

## 1. RO proposals on the Draft Regulation amending the GBER

<i>Ref. no</i>	<i>GBER article concerned</i>	<i>Proposals</i>
1.	<b>Article 2 (a) (18), first sentence</b>	<p><u>Proposal for a corrigendum translation</u> — in accordance with Commission Regulation (EU) 2021/452 of 15 March 2021 correcting the Romanian language version of Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.</p> <p>“In the case of a limited liability company (other than <b>an SME which has been in existence for less than three years</b> or, for the purposes of eligibility for risk finance aid, an SME that meets the condition laid down in Article 21(3)(b) and qualifies for risk finance investments following a due diligence process carried out by a selected financial intermediary), where more than half of its subscribed share capital has disappeared due to accumulated losses.”</p>
2.	<b>Article 2 (b) (18), first sentence</b>	<p><u>Proposal for a corrigendum translation</u> — in accordance with Commission Regulation (EU) 2021/452 of 15 March 2021 correcting the Romanian language version of Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.</p> <p>(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than <b>an SME which has existed for less than three years</b> or, for the purposes of eligibility for risk finance aid, an SME that meets the condition laid down in Article 21(3)(b) and qualifies for risk finance investments following due diligence by a selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared due to accumulated losses. For the purposes of this provision, “a company where at least some members have unlimited liability for the debt of the company” shall refer in particular to those types of company listed in Annex II to Directive 2013/34/EU.</p>
3.	<b>Article 2 (18)</b>	<p>We would ask you to obtain <u>clarifications on how to implement the provisions of Article 2 (18) concerning the determination of the state of difficulty in the case of a large undertaking, which has been operating for a maximum of 3 years.</u> In our view, these clarifications are necessary for the correct application of the criteria relating to the state of difficulty of those enterprises which do not qualify as SMEs and whose financial data (insufficient due to the short period of operation, for example 12 months) do not allow the criteria referred to in paragraph 18 (a), (b) and (e) to be assessed.</p>

4.	<b>Article 2 (45)</b>	Under point 45. “transport sector”, together with air transport — <b>NACE 51: Air transport</b> , we propose to add an airport related activity: <b>NACE 52.23 Auxiliary activities of air transport</b> .
5.	<b>Article 2 (130) (b) (i)</b>	<p><u>Proposal for amendment</u></p> <p>(I) transmission and distribution pipelines for the transport of natural gas, biogas and renewable gaseous fuels of non-biological origin which are part of a network, with the exception of high-pressure pipelines used <b>for upstream natural gas supply</b></p> <p>Grounds</p> <p>There are no high pressure pipes for upstream <b>distribution</b>. There were high pressure pipes for upstream <b>supply</b>. To this end, Article 100 (32) of Law No 123/2012 — Law on energy (RO) provides for ‘upstream pipeline — any pipeline or pipeline network operated and/or constructed as part of a project for the production of natural gas or crude oil or used for the transport of natural gas from the perimeter (s) where projects for the production of natural gas and crude oil are carried out to a coastal discharge system, plant, terminal or terminal;’</p>
6.	<b>Article 2 (130) (e)</b>	<p><u>Proposal for amendment</u></p> <p>“infrastructure used for the transport or distribution of <u>heat/steam</u> /steam/cooling from multiple producers/users, based on the use of zero/low carbon heat/steam or waste heat from industrial applications;”</p> <p>Grounds</p> <p>Correlation with the definitions in the COMMISSION COMMUNICATION Guidelines on State aid for climate, environmental protection and energy for 2022 (Draft)</p>
7.	<b>Article 2 (130) (g)</b>	<p><u>Proposal for amendment</u></p> <p>‘other categories of infrastructure, relating to infrastructure enabling the physical or wireless connection of zero/low carbon energy between producers and users at multiple access and exit points, and which is open to third-party access not belonging to undertakings owning/managing the infrastructure;’</p> <p>Grounds</p> <p>Correlation with the definitions of the Guidelines on State aid for climate, environmental protection and energy (Draft)</p>

