On 28 October 2022, the Commission adopted the Communication on the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia (TCF)\(^1\) which replaces the Temporary Crisis Framework adopted on 23 March 2022\(^2\) as amended on 20 July 2022\(^3\) (‘previous Temporary Crisis Framework’). This previous Temporary Crisis Framework is withdrawn with effect from 27 October 2022. The Commission applies the provisions of the Communication adopted on 28 October 2022 to all measures notified as of 28 October 2022, as well as to measures notified prior to that date and for which a decision has not been adopted.

The Commission invites Member States to provide in their notification:

- the general information under **Section I** (including the language waiver in Annex I);
- the additional information under the different points in **Section II**:
  - Point 1: for aid under section 2.1: *Limited amounts of aid*
  - Point 2: for aid under section 2.2: *Liquidity support in the form of guarantees*
  - Point 3: for aid under section 2.3: *Liquidity support in the form of subsidised loans*
  - Point 4: for aid under section 2.4: *Aid for additional costs due to exceptionally severe increases in natural gas and electricity prices*
  - Point 5 for aid under section 2.5: *Aid for accelerating the rollout of renewable energy, storage, and renewable heat relevant for REPowerEU*
  - Point 6 for aid under section 2.6: *Aid for accelerating the decarbonisation of industrial production processes through electrification and/or the use of renewable and electricity-based hydrogen fulfilling certain conditions and for accelerating energy efficiency measures*
  - Point 7 for aid under section 2.7: *Aid for additional reduction of electricity consumption*

SECTION I: GENERAL INFORMATION

1. Description of the serious disturbance in the economy of your country:

As described in the Communication on the Temporary Crisis Framework, the current crisis triggered by the war of aggression by Russia against Ukraine has created significant economic uncertainties, disrupted trade flows and supply chains and led to exceptionally large and unexpected price increases, especially in natural gas and electricity, but also in numerous other input and raw materials and primary goods, including in the agri-food sector. Those effects taken together have caused a serious disturbance of the economy in all Member States. The Commission considers that State aid is justified and can be declared compatible with the internal market on the basis of Article 107(3)(b) TFEU for a limited period, if it serves to remedy the liquidity shortage faced by undertakings that are directly or indirectly affected by the serious disturbance of the economy.

The information below aims at clarifying the country-specific situation:

- Please provide data and information on the economic impact in your country, notably in the sectors covered by the scheme and describe how the undertakings that are eligible for aid under the envisaged measure are affected by the current crisis.

2. General description of the aid measure

- National legal basis - please provide a copy;

- Confirmation of compliance with 108(3) TFEU: Please confirm that the national legal basis of the notified scheme will be adopted only after notification of the Commission decision; if the legal basis is adopted before notification of the Commission decision, please indicate the provision in that legal basis that includes the ‘standstill obligation’, i.e. that aid will be granted only after notification of the Commission approval decision.

- Granting authority and competent authority to manage the scheme, if different;

- Objective of the notified aid measure;

- Budget;

- Geographical scope;

- Beneficiaries: estimated number / sectors concerned / size of companies concerned, if relevant / exclusions from scope;

- Duration:
  - Date of entry into force of the scheme:

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4 No aid granted before notification of the Commission’s approval.
Time period in which beneficiaries can submit application for aid:

Latest date until which individual aid will be granted under the notified measure:

3. GENERAL CONFIRMATIONS AND COMMITMENTS:

- Confirm that credit and financial institutions are excluded from the scope of the notified aid measure and cannot benefit from the aid, except when those institutions channel aid in form of loans and guarantees in compliance with points 61(i) and 64(g) of the TCF;

- Confirm that the aid is not conditioned on the relocation of a production activity or of another activity of the beneficiary from another country within the EEA to the territory of the Member State granting the aid. This is irrespective of the number of job losses actually occurred in the initial establishment of the beneficiary in the EEA;

- Confirm that aid under the notified aid measure will not be granted to undertakings under sanctions adopted by the Union, including but not limited to: a) persons, entities or bodies specifically named in the legal acts imposing those sanctions; b) undertakings owned or controlled by persons, entities or bodies targeted by sanctions adopted by the Union; or c) undertakings active in industries targeted by sanctions adopted by the Union, insofar as the aid would undermine the objectives of the relevant sanctions;

- Confirm that the notified aid measures may not in any way be used to undermine the intended effects of sanctions imposed by the Union or its international partners and must be in full compliance with the anti-circumvention rules of the applicable regulations (for example, Article 12 of Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 1). In particular, it must be avoided that natural persons or entities subject to the sanctions benefit directly or indirectly from any such measures;

- Confirm if aid under the notified measure may be cumulated with de minimis aid and/or with aid under the General Block Exemption Regulation or with aid under

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6 Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid
the Agricultural Block Exemption Regulation\textsuperscript{7} or with aid under the Fisheries Block Exemption Regulation\textsuperscript{8}; in such a case, confirm that the provisions of the relevant Regulations will be respected;

- Confirm if aid granted under the notified measure may be cumulated with aid under a measure approved by the Commission under the COVID-TF\textsuperscript{9}; in such a case, confirm that the cumulation rules in the COVID-TF and the TCF are respected; Please list the aid measures approved by the Commission under the COVID-TF for which cumulation is allowed;

- Confirm if aid granted under the different sections of the TCF may be cumulated with each other; in such a case, confirm that the relevant provisions in the specific sections of the TCF are respected;

- Confirm that for aid granted under sections 2.1 to 2.3 of the previous Temporary Crisis Framework and aid granted under the same respective sections of the Communication of 28 October 2022 cannot exceed the aid ceilings provided in the respective sections of that Communication at any point in time. As regards section 2.4, confirm that aid granted under the previous Temporary Crisis Framework and aid granted under the Communication of 28 October 2022 cannot exceed the aid ceilings provided by that Communication for the same eligible period. Confirm that aid granted under sections 2.5 and 2.6 of the previous Temporary Crisis Framework cannot be cumulated with aid granted under the same respective sections of the Communication of 28 October 2022 if it covers the same eligible costs.

