



Aid for environmental protection and energy under the General Block Exemption Regulation

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State aid control

What is State aid control?

- State aid control is part of competition policy
- Reasons for State aid control, amongst others:
 - ✓ avoid undue market distortions
 - ✓ internal market safeguard, level playing field
 - ✓ avoid subsidy races
 - ✓ avoid crowding out private investments

State aid framework

LEVEL OF COMPLEXITY		
GBER	CISAF	CEEAG
No notification to the Commission for aid below the notification thresholds defined per objective and type of aid. Member States are only bound to transparency obligations laid out in Articles 9 and 11.	Notification to the Commission. Simplifications compared to the CEEAG, e.g. no requirement for public consultation. Possibility to grant aid administratively in certain cases.	Notification to the Commission. Generally, aid shall be granted in a competitive bidding process open to all technologies that can contribute to the objective and may reach the funding gap.

General Block Exemption Regulation

Overview

- The General Block Exemption Regulation (GBER) lays down ex ante compatibility conditions on which basis Member States can implement State aid measures without prior notification to the European Commission
- The GBER covers different aid categories, including support for SMEs, research development and innovation and environmental protection
- More than 90% of all new State aid measures are implemented by Member States under GBER

Section 7 GBER (1/2)

- Art. 36 - Investment aid for environmental protection, including climate protection
- Art. 36a - Investment aid for recharging or refuelling infrastructure
- Art. 36b - Investment aid for the acquisition of clean vehicles or zero-emission vehicles and for the retrofitting of vehicles
- Art. 38 - Investment aid for energy efficiency measures
- Art. 38a - Energy efficiency in buildings
- Art. 38b - Aid to ESCOs for the facilitation of energy performance contracting
- Art. 39 - Investment aid for energy efficiency projects in buildings in the form of financial instruments
- Art. 41 - Investment aid for the promotion of energy from renewable sources, of renewable hydrogen and of high-efficiency cogeneration
- Art. 42 - Operating aid for the promotion of electricity from renewable sources and energy matters

Section 7 GBER (2/2)

- Art. 43 - Operating aid for the promotion of energy from renewable sources and of renewable hydrogen in small projects and renewable energy communities
- Art. 44 - Aid in the form of reductions in taxes under Directive 2003/96/EC
- Art. 44a - Aid in the form of reductions in environmental taxes or parafiscal levies
- Art. 45 - Investment aid for the remediation of environmental damage, the rehabilitation of natural habitats and ecosystems, the protection or restoration of biodiversity or the implementation of nature-based solutions for climate change adaptation and mitigation
- Art. 46 - Investment aid for energy efficient district heating and cooling
- Art. 47 - Investment aid for resource efficiency and for supporting the transition towards a circular economy
- Art. 48 - Investment aid for energy infrastructure
- Art. 49 - Aid for studies and consultancy services on environmental protection and energy matters

Environmental protection aid

Environmental protection and energy efficiency

Articles 36 and 38

	Article 36 <i>Environmental protection including decarbonisation</i>	Article 38 <i>Energy efficiency other than in buildings</i>
Max aid amount	30 M per undertaking per project	30 M per undertaking per project
Scope	<ul style="list-style-type: none">Investments for environmental protection and decarbonization beyond or for early adaptation to Union standards, including:<ul style="list-style-type: none">Equipment using renewable hydrogen and hydrogen derived fuelsEquipment producing or using electricity-based hydrogen (70% life-cycle emission reduction) and dedicated infrastructureCCS/CCU	<ul style="list-style-type: none">Investments in energy efficiency beyond or for early adaptation to Union standards, excluding:<ul style="list-style-type: none">Cogeneration and district heating and coolingEnergy equipment fired by fossil fuels
Aid allocation and aid intensity	<ul style="list-style-type: none">100% of the extra investment costs compared to a counterfactual with competitive biddingDifference between investment costs and operating profit (+ clawback)30% or 40% of the extra investment cost compared to a counterfactual + SME/assisted areas/100% emission reduction bonus15% or 20% of the total investment cost + ½ SME/assisted areas bonus	<ul style="list-style-type: none">100% of the extra investment costs compared to a counterfactual with competitive bidding30% of the extra investment cost compared to a counterfactual + SME/assisted areas bonus15% of the total investment cost + ½ SME/assisted areas bonus

Energy efficiency and resource efficiency

Articles 38a and 47

Article 38a **Energy efficiency in buildings**

Article 47 **Resource efficiency and circularity**

Max aid amount	30 M per undertaking per project	30 M per undertaking per project
Scope	<ul style="list-style-type: none">Investments improving energy efficiency of buildings beyond or for early adaptation to Union standards (also in combination with investments in the production and storage of renewable electricity, heating and cooling, etc.) leading to primary energy savings of at least:<ul style="list-style-type: none">20% compared to the situation prior, or10% compared to the situation prior for measures concerning single building elements, or10% compared to the nearly zero energy buildings threshold	<ul style="list-style-type: none">Investment aid improving resource efficiency beyond Union standards, including through the replacement of primary raw materials or feedstock with secondary raw materials or feedstockInvestment aid for the prevention and reduction of waste generation, preparing for re-use, recycling, separate collection and sorting of waste and other products beyond Union standards
Aid allocation and aid intensity	<ul style="list-style-type: none">Eligible costs: total costs directly linked to the achievement of a higher level of energy efficiencyAid up to 30% of the eligible costs or 25% for measures concerning single building elements + SME/assisted area/higher energy efficiency bonus - compliance with minimum energy performance standard malus	<ul style="list-style-type: none">Eligible costs: extra investment costs compared to a counterfactual scenario or total investment costs for add-on components to existing facilities and cases where no investment would take place in the absence of aidAid up to 40% of the eligible costs + SME/assisted area bonus

Renewable energy

Renewable energy

Article 41

Article 41 **Renewable energy**

Max aid amount	30 M per undertaking per project
Scope	<p>Investment aid for:</p> <ul style="list-style-type: none">• Renewable energy• Electricity, thermal storage and biomass derivatives storage obtaining at least 75% of its content from a directly connected production facility, on an annual basis• Hydrogen storage and dedicated infrastructure• Green and natural gas-fired (if in line with taxonomy) high efficiency cogeneration
Aid allocation and aid intensity	<ul style="list-style-type: none">• 100% of the total investment costs with competitive bidding• 45% of the total investment costs for RES production or 30% + SME bonus

Thank you!