8.	<b>Article 2 (131) (a)</b>	<p><u>Proposal for amendment</u>  ‘carbon capture and storage’ or ‘CCS’ means a range of technologies that capture carbon dioxide (CO<sub>2</sub>) emitted by fossil fuel or biomass industrial installations, including power plants and waste-to-energy installations, [or capture it directly from ambient air], transports it to an appropriate storage site and injects CO<sub>2</sub> into suitable underground geological formations for the permanent storage of CO<sub>2</sub>;</p> <p>Grounds  Correlation with the definitions in the COMMISSION COMMUNICATION Guidelines on State aid for climate, environmental protection and energy for 2022 (Draft)</p>
9.	<b>Article 4 (1) (s) and (sa)</b>	<p><u>Proposal for a notification of Article 4 (1), as follows: [...]</u>  (c) points (s) and (sa) are replaced by the following:  “(s) for investment aid in favour of environmental protection, unless otherwise specified: EUR 20 million per undertaking, per investment project;  (SA) for aid for specific and storage infrastructure referred to in Article <b>36(5) and Article 41 ( 1b)</b>: EUR 20 million per project;” [...]</p> <p>Grounds  The amendment is necessary following the request to introduce a new paragraph 1b in Article 41 — See point 2 — RO proposals on issues not covered by the draft GBER amending Regulation.</p>
10.	<b>Article 9 (c)</b>	<p><u>Proposal for amendment</u>  Replace the threshold of EUR 100,000 by EUR 500,000.</p>
11.	<b>Article 13 — Scope of regional aid — point (e)</b>	<p>We propose <u>to delete Article 13 (e).</u>  In order to be able to apply the provisions of Article 25 of the draft R &amp; D &amp; I aid in conjunction with Article 14 — regional State aid for the buildings, land and equipment in the project.</p>
12.	<b>Article 13 (6)</b>	<p><u>Proposal for amendment</u>  The acquired assets must be new, except those for SMEs and acquired assets belonging to an establishment that has closed or would have closed had it not been purchased;</p> <p>Grounds  Preserving the unity of the terms of the Guidelines on national regional aid (2021/C 153/01).</p>

13.	<b>Article 14 (12)</b>	We propose to add the following sentence to paragraph (12): <i>“If the initial investment is located in two or more assisted areas, the maximum aid intensities corresponding to each assisted area where the eligible expenditure is incurred will apply.”</i>
14.	<b>Article 17 (2) (a)</b>	<u>Delete "...</u> provided that they do not fall within the scope of Article 25”
15.	<b>Article 21 (8)</b>	<u>To clarify:</u> ‘total outstanding amount’
16.	<b>Article 22 (2)</b>	<p><u>Proposal for amendment</u></p> <p>“(2) Eligible undertakings are any unlisted small enterprises which have been registered up to five years ago and which meet <b>all of the</b> following conditions:</p> <ul style="list-style-type: none"> <li>(a) it has not taken over the activity of another enterprise;</li> <li>(b) not yet distributed profits;</li> <li>(c) not been formed through a merger.</li> </ul> <p>Grounds</p> <p>Better understanding of the conditions and unity of the text of the Regulation.</p>
17.	<b>Article 26a</b>	<p><u>Proposal for amendment</u></p> <p>In Article 26a ‘Aid for investment in testing and experimentation infrastructure’ (newly introduced), we consider that it is more appropriate for the aid intensity to be a maximum of 50 % of eligible costs, compared to what is now proposed, i.e. 25 % (paragraph 5), at least for category (a) assisted areas. Another way of working is to take into account regional innovation performance according to the Regional Innovation Scoreboard when setting the aid intensity. Thus, a higher intensity can be facilitated for regions with modest innovation performance.</p>
18.	<b>Article 36 (5) (b) and (c)</b>	<p><u>Proposal for clarification</u></p> <p>It would be useful to detail (even by means of a hypothetical/previous example in other articles or aid regulations in force) the method for determining the eligible expenditure referred to in Article 36 (5) (b) and (c) in particular.</p>
19.	<b>Article 36b (6) (b)</b>	<p><u>Proposal for amendment</u></p> <p>We propose to replace the 60 % intensity by 80 %</p>