- For agricultural and fisheries measures: Confirm if aid under the measure may be cumulated with other forms of Union financing; in such a case, confirm that the maximum aid intensities indicated in the relevant Guidelines or Regulations are respected;

- Confirm that SMEs are defined in line with Annex I to the relevant Block Exemption Regulation;

\textsuperscript{7} Commission Regulation(EU) No 702/2014 of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 193, 1.7.2014, p. 1).


Commit to comply with all the monitoring and reporting provisions in section 3 of the TCF:

- The obligation to publish relevant information on each individual aid above EUR 100,000 granted under the measure and above EUR 10,000 in the primary agriculture and in the fisheries sectors on the comprehensive State aid website or Commission’s IT tool within 12 months from the moment of granting.\(^{10}\)

- To keep detailed records regarding the granting of aid for 10 years upon granting of the aid and commit to provide them to the Commission upon request. Such records must contain all information necessary to establish that the necessary conditions set out in the TCF have been observed;

- To submit annual reports in line with the requirements of Commission Regulation (EC) No 794/2004.\(^{11}\);

Confirm that the notification does not contain confidential information. Otherwise, indicate the information from the notification that contains confidential information;

If the scheme is co-financed by the European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund (CF), European Agricultural Fund for Rural Development (EAFRD), European Maritime and Fisheries Fund (EMFF), European Union Solidarity Fund (EUSF) or the Coronavirus Response Investment Initiative (CRII), please confirm that the rules applicable under those Funds will be respected;

Please provide the language waiver in Annex I.

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\(^{10}\) Referring to information required in Annex III to Commission Regulation (EU) No 651/2014 of 17 June 2014 and Annex III to Commission Regulation (EU) No 702/2014 and Annex III to Commission Regulation (EU) No 1388/2014 of 16 December 2014. For repayable advances, guarantees, loans, subordinated debt and other forms of aid, the nominal value of the underlying instrument must be inserted per beneficiary. For tax and payment advantages, the aid amount of the individual aid may be indicated in ranges.

SECTION II: ADDITIONAL INFORMATION

POINT 1: FOR AID TO BE GRANTED UNDER SECTION 2.1 OF THE TCF: LIMITED AMOUNTS OF AID

1. Confirm that the overall maximum aid amount(s) per undertaking\(^\text{12}\) (gross, i.e. before any deduction of tax or other charge) are respected;

2. Describe the form of aid (e.g. direct grant, tax advantages, repayable advances, guarantees, loans, equity);

3. Confirm that the aid is granted by 31 December 2023 at the latest; For aid in form of tax advantages, confirm that the tax liability in relation to which that advantage is granted must have arisen no later than 31 December 2023;

4. Confirm that the aid is granted to undertakings affected by the crisis, describing how it is ensured that only such undertakings can be granted aid;

5. Confirm that for aid granted in other forms than direct grants, tax and payment advantages, the total nominal value of such forms remains below the overall maximum cap per undertaking;

6. Confirm that if the beneficiary receives aid on several occasions or in several forms under the notified aid scheme under section 2.1 or under another existing scheme approved by the Commission under section 2.1, the overall maximum cap per undertaking as set out in points 55(a) and 56(a) of the TCF is respected\(^\text{13}\)

7. Confirm that where the beneficiaries are undertakings active in the processing and marketing of agricultural products, the aid is conditional on not being partly or entirely passed on to primary producers and is not fixed on the basis of the price or quantity of products put on the market by the undertakings concerned or purchased from primary producers, unless, in the latter case, the products were either not put on the market or were used for non-food purposes such as distillation, methanization or composting by the undertakings concerned;

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\(^{12}\) See points 55(a) and 56(a) of the TCF.

\(^{13}\) Aid granted under the measure or aid under other measures approved by the Commission under section of the TCF, which has been reimbursed before new aid is granted will not be taken into account in determining whether the relevant ceiling is exceeded
8. If the aid is channelled through an energy supplier, describe in detail the mechanism that ensures that competition between suppliers is preserved and that the aid is passed on in full to the final beneficiary;

9. If the aid is channelled through credit institutions or other financial institutions, describe how it is ensured that the advantage is passed on to the final beneficiaries by the financial intermediaries (e.g. in the form of higher volumes of financing, riskier portfolios, lower collateral requirements, lower guarantee premiums or lower interest rates than without the envisaged public guarantees);

10. If the aid is granted in the form of guarantees, confirm that the mobilisation of the guarantees is contractually linked to specific conditions, which have to be agreed between the parties when the guarantee is initially granted;

11. If the measure provides for the conversion of aid from one form into another, describe the respective forms of aid, the sections of the TCF under which the measures to be converted have been authorised, the conditions and the timing of such conversion, and confirm that the conditions of section 2.1 are complied with;

12. For agricultural, fisheries and aquaculture sector, confirm that:

- aid to undertakings active in the primary production of agricultural products\[14\] is not fixed on the basis of the price or quantity of products put on the market;

- aid to undertakings active in the fishery and aquaculture sector\[15\] does not concern any of the categories of aid referred to in points (a) to (k) of Article 1(1) of Commission Regulation (EU) No 717/2014\[16\];

- where an undertaking is active in several sectors to which different maximum amounts apply in accordance with points 55(a) and 56(a) of the TCF, it will be ensured, by appropriate means such as separation of accounts, that for each of those activities the relevant ceiling is respected and that the overall maximum amount of EUR 2 million is not exceeded per undertaking. Where an undertaking is active in the sectors covered by point 56(a) of the TCF, the overall maximum amount of EUR 300 000 is not exceeded per undertaking.

