



Applying State aid rules for JTF projects

Webinar on State aid for JTF Projects in the 2021-2027 period
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European Commission – DG COMP

Introduction

- Public authorities using JFT have to **design their support measures in compliance with State aid rules, in line with their obligation under CPR.**
- Implementation of the **Green Deal policy**, including the Just Transition is a key priority for the Commission, also reflected in the **recent changes in State aid rules; these are now in place and form an available framework for public authorities to design their support schemes when these entail State aid elements.**
- In several instances however, support schemes do not entail State aid. It is therefore essential, when designing a scheme to consider **if aid is present.** To that end, public authorities can rely on:
 - the 2016 Commission **Notice on the notion of State aid**
 - Commission regulation 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to **de minimis aid**

Applying State aid rules for JTF projects

- When designing JTF- related schemes **entailing State aid**, public authorities may make use of different set of rules.
- Different State aid guidelines, recently reviewed could be of relevance for JTF projects; Among them the Regional aid Guidelines (RAG) include an explicit recognition of JTF territories in assisted areas.
- In view of the time constraints linked to Next generation EU budget in JTF programmes, **designing schemes under GBER provisions, therefore exempted from notification, seems the most efficient approach.**
- Our presentation will therefore mostly focus on the GBER provisions that could be used to design JTF-related schemes.

Regional aid

- In State aid “assisted areas”, possible investment aid for **productive investments** to contribute to the transition by diversification of activities or expansion of existing activities in a areas for all companies; in c areas, for SMEs. For large undertakings in c areas initial investment should create a new economic activity (Article 14 GBER)
- More projects can be now be supported under GBER, with the 2023 amendment and **new increased notification thresholds** (Article 4(1)(a))
- Intensities depending on the regions / maps - **Specific bonus JTF +10 bp in a areas** embedded in the approved regional aid maps
- Possible exceptional operating aid for undertakings, limited to certain assisted areas, some of which may also be on JTF maps – sparsely and/or very sparsely populated areas (Article 15)

Side note

Support for productive investment in JTF areas can also be designed outside GBER

- Under RAG, in assisted areas, through the notification of a scheme or an individual aid (🖐️ long assessment time to factor in)
- under TCTF 2.8 beyond assisted areas, and until 31.12.25 for accelerated investments in sectors strategic for the transition towards a net-zero economy (batteries, solar panels, wind turbines, heat-pumps, electrolysers, and equipment for carbon capture usage and storage (CCUS); key components and related critical raw materials; through the notification:
 - of an aid scheme (Intensity: 15 % of the eligible costs with max EUR 150 million per undertaking per Member State 20% in c areas with max EUR 200 million per undertaking per Member State; 35% in a areas with max EUR 350 million per undertaking per Member State)
 - of an individual aid (🖐️ long assessment time to factor in)

R&D&I aid

Streamlined and more flexible R&D&I provisions after the 2023 amendment (such as higher notification thresholds, new measure covering support for Testing and Experimentation Infrastructures, simplified costs options for calculating indirect R&D project costs, facilitation for SMEs to access infrastructures for R&D up to TRL8)

Art 25 (including new provisions accommodating multi-country projects) – Support for R&D projects

Art 26 (higher aid intensities) – Investment support for research infrastructures

Art 26a (new) – Investment support for Testing and experimentation infrastructures

Art 27 (clarified provisions) – Aid for innovation clusters

Art 28 (clarifications to further facilitate SMEs R&D&I capacities) – Innovation aid to SMEs

Art 29 – Support for process and organizational innovation

Environment and energy aid

Wide range of measures for environmental protection and energy are covered:

- **Investments for environmental protection, including decarbonization** (Art. 36)
- **Investments for clean mobility:** clean/zero-emission vehicles + recharging and refuelling infrastructure (e.g. include hydrogen refuelling stations (if supply RES hydrogen by 2035) (Art. 36a + 36b);
- **Investments for improved energy efficiency** (Art. 38, 38a, 38b);
- **Promotion of energy from renewable sources:** investment aid (Art. 41), operating aid (Art. 42, 43);
- **Energy tax reliefs** below the minima of the ETD Annex (Art. 44) and **Reductions of environmental taxes/levies** (Art. 44a);
- **Remediation/rehabilitation of natural habitats and ecosystems, biodiversity and nature-based solutions for climate change adaptation and mitigation** (Art. 45);
- **Energy efficient district heating and cooling** (Art. 46) and **energy infrastructure** (Art. 48);
- **Resource efficiency and circularity:** investments for the recycling and reuse of waste and other products, materials or substances both from own and third parties' activities (Art. 47);
- **Studies and consultancy services** on environmental protection and energy matters (Art. 49)

Other GBER provisions

- All GBER articles can be used, for example:
 - SME aid (Article 17- investment aid - Article 18 - consultancy)
 - Training (Article 31)
 - Local infrastructure (Article 56)
- There is nothing like the “right” provisions to use for JTF purposes, all GBER articles could be of relevance
- Compliance with general conditions of GBER
- Validity until 2026

