

State Aid: European Commission Approves Slovak Scheme Supporting Certain Investments Necessary to Foster Transition to Net-Zero Economy

14 December 2023

Report from Filip Krajcuska, Associate, IBFD

On 14 December 2023, the European Commission announced that it had approved the EUR 1 billion scheme to support investments for the production of relevant equipment necessary to foster the transition to a net-zero economy.

The scheme (up to EUR 350 million per company) will take the form of direct grants, income tax reliefs and transfers or leases of immovable property for a price below market value.

The scheme will be open to companies producing relevant equipment (batteries, solar panels, wind turbines, heat pumps, electrolyzers, and equipment for carbon capture usage and storage), as well as key components designed and primarily used as direct input for the production of such equipment or related critical raw materials necessary for the production of such equipment.

The European Commission assessed the scheme under the EU State aid rules, in particular under article 107(3)(c) of the [Treaty on the Functioning of the European Union \(TFEU\)](#) and the conditions set out in the Temporary Crisis and Transition Framework, and concluded that the scheme is necessary, appropriate and proportionate to accelerate the green transition and facilitate the development of certain economic activities, which are of importance for the implementation of the Green Deal Industrial Plan.

The aid will be granted no later than 31 December 2025. The public version of the decision will be made available under case number SA.109989 in the State aid register.