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SECTION II: ADDITIONAL INFORMATION

POINT 2: FOR AID TO BE GRANTED UNDER SECTION 2.2 OF THE TCF: LIQUIDITY SUPPORT IN THE FORM OF GUARANTEES

1. Confirm that guarantees are granted in line with all conditions under section 2.2 of the TCF;

2. Confirm that guarantees may be provided on new individual loans made to undertakings;

3. Please describe the following:
   - Types of eligible instruments (e.g. investment and/or working capital loans),
   - Maturities of the eligible instruments,
   - Maximum amount of the loan principal as defined in point 61(e);
   - When using point 61(e)(iii) of the TCF, please list in an exhaustive way the appropriate justification to use the liquidity needs of the beneficiary to calculate the loan amount; relevant justification could relate to beneficiaries active in sectors that are particularly affected by direct or indirect effects of the aggression, including sanctions imposed by the Union, its international partners, as well as counter measures taken, for example by Russia; those effects may include disruptions of supply chains or outstanding payments from Russia or Ukraine, increased risks of cyber-attacks or rising prices for specific inputs or raw materials affected by the current crisis;
   - Confirm that, where large enterprises need to provide financial collaterals for trading activities on energy markets, the amount of the guarantee is increased to cover the liquidity needs derived from these activities for the coming 12 months;
   - Describe if the liquidity needs included in a liquidity plan cover working capital and/or investment costs. If additional support is granted to cover new liquidity needs not included in the original liquidity plan, confirm that the same liquidity needs are only covered once and such additional support complies with all the conditions under the TCF;
➢ Confirm that, when the overall amount of the loan is calculated on the basis of liquidity needs of the beneficiary (point 61(e)(iii) of the TCF), the same beneficiary cannot cover with guarantees under the notified aid measure the liquidity needs already covered by aid measures approved by the Commission under the COVID-19 Temporary Framework;

➢ Maximum amount of the guarantee (as % of loan principal),

➢ For granting public guarantees as unfunded financial collateral to central counterparties or clearing members to cover new liquidity needs derived from the need to provide financial collaterals for cleared trading activities on energy markets for energy undertakings, please confirm that the conditions under point 61 (g) are complied with,

➢ Duration of the guarantee,

➢ Attribution of losses under the guarantee,

➢ Describe the level of guarantee premiums and the calculation method (where guarantee duration, guarantee premiums and guarantee coverage are modulated for each underlying individual loan principal, provide the necessary justifications and modulation in line with point 61(c) of the TCF)\(^ {17} \),

➢ Indicate if the guarantee covers the full maturity of the underlying instrument.

4. Confirm that guarantees are granted by 31 December 2023 at the latest;

5. Confirm that the mobilisation of the guarantees is contractually linked to specific conditions which have to be agreed between the parties when the guarantee is initially granted;

6. If the aid is channelled through credit institutions or other financial institutions, describe how it is ensured that the advantage is passed on to the final beneficiaries by

\(^ {17} \) To facilitate the implementation of the requirement under point 61(c) of the TCF, Member States may use the summary of case practice published by the Commission and available at: https://competition-policy.ec.europa.eu/system/files/2022-11/summary_of_case_practice_on_modulation_under_point_61c%20and%2064c_TCF.pdf
the financial intermediaries (e.g. in the form of higher volumes of financing, riskier portfolios, lower collateral requirements, lower guarantee premiums or lower interest rates than without such public guarantees);

7. Confirm that for the same underlying loan principal aid granted under section 2.2 of the TCF will not be cumulated with aid granted under section 2.3 of the TCF and vice versa or with aid granted under sections 3.2 or 3.3 of the COVID-19 Temporary Framework;

8. Confirm that aid granted under section 2.2 and section 2.3 of TCF for different loans will not be cumulated, if the overall amount of loans per beneficiary exceeds the ceilings set out in points 61(e) and 64(e) of the TCF;

9. Confirm that in as far as the same beneficiary may benefit in parallel from multiple measures approved by the Commission under sections 2.2 of the TCF, it is ensured that for such measures the maximum ceilings on loans as specified in points 61(e) of the TCF are respected per beneficiary;

10. Describe any other additional conditions imposed in the measure.
SECTION II: ADDITIONAL INFORMATION

POINT 3: FOR AID TO BE GRANTED UNDER SECTION 2.3 OF THE TCF: LIQUIDITY SUPPORT IN THE FORM OF SUBSIDISED LOANS

1. Describe and confirm that all conditions under section 2.3 of the TCF and in particular the conditions under point 64 of the TCF are respected:

- Types of eligible instruments (e.g. investment and/or working capital loans),

- Maturities of eligible instruments,

- Confirm that, if a grace period is applied for interest payments, the minimum interest rates set out in point 64(b) of the TCF must be complied with and interests must accrue from the first day of the grace period and must be capitalised at least annually. Confirm that the duration of the loan contracts will remain limited to maximum of six years from the moment of granting the loan unless modulated in line with point 64(c) of the TCF and the overall amount of the loans per beneficiary referred to in point 64 (e) of the TCF will not be exceeded.

