Support possibilities for schemes under section 2.8 of the Temporary Crisis and Transition Framework

Under point (85) of the Temporary Crisis and Transition Framework ("TCTF"), Member States can set up schemes to accelerate the transition towards a net-zero economy. The following overview summaries the applicable aid limits and safeguards.

Eligible investments:

- i. Production of batteries, solar panels, wind turbines, heat-pumps, electrolysers, and equipment for carbon capture usage and storage (CCUS);
- ii. Production of key components designed and primarily used as direct input for the production of the equipment defined under (i);
- iii. Production or recovery of related critical raw materials necessary for the production of the equipment and key components defined under (i) and (ii).

Maximum aid limits:

			Location of the investment ¹		
			Non-assisted areas	c-Regions	a-Regions
Max. aid amount per undertaking per MS			EUR 150 Million	EUR 200 Million	EUR 350 Million
Max. aid intensities ²	For direct grants	Large enterprises	15%	20%	35%
		Medium sized enterprises ³	25%	30%	45%
		Small enterprises ²	35%	40%	55%
	For tax advantages, loans or guarantees	Large enterprises	20%	25%	40%
		Medium sized enterprises ²	30%	35%	50%
		Small enterprises ²	40%	45%	60%

¹ As defined in the applicable regional aid map, available <u>here</u>.

² Calculated as nominal aid amount / eligible costs.

³ As defined in Annex 1 of the General Block Exemption Regulation, available <u>here</u>.

Additional safeguards:

- The beneficiary must commit to maintain the investments in the area concerned for at least five years, or three years for SMEs, after the completion of the investment.
- The aid may not be provided to facilitate relocation of production activities between Member States. For this purpose, the beneficiary has to:
 - o confirm that in the two years preceding the application for aid, it has not carried out a relocation to the establishment in which the aided investment is to take place; and
 - o commit not to carry out such relocation up to a period of two years after completion of the investment.
- The aid may not be granted to undertakings in difficulty⁴.
- Member States may consider including in a non-discriminatory way requirements related to environmental protection or related to social protection or employment conditions.

⁴ As defined under the Communication from the Commission – Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty, (OJC 249, 31.7.2014, p. 1).