Integrated project and cumulation

- “Integrated project” and application of the rules: a question of definition
- Member states may design framework schemes, covering independent sub-projects using different provisions of GBER to address different aid objectives, all possibly contributing to the transition of a JTF area.
- They can also support an actual “integrated project” but cannot split a project in a way leading to circumventing the rules (thresholds/ incentive effect)
- Framework aid schemes or “integrated projects” shall however comply, for each type of aid, to the specific conditions provided for in the corresponding GBER article
- All aid shall comply with the general conditions of GBER including cumulation rules under Article 8

Ahead of / while designing support measures

- Contact national State aid experts : During the adoption of the 2021-27 OP, Member states demonstrated that they fulfilled the State aid horizontal enabling condition: identification of local or national expert center that managing authorities could turn to and working arrangements in place.
- JASPERS support
- State aid e-wiki platform, for interpretation questions
- DG REGIO State aid trainings, Peer to peer exchanges
- Make use of existing resources (possibly applicable for JTF - related measures), published on DG COMP website:
 - RRF guiding templates
 - Infrastructure grids

Thank you

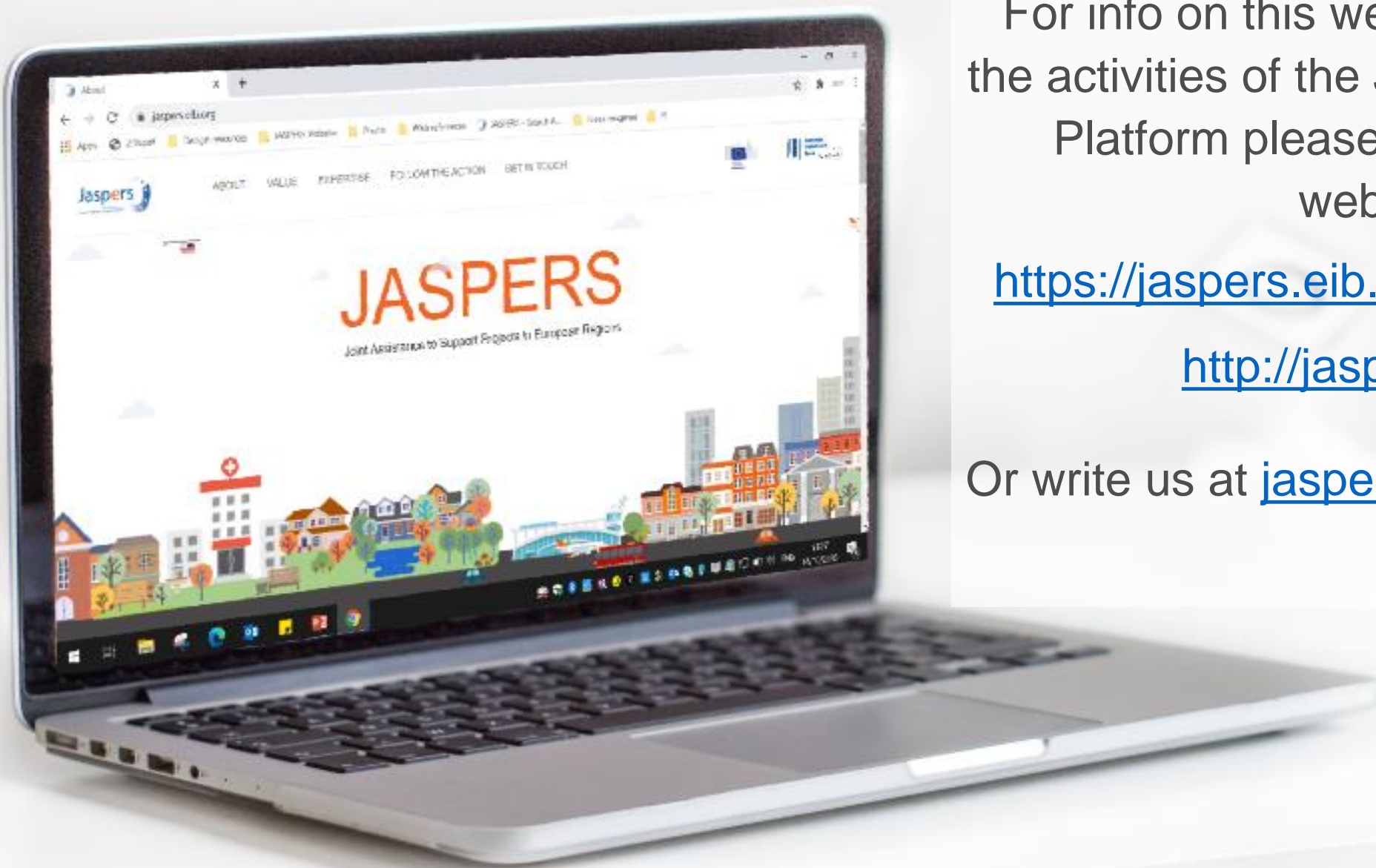


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