- Maximum amount of loan principal as defined in point 64(e) of the TCF;

- When using point 64(e)(iii), please list in an exhaustive way the appropriate justification to use the liquidity needs of the beneficiary to calculate the loan amount; relevant justification could relate to beneficiaries active in sectors that are particularly affected by direct or indirect effects of the aggression, including sanctions imposed by the Union, its international partners, as well as counter measures taken, for example by Russia; those effects may include disruptions of supply chains or outstanding payments from Russia or Ukraine, increased price volatility on energy markets and related collateral needs, increased risks of cyber-attacks or rising prices for specific inputs or raw-materials affected by the current crisis;

- Confirm that, where large enterprises need to provide financial collaterals for trading activities on energy markets, the amount of the loan is increased to cover the liquidity needs derived from these activities for the coming 12 months;

- Describe if the liquidity needs included in a liquidity plan cover working capital and/or investment costs. If additional support is granted to cover new liquidity needs not included in the original liquidity plan, confirm that the same liquidity needs are only covered once and such additional support complies with all the conditions under the TCF;
Confirm that, when the overall amount of the loan is calculated on the basis of liquidity needs of the beneficiary (point 64(e)(iii) of the TCF), it is ensured that the same beneficiary cannot cover with loans under the notified aid measure the liquidity needs already covered by aid measures approved by the Commission under the COVID-19 Temporary Framework;

Level of interest rates (base rate and credit risk margin) and calculation method (where the loan maturity and the level of credit risk margins are modulated, provide the necessary justifications and modulation in line with point 64(c) of the TCF);¹⁸

If the aid is channelled through credit institutions or other financial institutions, describe how it is ensured that the advantage is passed on to the final beneficiaries by the financial intermediaries without conditioning the granting of subsidised loans under this section to refinancing existing loans;

2. Confirm that the loan contracts are signed by 31 December 2023 at the latest;

3. Confirm that for the same underlying loan principal, aid granted under section 2.3 of the TCF will not be cumulated with aid granted under section 2.2 of the TCF, and vice versa;

4. Confirm that aid granted under section 2.2 and section 2.3 of the TCF for different loans will not be cumulated, if the overall amount of loans per beneficiary exceeds the ceilings set out in points 61(e) and 64(e) of the TCF;

5. Confirm that in as far as the same beneficiary may benefit in parallel from multiple measures approved by the Commission under sections 2.3 of the TCF, it is ensured that for such measures the maximum thresholds on loans as specified in point 64(e) of the TCF are respected per beneficiary.

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¹⁸ To facilitate the implementation of the requirement under point 64(c) of the TCF, Member States may use the example in the summary of case practice published by the Commission and available at: [https://competition-policy.ec.europa.eu/system/files/2022-11/summary_of_case_practice_on_modulation_under_point_61c%20and%2064c_TCF.pdf](https://competition-policy.ec.europa.eu/system/files/2022-11/summary_of_case_practice_on_modulation_under_point_61c%20and%2064c_TCF.pdf)
SECTION II: ADDITIONAL INFORMATION

POINTER 4: FOR AID TO BE GRANTED UNDER SECTION 2.4 OF THE TCF: AID FOR ADDITIONAL COSTS DUE TO EXCEPTIONALLY SEVERE INCREASES IN NATURAL GAS AND ELECTRICITY PRICES

1. Describe and confirm that the conditions under point 66 of the TCF are respected and describe how you verify that those requirements are met:

- Confirm that aid is granted no later than 31 December 2023;
- Confirm that, when the aid is granted only after an ex post verification of the supporting documentation of the beneficiary and the Member State decides not to include the possibility to grant advance payments in line with point 68 of the TCF, aid may be granted until 31 March 2024 provided the eligible period as defined in line with point 66(e) of the TCF is respected;
- Types of eligible instruments (i.e. direct grants, tax and payment advantages or other forms such as repayable advances, guarantees, loans, and/or equity); For aid in form of tax advantages, confirm that the tax liability in relation to which that advantage is granted must have arisen no later than 31 December 2023;
- Provide the maturities of eligible instruments, where applicable;
- Describe for the purposes of section 2.4 exclusively, if the measure defines the ‘beneficiary’ as an undertaking or as a legal entity that forms part of an undertaking;
- Confirm that the aid is granted on the basis of a scheme with an estimated budget;
- Confirm whether the scheme is limited to certain activities that support specific economic sectors of particular importance to the economy or to the security and resilience of the internal market. If there is such a limitation, describe those activities and how such a limitation is designed broadly so as not to lead to an artificial limitation of potential beneficiaries;
- Describe how eligible costs are calculated and verified, provide start and end dates of the eligible period, describe the methodology to calculate the unit costs incurred over the reference period and over the eligible period, explain whether the consumption of electricity, natural gas or heating and cooling directly produced from natural gas and electricity used to calculate eligible
costs is set by reference to historical or actual consumption and the reasons for that choice, and describe the evidence that the eligible undertaking is requested to provide; when the consumption used to calculate eligible costs is set by reference to historical consumption (i.e. consumption in the reference period), explain what commitments are required from beneficiaries to ensure that they do not substantially reduce production activities below what is necessary or merely shift consumption elsewhere; confirm that the requirements under point 66(e) of the TCF are respected;

- Confirm that, as from 1 September 2022, the quantity of natural gas and electricity used to calculate the eligible costs must not exceed 70% of the beneficiary’s consumption for the same period in 2021;

- Confirm that, regardless how the beneficiary is defined, the overall aid per undertaking does not exceed 50% of the eligible costs and EUR 4 million at any given point in time; Confirm that all figures used are gross, i.e. before any deduction of tax or other charge;

- Confirm that for aid granted in other forms than direct grants, tax and payment advantages, the total nominal value of such forms remains below the applicable aid intensity and the overall maximum cap of EUR 4 million per undertaking;

- If the aid is channelled through credit institutions or other financial institutions, describe how it is ensured that the advantage is passed on to the final beneficiaries by the financial intermediaries (e.g. in the form of higher volumes of financing, riskier portfolios, lower collateral requirements, lower guarantee premiums or lower interest rates than without the envisaged public guarantees);

- If the measure provides for the conversion of aid from one form into another, describe the respective forms of aid, the conditions and the timing of such conversion, and confirm that the compatibility criteria of section 2.4 are complied with;

- Confirm that if aid under point 66 of the TCF is cumulated with aid under section 2.1 of the TCF, the total amount of EUR 4 million per undertaking is not exceeded;

- Confirm that aid granted under point 66 of the TCF that is calculated on the basis of historical consumption (q(ref)) may not be cumulated with aid granted under section 2.7 of the TCF for the same consumption volume.

