exemption; and (iii) State aid would be involved and a notification is necessary. The Commission stated that the guiding templates can and will be updated, where appropriate.

In February 2023, the European Parliament and the Council formally approved the <u>amended RRF Regulation</u> to include REPowerEU chapters in the national RRPs. In March 2023, in a <u>Guidance</u> on RRPs in the context of REPowerEU, the Commission invited Member States to submit their modified plans with additional REPowerEU chapters by 30 April 2023 at the latest.

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Quotes:

The updated State aid templates provide Member States important guidance and tools to ensure that their national Recovery and Resilience Plans can be implemented swiftly. It will help them to quickly put into place support measures to facilitate the clean energy transition and strengthen the EU's energy independence. We continue to work closely together with Member States to help them achieve the REPowerEU objectives, while protecting the level playing field in the Single Market.

Margrethe Vestager, Executive Vice-President in charge of competition policy - 04/04/2023

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