20.	<b>Article 38 (2a)</b>	<p><u>Proposal for amendment</u></p> <p>Article 38, paragraph 3 — proposed form:</p> <p>“(3) Aid shall not be granted if the investments are made solely to ensure that undertakings comply with Union standards in force. Aid which encourages undertakings to comply with new Union standards not yet in force and which increases the level of environmental protection may be granted under this Article, provided that the Union standard has been adopted and the investment for which the aid is granted is completed and completed at least 18 months before the date of entry into force of the standard in question.’, <b>if this date has been communicated through official channels by the legally empowered bodies of the European Union.</b></p> <p>Companies should be notified at an early stage when the new standard enters into force.</p>
21.	<b>Article 39 (10)</b>	<p><u>Proposal for amendment</u></p> <p>Article 39, paragraph 10 — proposed form:</p> <p>No aid shall be granted under this Article for investments made to comply with Union standards which have been adopted and are in force. Aid under this Article may be granted for investments made to comply with Union standards which have been adopted but are not yet in force, provided that the investment is implemented and completed at least 18 months before the entry into force of the standard, <b>if this date has been communicated through official channels by the legally empowered bodies of the European Union.</b></p> <p>Companies should be notified at an early stage when the new standard enters into force.</p>
22.	<b>Article 41</b> <b>Investment aid for the promotion of energy from renewable sources, hydrogen produced from renewable sources and high-efficiency cogeneration</b>	<p><u>Proposals for change</u></p> <p>1. Since, under Article (4a), <i>investment aid for high-efficiency cogeneration is exempted from the notification requirement of Article 108(3) of the Treaty only if it is not intended for fossil fuel cogeneration plants, with the exception of those based on natural gas for which compliance with the 2030 and 2050 climate objectives is ensured</i>, our understanding is that no aid can be granted for gas-fired power plants without cogeneration installations. We propose <b>to include measures stimulating new investments in gas power generation that can support security of electricity supply</b>, for which it will be ensured that they will contribute to the achievement of the climate target by 2030 and the objective of climate neutrality by 2050.</p> <p>2. With regard to paragraph (7), the <i>intensity of the aid must not exceed: (a) 30 % of the eligible costs for the production of energy from renewable energy sources, hydrogen from renewable sources and high-efficiency cogeneration; (b) 15 % of eligible costs for projects involving electricity storage</i>; we propose</p>

		<p>to <b>maintain the intensity of 45 % of eligible costs</b>; and for investment aid for high-efficiency cogeneration the intensity should not exceed 60 % of the eligible costs.</p> <p>3. We propose to <b>reintroduce the provision</b> in paragraph (9): <i>The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.</i></p> <p>4. With regard to paragraph (10) with regard to the conditions for granting aid in a competitive bidding process, i.e. point (ii) <i>the estimated number of bidders is sufficient to ensure effective competition</i>, we consider that <b>more specific clarifications/provisions are needed on the appropriate number of bidders to demonstrate effective competition.</b></p>
23.	<b>Article 42 Operating aid for the promotion of electricity from renewable sources</b>	<p><u>Proposals for change</u></p> <p>1. As the new provisions stipulate that aid is granted only in the context of a competitive bidding process, we propose to reintroduce: Paragraph (8) Aid may be granted <b>in the absence of a competitive bidding process</b>, as described in paragraph (2), <b>for installations with an installed electricity capacity of less than 1 MW for the production of electricity from all renewable energy sources except wind energy</b>; In the case of the latter, aid may be granted in the absence of a competitive bidding process as described in paragraph (2) for installations with an installed electricity capacity of less than 6 MW or installations with less than 6 generation units. Without prejudice to paragraph 1, where aid is granted in the absence of a competitive bidding process, the conditions set out in paragraphs (5), (6) and (7) shall be complied with. In addition, where aid is granted in the absence of a competitive bidding process, the conditions set out in Article 43 (5), (6) and (7) are applicable. (9) The conditions laid down in paragraphs (5), (6) and (7) shall not apply <b>to operating aid granted to installations with an installed electricity capacity of less than 500 kW for the production of electricity from all renewable sources except wind energy</b>; In the latter case, the conditions do not apply to operating aid granted to installations with an installed electricity capacity of less than 3 MW or to installations with less than 3 generation units.</p> <p>2. With regard to paragraph (11) <i>Aid shall be granted only until the date on which the installation for the production of electricity from renewable sources is fully depreciated in accordance with generally accepted accounting principles. Any investment aid received is deducted from the operating aid</i>, we</p>