2. Describe and confirm that the conditions under point 67 of the TCF are respected and describe how you verify that those requirements are met. In particular:
Describe and confirm that the conditions in points 66(a) to (e) of the TCF are respected by providing the necessary information required under the point above;

Confirm that the beneficiary’s EBITDA in the eligible period, including the overall aid, may not exceed 70% of its EBITDA in the reference period. In cases where the EBITDA was negative in the reference period, confirm that the aid may not lead to an increase of EBITDA in the eligible period above 0.

If applicable, confirm that the overall aid per beneficiary does not exceed 40% of the eligible costs and the overall aid per undertaking does not exceed EUR 100 million at any given point in time;

Describe and confirm if the scheme provides for aid for beneficiaries qualifying as 'energy-intensive businesses' under point 67 (b) of the TCF:

- If so, confirm that the overall aid per beneficiary does not exceed 65% of the eligible costs and that the overall aid per undertaking does not exceed EUR 50 million at any given point in time;

- Confirm that the aid is granted only to beneficiaries qualifying as ‘energy-intensive businesses’ that have either a reduction in EBITDA (excluding aid) of at least 40% in the eligible period compared to the reference period, or a negative EBITDA (excluding aid) in the eligible period;

- Confirm that ‘energy-intensive business’ is defined as a legal entity where the purchases of energy products (including energy products other than natural gas and electricity) amount to at least 3.0% of the production value or turnover, based on data from the financial accounting reports for the calendar year 2021. If data for the first semester of 2022 is used, confirm that the beneficiary may qualify as ‘energy-intensive business’ if the purchases of energy products (including energy products other than natural gas and electricity) amount to at least 6.0% of the production value or turnover.

Describe and confirm if the scheme provides for higher aid thresholds as defined in point 67 (c) of the TCF for beneficiaries that qualify as ‘energy-intensive businesses’ active in a sector or subsector listed in Annex I to the TCF, and if this includes some or all of those (sub-)sectors:

- If so, confirm that the overall aid per beneficiary does not exceed 80% of the eligible costs and that the overall aid per undertaking does not exceed EUR 150 million at any given point in time;

- Confirm that only those beneficiaries will be eligible that have either a reduction in EBITDA (excluding aid) of at least 40% in the eligible period compared to the reference period, or a negative EBITDA (excluding aid) in the eligible period.
• Confirm that ‘energy-intensive business’ is defined as a legal entity where the purchases of energy products (including energy products other than natural gas and electricity) amount to at least 3.0% of the production value or turnover, based on data from the financial accounting reports for the calendar year 2021. If data for the first semester of 2022 is used, confirm that the beneficiary may qualify as ‘energy-intensive business’ if the purchases of energy products (including energy products other than natural gas and electricity) amount to at least 6.0% of the production value or turnover.

• Confirm that a beneficiary will be considered as active in a sector or subsector listed in Annex I according to the beneficiary’s classification in the sectoral national accounts or if one or several of the activities it carries out and which are included in Annex I generated more than 50% of its turnover or production value in 2021.

➢ Confirm that if aid under point 67 is cumulated with aid under section 2.1 of the TCF, the ceilings specified under points 67 (a), (b) or (c) of the TCF whichever applies, are not exceeded.

➢ Confirm that aid granted under point 67 of the TCF that is calculated on the basis of historical consumption (q(ref)) may not be cumulated with aid granted under section 2.7 of the TCF for the same consumption volume.

3. Confirm whether advance payments are granted under the scheme before eligible costs have been incurred. If so, describe how eligible costs are estimated, and confirm that (i) the aid ceilings in points 66 and/or 67 are respected and (ii) an ex-post verification will be put in place to verify the relevant eligibility requirements and/or the aid ceilings on the basis of actual data and the granting authority will clawback any aid payments that do not meet the eligibility criteria or that exceed the relevant aid ceilings no later than six months after the eligible period has ended.

4. If the aid is channelled through an energy supplier, describe in detail the mechanism that ensures that competition between suppliers is preserved and that the aid is passed on in full to the final beneficiary.

5. Confirm that, as of 1 January 2023, for aid amounts exceeding EUR 50 million, the schemes requires the beneficiary to submit to the granting authority, within one year from the moment of granting the aid, a plan that specifies how it will reduce the carbon footprint of its energy consumption or how it will implement any of the requirements related to environmental protection or security of supply described in point 33 of the TCF.

