

State Aid: European Commission Approves Spanish Scheme to Support Energy-Intensive Companies

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On 27 March 2023, the European Commission announced the approval, under EU State aid rules, of the reintroduction of a Spanish scheme to reduce electricity consumption levies imposed on energy-intensive companies.

The original scheme had been approved by the Commission in January 2021 and expired in December 2022. It was aimed at mitigating the risk that, due to electricity consumption levies, energy-intensive companies would relocate their activities to countries with less ambitious climate policies.

The European Commission found that the scheme (i) facilitates the development of economic activities relying heavily on electricity and particularly exposed to international competition; (ii) is necessary and appropriate to contribute to achieving the European Green Deal objectives; and (iii) is proportionate. Therefore, the European Commission approved the reintroduction of this scheme, which will now run until 31 December 2028.

The non-confidential version of the decision will be made available under the number SA.102006 in the [State aid register](#) on the Commission's [competition website](#).