		propose to abolish the condition that the granting of operating aid is conditional on the depreciation of the electricity production plant, and hence its aggregation, since some technologies, such as cogeneration, cannot be supported in the market without the aid.
24.	<b>Article 44</b> <b>Aid in the form of reductions in environmental taxes under Directive 2003/96/EC</b>	<p><u>Proposal for amendment</u></p> <p>Under Article 44 of paragraph (3), <i>aid schemes in the form of tax reductions are based on a reduction in the applicable rate of environmental tax or on the payment of a fixed amount of compensation.</i></p> <p><i>Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity</i> introduces harmonised minimum levels of taxation at EU level in the field of energy taxes (levies on energy products and electricity). These minimum levels are listed by product in Annex I. Pursuant to Article 4 of the Energy Tax Directive, “tax rate” means the total amount of all indirect taxes (except VAT) calculated directly or indirectly on the quantity of energy products or electricity at the time of release for consumption.</p> <p><b>We would therefore like to clarify the application of Article 2 (119) of the GBER to Article 44</b>, that is to say, whether there is a reduction in a tax defined as ‘environmental tax’.</p>
25.	<b>Article 44a</b> <b>Aid in the form of reductions in fiscal or parafiscal environmental taxes</b>	<p><u>Proposal for amendment</u></p> <p>Since we understand that the fiscal and parafiscal charges concerned are those which are not harmonised at EU level (for example, by means of Directive 2003/96/EC) and under Article (1) <i>Aid schemes in the form of reductions in environmental tax or parafiscal charges are compatible with the internal market within the meaning of Article 107(3) of the Treaty and are exempted from the notification requirement of Article 108(3) of the Treaty, provided that the requirements laid down in this Article and in Chapter I.</i> This Article does not apply to tax reductions on energy products, including <b>electricity</b>, and we propose <b>that electricity</b> be included. Romania has 2 State aid schemes introducing parafiscal obligations in the field of electricity (i) the payment of green certificates — obligation introduced through a State aid scheme (State Aid SA. 37177 (2015/NN) — Romania Amendments to the green certification support system for promoting electricity from renewable sources and (ii) the contribution for high Cogeneration efficiency — obligation introduced at national level through a State aid scheme. 45976 (2016/NN) — Romania Aid scheme for promoting High-efficiency Cogeneration based on heat demand.</p>
26.	<b>Article 46</b> <b>Investment aid for energy efficient district heating and cooling</b>	<p><u>Proposals for change</u></p> <p>Whereas the Article is substantially amended, namely:</p> <p>1. Having regard to <b>paragraph 1a</b>, <i>Aid shall be granted only for the construction or modernisation of district heating and cooling systems which are or are to become energy efficient. If the system does not</i></p>