6. Describe any other additional conditions imposed in the measure (for instance any requirements which be may introduced related to environmental protection or security
of supply for granting aid under this section pursuant to point 33 of the TCF).
SECTION II: ADDITIONAL INFORMATION

POINT 5: FOR AID TO BE GRANTED UNDER SECTION 2.5 OF THE TCF: AID FOR ACCELERATING THE ROLLOUT OF RENEWABLE ENERGY, STORAGE, AND RENEWABLE HEAT RELEVANT FOR REPOWEREU

1. Where applicable, confirm that the conditions under point 70 of the TCF are respected and describe how you verify that those requirements are met:

- Indicate the technologies that will be covered by the aid measure; where support is limited to one or several technologies, explain how artificial limitation and discrimination are excluded;

- Where the aid is granted for the production of renewable hydrogen, explain how it will be ensured that the hydrogen is produced from renewable energy sources in accordance with the methodologies set out for renewable liquid and gaseous transport fuels of non-biological origin in Directive (EU) 2018/2001;

- Indicate in which form aid will be granted (i.e. direct grants, repayable advances, loans, guarantees or tax advantages); where the aid is granted in the form of contracts for ongoing aid payments, confirm that the contracts will have a duration not exceeding 20 years after the aided installation starts operations;

- Explain how the design of the aid preserves efficient operating incentives and price signals and how it allows to address windfall profits, including in times of extremely high electricity or gas prices, (e.g. through a claw-back mechanism defined ex-ante or by granting the aid in the form of two-way contracts for differences);

- Confirm that the aid is granted on the basis of a scheme with an estimated volume and budget;

- Where the aid is granted in a competitive bidding process, provide the following information:
  - Description of the design of the competitive bidding process, to demonstrate it is open, clear, transparent and non-discriminatory;
  - Confirmation that the competitive bidding process is based on criteria that are defined ex-ante;
  - Explanation of how the risk of strategic bidding is excluded;
  - Description of the selection criteria to be used for ranking bids and confirmation that at least 70% in the total selection criteria used are defined in terms of aid per unit of environmental protection (e.g. EUR per tonne of CO₂ reduction);
• Proof that the volumes of capacity or production tendered are set to ensure that the bidding process is effectively competitive (e.g. through reference to past auctions, to technology targets in the National Energy and Climate Plan, or by introducing a safeguard mechanism in case of risk of undersubscribed tenders);

• Confirmation that, in case of repeated undersubscription of competitive bidding processes, remedies will be introduced for any future schemes notified to the Commission for the same technology;

➢ Where the aid is granted in the form of tax advantages without a competitive bidding process, confirm that the aid is granted in the same way for all eligible undertakings operating in the same sector of economic activity that are in the same or similar factual situation in respect of the aims or objectives of the aid measure;

➢ Where the aid is granted to small projects without a competitive bidding process, provide:
  • Confirmation that the aid granted per undertaking per project does not exceed EUR 25 million;
  • Indication of the specific category of small projects under which the aid beneficiaries fall;
  • Confirmation that the aid intensity will not exceed 45% of the total investment cost; the aid intensity may be increased by 10 percentage points for aid granted to medium sized undertakings and by 20 percentage points for aid granted to small undertakings;

➢ Confirm that the aid will be granted by the 31 December 2023 at the latest and explain how it will be ensured that the supported installations will be completed and be in operation within 30 months after the date of granting or 36 months after the aid for granting for aid to offshore wind and renewable hydrogen installations;

➢ Confirm that where the deadline for completion and entry into operation is not met, 5% of the amount of aid awarded must be reimbursed or reduced per month after the first three months of delay, increasing to 10% per month of delay after the sixth month, unless the delay is due to factors outside the control of the aid beneficiary, and could not reasonably have been foreseen;

➢ Indicate if projects started before 20 July 2022 are eligible for aid; if this is the case, confirm that such projects are eligible only if the aid is needed to significantly accelerate their implementation, or to widen the scope of the investment; in addition, confirm that only the additional costs in relation to the acceleration efforts or the widened scope are eligible for aid; explain how compliance with these requirements will be ensured;

➢ Please provide a description of the counterfactual scenario that would take
place in the absence of the aid; if the counterfactual scenario consists in the beneficiaries continuing their activities without changes, please confirm that continuing their activities without changes would not entail a breach of Union law;

- Confirm that aid under this measure will not be combined with other aid for the same eligible costs.

- Confirm compliance with the “do not significant harm” principle.

2. Where applicable, confirm that the conditions under point 71 of the TCF are respected and describe how you verify that those requirements are met. In particular:

- Confirm that the aid complies with the requirements laid down in points 70(a), 70(b), 70(c), 70(d), 70(j) and 70(k);

- Confirm that the aid is granted for existing installation connected to the grid before 1 October 2022 that benefitted from aid approved by the Commission under Article 107(3)(c) TFEU or exempted from notification;

- Confirm that the aid is necessary to increase the maximum capacity of existing installations so that their capacity is increased by up to 1 MW per installation or equivalent and without further investments;

- Confirm that the aid is granted by 31 December 2023 and the eligible period for support shall end by 31 December 2023;

- Confirm that the aid granted under point 71 of the TCF must not be combined with other aid supporting the same additional capacity.
SECTION II: ADDITIONAL INFORMATION

Point 6: for aid to be granted under section 2.6 of the TCF: Aid for accelerating the decarbonisation of industrial production processes through electrification and/or the use of renewable and electricity-based hydrogen fulfilling certain conditions and for accelerating energy efficiency measures

2. Describe and confirm that the conditions under point 72 of the TCF are respected and describe how you verify that those requirements are met:

- Confirm that the aid is granted on the basis of a scheme with an estimated budget;
- Confirm that the maximum individual aid amount that may be granted per undertaking does not exceed 10% of the total budget available for the scheme or provide appropriate justification in case the scheme allows for the granting of individual aid amounts exceeding 10% of the total budget available for the scheme;
- Confirm that the aid is granted under the scheme in the form of direct grants and/or repayable advances and/or loans and/or guarantees and/or tax advantages and specify the form(s) of aid;
- Confirm that the investments eligible for aid under the scheme will enable the beneficiaries to:
  (i) reduce by at least 40% compared to the situation before the aid, direct greenhouse gas emissions from the relevant industrial installations; for the purposes of verifying the reduction of greenhouse gas emissions, also actual emissions from the combustion of biomass is to be taken into account; and/or
  (ii) reduce by at least 20% compared to the situation before the aid, energy consumption in industrial installations in relation to the aided activities;
- In relation to industrial decarbonisation investments under point (i) above, please provide the following information:
  • Please confirm that the aided installations currently rely on fossil fuels as energy source or feedstock and specify which fossil fuels;
  • Please confirm that the reduction of greenhouse gas emissions would be attained by means of the electrification of the production processes, or the use of renewable or electricity-based hydrogen;
  • Please explain the methodology that beneficiaries will be required to use to demonstrate that the aided project will lead to the required reduction of greenhouse gas emissions. Please confirm that such methodology will also take into account actual emissions from the combustion of biomass;
  • Please confirm that the reduction in direct greenhouse gas emissions will be measured under the scheme by reference to average direct greenhouse gas emissions occurred over the five years preceding the aid application (average emission on an annual basis).
- In relation to energy efficiency investments under point (ii), please provide
Please explain the methodology that beneficiaries will be required to use to demonstrate that the aided project will lead to the required reduction of energy consumption of the aided installation;

Please confirm that the reduction of energy consumption will be measured under the scheme by reference to energy consumption occurred over the five years preceding the aid application (average consumption on an annual basis).

Please confirm that, in case of investments relating to activities covered by the Emission Trading System (ETS), the aid granted under the scheme leads to a reduction in the beneficiary installation’s greenhouse gas emissions going below the relevant benchmarks for free allocation set out in Commission Implementing Regulation (EU) 2021/447;¹⁹

Please confirm that the aid will not be used to finance an increase of the beneficiaries’ overall production capacity;

In case of aid for industrial decarbonisation investments relying on the use of hydrogen, please confirm and explain how it will be ensured that the hydrogen used is produced from renewable energy sources in accordance with the methodologies set out for renewable liquid and gaseous transport fuels of non-biological origin in Directive (EU) 2018/2001;

Alternatively, should aid be granted for industrial decarbonisation investments involving the use of hydrogen produced from electricity that does not qualify as renewable hydrogen, confirm that the hydrogen will comply with either or all of the following conditions and explain how your authorities will ensure compliance with those:

(i) the hydrogen is produced only in hours in which the marginal generation unit in the bidding zone where the electrolyser is located in the imbalance settlement periods when the electricity is consumed is a fossil-free electricity generation plant;

• Please explain how it will be ensured that hydrogen produced in hours in which the marginal generation unit in the bidding zone where the electrolyser is located in the imbalance settlement periods when the electricity is consumed is a renewable electricity generation plant is not counted twice (as renewable hydrogen and as electricity-based hydrogen);

(ii) the hydrogen is produced from electricity taken from the grid and the electrolyser is producing hydrogen for a number of full load hours equal or lower than the number of hours in which the marginal price of electricity in the bidding zone was set by installations producing fossil-free electricity other than renewable;

(iii) the used electricity-based hydrogen achieves life-cycle greenhouse gas emissions savings of at least 70% relative to a fossil fuel comparator of 94g CO2eq/MJ and it originates from fossil-free sources, and only the share of the produced hydrogen corresponding to the average share of electricity from fossil-free electricity generation plants other than renewable electricity generation plants, in the country of production, as

measured two years before the year in question, is used;

- Please describe the method to compute the greenhouse gas emissions allocated to the electricity, and explain how it ensures that it does not lead to an increased consumption of fossil fuels;

- Please indicate the average share of electricity from fossil-free electricity generation plants other than renewable electricity generation plants, in the country of production, as measured two years before the year in question, and provide supporting evidence;

- Confirm that aid will be granted no later than on 31 December 2023;

- Confirm that aid under the scheme is granted subject to the following conditions:
  - That the installation or equipment to be financed be completed and in full operation within 30 months after the date of granting of the aid or, where aid is granted for investments involving the use of renewable and electricity-based hydrogen, within 36 months after the date of granting of the aid;
  - That where the abovementioned deadline for completion and entry into operation is not met, 5% of the amount of aid awarded must be reimbursed or reduced per month after the first three months of delay, increasing to 10% per month of delay after the sixth month, unless the delay is due to factors outside the control of the aid beneficiary, and could not reasonably have been foreseen20;

- If the scheme provides aid in the form of repayable advances, please confirm whether, where the abovementioned deadline for completion and entry into operation is respected, such aid may be transformed into grants; if not, please confirm that the repayable advance will be reimbursed in equal annual instalments within five years after the date of granting the aid.

- Indicate if projects started before 20 July 2022 are eligible for aid under the scheme. In the affirmative, confirm that such projects are eligible only if the aid is necessary to significantly accelerate their implementation, or to widen the scope of the investment. Confirm that only the additional costs in relation to the acceleration efforts or the widened scope are eligible for aid;

- Indicate whether the beneficiaries are subject to Union standards 21 in relation to the aided investment; if yes, please explain how it will be ensured that the aid is not granted for merely complying with applicable Union standards;

- Please provide a description of the counterfactual scenario that would take place in the absence of the aid.
  - If the counterfactual scenario consists in the beneficiaries continuing their activities without changes, please confirm that this would not entail a breach of Union law;

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20 These factors could for example include a mandatory confinement of population due to a pandemic, or worldwide disruptions in the supply chain of necessary equipment for the projects. However, it would not include delays in obtaining the required permits for the project.

