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### COMMUNICATION FROM THE COMMISSION

Communication from the Commission supplementing the Guidelines on regional State aid with regard to the Strategic Technologies for Europe Platform (STEP)

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#### I. INTRODUCTION

- (1) The Guidelines on regional State aid<sup>1</sup> set out the rules under which Member States can grant State aid to companies to support investments in the less advantaged regions of the Union, based on Article 107(3), point (a), and Article 107(3), point (c), of the Treaty on the Functioning of the European Union ('TFEU') and in line with Union cohesion objectives. The Guidelines on regional State aid also contain the criteria for identifying the areas that fulfil the conditions of those Treaty provisions and can be designated, for each Member State, as 'assisted areas'<sup>2</sup> in the regional aid maps (*i.e.* the geographical areas where companies can receive regional State aid), and for setting out the maximum intensity of regional aid. Paragraph 203 of the Guidelines on regional State aid allows the Commission to modify those Guidelines at any time if necessary for reasons associated with competition policy or to take account of other Union policies and international commitments or for any other justified reason.
- (2) On 1 March 2024, Regulation (EU) 2024/795 of the European Parliament and of the Council<sup>3</sup>, which establishes the Strategic Technologies for Europe Platform ('STEP') entered into force. Regulation (EU) 2024/795 aims to ensure Union sovereignty and security, to reduce the Union's strategic dependencies in strategic sectors, to strengthen the Union's competitiveness by strengthening its resilience and productivity and by mobilising financing, to favour a level playing field for investments in the internal market, to foster cross-border participation, including of small and medium sized enterprises, to strengthen economic, social and territorial cohesion and solidarity among Member States and regions and to promote inclusive access to attractive quality jobs by investing in the skills of the future and making its economic, industrial and technological base fit for the green and digital transitions.
- (3) In its Communication on the mid-term revision of the Multiannual Financial Framework 2021-2027<sup>4</sup> and its Communication accompanying the proposal for

<sup>&</sup>lt;sup>1</sup> OJ C 153, 29.4.2021, p. 1.

<sup>&</sup>lt;sup>2</sup> 'Assisted area' means either an area designated in a regional aid map under either Article 107(3), point (a), TFEU ("a" area') or Article 107(3), point (c), TFEU ("c" area').

<sup>&</sup>lt;sup>3</sup> Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (OJ L, 2024/795, 29.2.2024, ELI: <u>http://data.europa.eu/eli/reg/2024/795/oj</u>).

<sup>&</sup>lt;sup>4</sup> Communication on the mid-term revision of the Multiannual Financial Framework 2021-2027 - COM(2023) 336 final.

Regulation (EU) 2024/795<sup>5</sup>, the Commission announced its intention to consult Member States on a proposal to enable increased maximum aid intensities in assisted areas for projects within the scope of the STEP to spur further economic development, while preserving Union cohesion objectives. In response to the Commission's consultation on a bonus of [3-5] percentage points for 'c' areas and [7-10] percentage points for 'a' areas for projects within the scope of the STEP objectives, Member States largely supported such increased maximum aid intensities. The Commission considers that, given the link to assisted areas, the need to preserve Union cohesion objectives, and the explicit objective of the STEP to support the development or manufacturing of critical technologies<sup>6</sup>, Section 7.4 of the Guidelines on regional State aid should be supplemented to enable increased maximum aid intensities in assisted areas for investments covered by Regulation (EU) 2024/795.

(4) Therefore, Member States should be able to notify an amendment to their regional aid maps so that increased maximum aid intensities can be applied to investments covered by Regulation (EU) 2024/795.

## Increased maximum aid intensities applicable to investments covered by Regulation (EU) 2024/795

(5) The Commission considers that the maximum aid intensities applicable to regional investment aid must take into account the nature and scope of the disparities between the levels of development of the different areas in the Union. This equally applies for investments covered by Regulation (EU) 2024/795. The Commission considers that the aid intensities can be increased by up to 10 percentage points in 'a' areas and up to 5 percentage points in 'c' areas as from 1 March 2024 for investments covered by Regulation (EU) 2024/795.

### Notification of proposed amendments to the regional aid maps

(6) Member States that intend to amend their regional aid maps by increasing the maximum regional aid intensities for investments covered by Regulation (EU) 2024/795 are invited to notify those amendments to the Commission pursuant to Article 108(3) TFEU before 16 September 2024. Such increases may apply to the period from 1 March 2024, which is the date when Regulation (EU) 2024/795 entered into force, to 31 December 2027, until when the current regional aid maps apply.

<sup>&</sup>lt;sup>5</sup> Communication accompanying the proposal for Regulation (EU) 2024/795 (Proposal for a Regulation of the European Parliament and of the Council establishing the Strategic Technologies for Europe Platform ('STEP') - COM/2023/335 final).

<sup>&</sup>lt;sup>6</sup> Article 2(1), point a, of Regulation (EU) 2024/795.

### II. AMENDMENT TO THE GUIDELINES ON REGIONAL STATE AID

(7) The Guidelines on regional State aid are amended as follows:

The following Section 7.4.3a. is inserted after paragraph 186:

# "7.4.3a. Increased aid intensities applicable to investments covered by Regulation (EU) 2024/795 of the European Parliament and of the Council (\*)

186a. For investments covered by Regulation (EU) 2024/795, the maximum aid intensity in the area concerned may be increased by up to 10 percentage points in 'a' areas and by up to 5 percentage points in 'c' areas as from 1 March 2024.

<sup>\*</sup>Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/2060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 OJ L, 2024/795, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/795/oj."