	<p>yet become energy efficient as a result of the aided works, the further upgrades necessary to reach the energy efficiency standard must start within three years from the start of the aided works and <b>paragraph 1b</b> shall not be granted for the construction or modernisation of installations for the production of electricity from fossil fuels, except for natural gas. Aid for the construction or modernisation of electricity capacity based on natural gas can only be granted if compliance with the 2030 and 2050 climate objectives is ensured — <b>our understanding is that the transition period, as also specified in the Commission Communication European Green Deal Investment Plan COM (2020) 21 final/14.01.2020 (point 4.3.3 Aid for district heating: Member States could also be allowed to grant State aid to district heating networks which are not part of energy efficient district heating, if investments that make heat generation more efficient will start within three years of the modernisation of the network) only apply to the natural gas production activity and no transitional period applies to coal, with the exception of the transport network transporting heat produced in coal-fired plants. We propose that transitional periods of 3 years also apply to coal-fired power plants.</b></p> <p>2. For a clearer understanding of the obligations of MS we consider that it is necessary <b>to detail the climate objectives for 2030 and 2050 for investments using natural gas.</b></p> <p>3. Paragraph (3) <i>The intensity of the aid shall not exceed 30 % of the eligible costs. The aid intensity may be increased by 20 percentage points for aid granted to small enterprises and by 10 percentage points for aid granted to medium-sized enterprises</i> — <b>we propose an intensity not exceeding 60 % of the eligible costs, or at least maintaining the previous intensity foreseen at a level of 45 % of the eligible costs for the production activity and returning to the previous form of the provision, i.e.:</b> The aid intensity for the production plant shall not exceed 45 % of the eligible costs. The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.</p> <p>Also, where territorial administrative units are beneficiaries of funding from national or Community budgets, to the proposed aid intensity of 60 % of eligible costs to add 20 percentage points.</p> <p>These proposals take into account the critical situation at national level of centralised heat supply systems, which require high costs due to the scale and complexity of investment works to modernise the source of production and the transmission and distribution networks. In these circumstances, it is necessary at national level to co-finance investments, both for the purpose of high-efficiency cogeneration and for the energy efficiency of district heating systems owned by administrative and territorial units, which have a legal obligation to organise and ensure the functioning of the public heat supply service to municipalities.</p>
--	--



	<p>4. <i>With regard to paragraph (4), the intensity of the aid may be increased by 15 percentage points for investments using exclusively renewable energy sources, including green cogeneration, <b>we propose to reintroduce the previous provision in paragraph (4):</b> The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.</i></p> <p>5. <i>With regard to the claw-back mechanism, we propose to <b>reinstate paragraph (6)</b> The aid amount for the distribution network must not exceed the difference between the eligible costs and the operating profit. The operating profit shall be deducted from the eligible costs ex ante or through a claw-back mechanism.</i></p> <p>6. <i>The distinction between production subsidies and transmission and distribution network has been removed and <b>we propose to bring the GBER provisions into line with CEEAG 2022 (341).</b> This section shall apply to support for the construction or modernisation of energy-efficient district heating and cooling systems. Investments supported may concern installations for the production and storage of heat or cooling or the distribution network, or both.</i></p> <p><i>342. Such aid measures typically aim at constructing or modernising the production unit in such a way as to use renewable energy, waste heat or highly efficient cogeneration, including thermal storage solutions, or to upgrade the distribution grid so as to reduce losses and increase efficiency, including through smart and digital solutions.</i></p> <p><i>343. If a Member State invests in modernising a district heating and cooling system without complying with the energy efficiency standard, it must commit to start work to reach this standard within three years of the completion of the modernisation.)</i></p> <p><i>345. Proportionality will be assessed on the basis of the funding gap principle as set out in points 47, 50 and 51.</i></p> <p><i>346. For the construction and modernisation of distribution networks, as set out in point 51, the counterfactual would be the situation where the project would not be implemented.</i></p> <p><b>7. We propose that the article contain express, distinct provisions on the financing of transmission and distribution networks and the possibility of treating unbundling and/or combined investments in generation and transmission and distribution networks.</b> In those circumstances, I propose the introduction of a new paragraph worded as follows: “The eligible costs for the distribution and transmission network shall be the investment costs for which the maximum allowable intensity is 100 %”</p>
--	--