21 As defined in point 19(89) of the Communication from the Commission – Guidelines on State aid for climate, environmental protection and energy 2022 (OJ C 80, 18.2.2022, p. 1).
Confirm that the eligible costs are quantified as the difference between the costs of the aided project and the cost savings or additional revenues generated by the project, compared to the situation in the absence of the aid, over the lifetime of the investment;

- Please provide the assumptions to be used for quantifying the costs and revenues\(^{22}\);

If aid is not granted on the basis of a competitive bidding process, confirm that the aid intensity does not exceed 40% of the eligible costs. The aid intensity may be increased as follows:

- by up to 10 percentage points for aid granted to medium sized undertakings and by 20 percentage points for aid granted to small undertakings;
- by up to 15 percentage points for investments delivering a reduction of direct greenhouse gas emissions of at least 55% or a reduction of energy consumption of at least 25% compared to the situation prior to the investment\(^{23}\);

If aid is granted on the basis of a competitive bidding process, provide the following information:

- Describe the design of the competitive bidding process, in order to demonstrate its open, clear, transparent and non-discriminatory nature;
- Confirm that the competitive bidding process is based on objective criteria that are defined ex-ante;
- Explain how the risk of strategic bidding is minimised;
- Provide the selection criteria to be used for ranking bids and confirm that at least 70% in the total selection criteria used for ranking bids is defined in terms of aid per unit of environmental protection (such as EUR per tonne of CO2 reduced, or EUR per unit of energy saved);
- Confirm that and explain why the budget related to the bidding process is a binding constraint in that it can be expected that not all bidders will receive aid;

Confirm that the scheme includes a claw-back mechanism defined ex ante and describe how such claw-back mechanism will operate and how it allows to address windfall profits, including in times of extremely high electricity or natural gas prices;

Confirm that aid under the scheme cannot be combined with other aid for the same eligible costs.

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\(^{22}\) These may include, for instance, assumptions on the price of CO2 allowances, on energy prices, etc.

\(^{23}\) The reduction in direct greenhouse gas emissions or energy consumption must be measured by reference to average direct greenhouse gas emissions or energy consumption occurred over the five years preceding the aid application (average emission/consumption on an annual basis).
SECTION II: ADDITIONAL INFORMATION

Point 7: For aid to be granted under section 2.7 of the TCF: Aid for additional reduction of electricity consumption

1. Please describe and confirm that the cumulative conditions under point 75 of the TCF are respected and describe how you verify that those requirements are met:

- Please confirm that the aid only provides financial compensation for additional electricity not consumed compared to the expected consumption (“counterfactual”) in the hour concerned without the scheme;
- Please confirm that the aid is designed to primarily contribute to reaching an electricity consumption reduction target set in Articles 3 and 4 of Regulation (EU) 2022/1854. If the aid is designed to go beyond the targets, please demonstrate the additional benefits of the aid, which are necessary and proportionate to remedy the serious disturbance of the economy while preserving the internal market;
- Please confirm that the aid is granted on the basis of a scheme with an estimated volume and budget;
- Please specify under which form(s) the aid is granted (e.g. direct grants, loans, or guarantees);
- Please confirm that the aid is granted in a competitive bidding process that is open, clear, transparent and non-discriminatory, based on objective criteria that are defined ex-ante and that minimise the risk of strategic bidding. If a risk of overcompensation is identified, please explain how windfall profits are addressed;
- Please confirm that the scheme is open to all possible ways to achieve additional consumption reduction. If not,
  - please explain which of the circumstances from point 75(g) justify such limitation; and
  - please confirm that the scheme does not include any artificial limitation or discrimination, and is not unduly limited to specific customers or customer groups;
- Please confirm that the eligibility criteria for participation in the competitive bidding process(es) are transparent, objective and non-discriminatory. Please confirm that appropriate electricity metering is a prerequisite for providing additional demand reduction. If a minimum bid size requirement applies, please confirm that the minimum size is not higher than 10MW, and please explain the rationale underlying the value of the minimum size;
- Please confirm that clear and objective criteria describe when the beneficiary’s additional consumption reduction will be activated. If applicable, please describe additional safeguards put in place to avoid creating gaming incentives;
- Please confirm that beneficiaries of the scheme commit that their additional electricity consumption reduction will not lead to increase their overall gas consumption. If not, please explain why such a safeguard is not necessary;
- For “peak” demand reduction schemes, please confirm that beneficiaries of the scheme commit not to consume more than 150% “off peak” of the...
compensated “peak” electricity consumption reduction. If not, please explain why such a safeguard is not necessary;

➢ Please confirm that, within the competitive bidding process, beneficiaries are selected based on the lowest unit cost of additional consumption reduction. If additional criteria to promote greener technologies necessary to support the delivery of the Union’s environmental protection objectives also apply, please describe these criteria and confirm that they are objective, transparent and non-discriminatory;

➢ Please confirm that the aid remuneration is granted to each beneficiary based on the actual additional consumption reduction achieved (as opposed to the commitment for additional consumption reduction);

➢ Please state whether the aid is open to cross-border participation. If so, please describe how cross-border participation is set up

➢ Please justify how the scheme minimises distortions of the proper functioning of the internal market in electricity;

➢ Please confirm that the additional consumption reduction, which is compensated, only takes place within the period of application of the relevant Article(s) of Regulation (EU) 2022/1854, or in case of aid going beyond those targets, by 31 December 2023; and

➢ Please state whether cumulation with other State aid measures is allowed. If so, please describe how overcompensation is avoided. In any case, please confirm that the aid does not cover eligible costs, which are already covered by other State aid measures.

2 Please also submit the specifications of the tender for additional consumption reduction.
In order to speed up the processing of the notification, the below language waiver should be provided with the notification, on letterhead of the relevant authorities, dated and signed. Please clearly identify the measure(s) for which the language waiver is provided.

Due to the urgent need to adopt and notify a Decision in relation to the present notification relating to [brief description of the scheme subject to the notification], the [national: specify] government agrees exceptionally to waive its rights deriving from Art. 342 TFEU in conjunction with Article 3 of Regulation 1/1958 and to have the planned Decision adopted and notified pursuant to Article 297 of the Treaty in the English language.