## 2. RO proposals on issues not covered by the draft Regulation amending the GBER

1	<b>General comments</b>	<p><u>Proposals for change</u></p> <p>1. We propose to <b>reintroduce the provision</b> referring to — The intensity of the aid may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty for all sections of the GBER.</p> <p>2. We propose to introduce an additional bonus of 10 % for all types of investment aid implemented in Just Transition Areas, similar to the provisions of the RAG.</p>
2	<b>General comments on environmental aid</b>	<p><u>Proposals for change</u></p> <p>1. It is essential that climate change combines economic competitiveness with energy security and environmental concerns.</p> <p>2. As the transition to a fossil-free economy needs to take into account the different national circumstances of the Member States, given that Romania is one of the countries with a high share of coal in the energy mix, it is essential to support investments in <b>new gas-fired energy capacity as a transitional fuel, including the construction of new nuclear generation capacities.</b></p> <p>3. We propose to introduce <b>an additional bonus of 10 %</b> for aid implemented in Just Transition Areas (Just Transition Areas), similar to the RAG, in order to boost investment attraction and the green transition to ensure climate neutrality.</p>
3	<b>Introduction to Article 2 — definitions</b>	<p><u>Proposal to supplement</u></p> <p>We propose to introduce a definition of counterfactual investment/factual scenario.</p> <p>Grounds</p> <p>The definition/explanation is not present, but the expression is very useful in the text.</p>
4	<b>Article 56e (6) (a) (iii)</b>	<p><u>Proposal to supplement</u></p> <p>We propose to amend Article 56e (6) (a) (iii) as follows:</p> <p>(a) aid for infrastructure, with the exception of ports, shall be granted only for the following projects:</p>

		<p>[...]</p> <p>“(iii) new rolling stock <b>including</b> battery, hydrogen cells or hybrid technology only for the provision of rail transport services not covered by a public service contract within the meaning of Regulation (EC) No 1370/2007 * * *, provided that the beneficiary is a new<b>entrant</b>”;</p> <p>Grounds</p> <p>The aid received by a railway undertaking for new rolling stock helps to stimulate the railway sector in an environmentally friendly manner and contributes to the deployment of an alternative fuel in the rail sector. In our view, the GBER should be aligned with the European Green Agreement, covering projects that contribute positively to the environment and climate change.</p> <p>At the same time, I consider that the scope of such an exemption should be extended to all railway undertakings. This would ensure that all railway undertakings receiving public support for new rolling stock equipped with batteries, hydrogen cells or hybrid technology through the EU Structural Funds will obtain such aid in a timely and timely manner, meaning that the greening of the rail sector will not be hampered by the need to go through the Commission’s pre-notification process.</p>
5	<b>Article 56e (6/7)</b>	<p><u>Proposal to supplement</u></p> <p>We propose to reinstate the deleted point (iv) in Article 56e (6)/(7):</p> <p>(a) aid for infrastructure, with the exception of ports, shall be granted only for the following projects:</p> <p>[...]</p> <p><b>“(iv) railway network infrastructure;”</b></p> <p>Grounds</p> <p>The explanatory note accompanying the updated draft states that the Commission has removed from the list projects which are “in most cases of a non-economic nature” (such as investments in railway infrastructure). Whereas the financing of the general railway infrastructure which is built by public authorities and the access to which it is open to all potential users in an equal and non-discriminatory manner does not constitute State aid as a non-economic activity. There are also cases where the financing of railway infrastructure may constitute State aid compatible with the internal market (e.g. the construction of a terminal by a private company or the extension of a railway line to a terminal).</p> <p>We consider that the financing of these rail infrastructure projects supported by the InvestEU Fund should be covered by the general block exemption and therefore railway infrastructure projects should be re-included in the list of projects supported by the InvestEU Fund which are exempted from prior aid.</p>
6	<b>Article 56e (6)</b>	<p><u>Proposal to supplement</u></p> <p>We propose to add a new point (vii) to Article 56e (5) (a):</p>

		<p>(a) aid for infrastructure, with the exception of ports, shall be granted only for the following projects: [...]</p> <p><b>“(vii) combined transport, provided that the aid does not exceed 60 % of the total expenditure incurred.”</b></p> <p>Reasons: We consider that the list of eligible activities needs to be complemented by combined transport projects. Combined road/rail transport services play a major role in rail freight business and in the wider freight sector. In order to further increase the competitiveness of combined transport compared to long-distance freight services and thereby strengthen the shift from road freight to cleaner modes of transport, we therefore propose that public support for combined transport projects delivered under financial products supported by the InvestEU Fund be automatically compatible with the internal market within the meaning of Article 107 (3) of the Treaty and therefore exempted from the notification requirement of Article 108 (3) of the Treaty, as long as such aid does not exceed 35 % of the total expenditure incurred. This threshold is appropriate as it would compensate for the current regulatory discrepancies suffered by rail freight and other modes of transport, without distorting competition, and is fully in line with existing practices of the European Commission as regards the environmental performance of the freight transport system and the modal shift towards less negative modes of transport. We therefore propose to add aid for combined transport which does not exceed 60 % of the total expenditure incurred to the list of eligible transport and transport infrastructure projects contained in this article. Moreover, in my view, on the basis of all the above considerations, the exemption from notification for aid granted for combined transport under conditions where the aid does not exceed 60 % of the total expenditure incurred for that purpose should be introduced in the GBER.</p>
7	<b>Introduction Article</b> <b>new</b>	<p><u>Proposal to supplement</u></p> <p><b>We propose to introduce a new article</b> on the interpretation of the application of economic activity when it is considered ancillary to the non-economic activity if it accounts for 20 % of the project.</p> <p>In fact, we propose to regulate the practice currently applied in a project if 20 % of the project is an economic activity and 80 % is non-economic, 20 % is considered as an ancillary non-economic activity not covered by State aid. The rules must also set out how to calculate the 20 %, i.e. what we refer to when we look at the 20 %.</p>
8	<b>Article 7 (5)</b>	<p><u>Proposal for amendment</u></p> <p><b>Increase by 20 percentage points in the maximum aid intensity</b> where the aid is granted in the form of repayable advances — see Article 7 (5).</p>

9	<b>Article 41 (1b) (new aligned proposal)</b>	<p><u>Proposals for additions</u></p> <p><b>Article 41</b></p> <p>Investment aid for the promotion of energy from renewable sources, hydrogen produced from renewable sources and high-efficiency cogeneration</p> <p>(1) Investment aid for the promotion of energy from renewable sources, hydrogen produced from renewable sources and high-efficiency cogeneration shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled.”;</p> <p><b>(b) the following paragraphs 1a and 1b are inserted:</b></p> <p>“1a Investment aid to storage projects under this Article shall be exempted from the notification requirement of Article 108(3) of the Treaty only to the extent that it is granted on the basis of a scheme open to combined renewable energy and storage projects (behind the meter), where both elements are installed and put into operation at the same time. The investment in storage shall have a maximum capacity equal to that of the connected investment in renewable energy. Aid for storage connected to an existing renewable energy installation (behind the meter) may also be covered by the same scheme, if the investment in storage fulfils the same conditions and, for the purpose of verifying compliance with the thresholds set out in Article 4, all investment projects (renewable energy sources and storage) shall be considered as an integrated project.”;</p> <p><b>(1b) Investment aid for stand-alone electricity storage projects shall only be exempted under this Article from the notification requirement of Article 108(3) of the Treaty to the extent that it is granted on the basis of a scheme open to energy storage projects that will provide system and balancing energy technology services and contribute to increasing the flexibility of the electricity system.</b></p> <p>Stand-alone storage capacities/systems can lead to a more efficient use of resources, as they can be used to store surplus electricity from multiple generation facilities, avoiding investments in oversized storage capacities that do not use their maximum capacity. Thus, stand-alone storage facilities are capable of absorbing overproduction from RES not only from the generating installation to which they are coupled, but are also capable of absorbing overproduction from other RES generation installations. The aid therefore also contributes in this case to the development of an economic activity.</p> <p>Given that one of the main purposes of developing storage systems is to store efficiently the energy produced during peak production periods, their presence is increasingly necessary as non-programmable RES generation capacities (wind and solar) become more widespread; The effect is to encourage investment in such generation capacity.</p>
---	---	---

		<p>In our view, all types of storage systems are and will be exclusively involved in RES energy storage, as it is the only economically rational option (electricity produced from RES has marginal zero cost). The construction of a storage facility to store electricity produced from fossil fuels is not economically justified; In addition, fossil fuel power generation is controllable.</p> <p>Stored energy can be used to manage food security problems and ensure system adequacy by covering peak demand during periods of RES scarcity.</p>
--	--	---

