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Annex 1

Aid intensities for investment aid as a part of the eligible costs

(1) The following aid intensities are applied for environmental aid measures:

	Small enterprise	Medium-sized enterprise	Large enterprise
Aid for undertakings going beyond Union standards or increasing the level of environmental protection in the absence of Union standards (aid for the acquisition of new transport vehicles)	60 % [70] % if eco- innovation , [100] % if bidding process	50 % [60] % if eco-innovation, [100] % if bidding process	40 % [50] % if eco-innovation [100] % if bidding process
Aid for environmental studies	70 %	60 %	50 %
Aid for early adaptation to future Union standards			
more than 3 years	20 %	15 %	10%
between 1 and 3 years before the entry into force of the standards	15 %	10 %	5 %
Aid for waste management	55 %	45 %	35 %
Aid for renewable energies	65 %, 100 % if bidding process	55 %, 100 % if bidding process	45 %, 100 % if bidding process
Aid for cogeneration installations			
Aid for energy-efficiency	50 %, 100 % if bidding process	40 %, [100] % if bidding process	30 %, 100 % if bidding process
Aid for district heating and cooling using conventional energy	65 %, 100 % if bidding process	55 %, 100 % if bidding process	45 % 100 % if bidding process
Aid the remediation of contaminated sites	100 %	100 %	100 %
Aid for relocation of undertakings	70 %	60 %	50 %
Aid in the form of tradable permits	100 %	100 %	100 %
Aid for energy infrastructure	100 %	100 %	100 %
District heating infrastructure			
Aid for CCS	100 %	100 %	100 %
The aid intensities mentioned in this table may be increased by a bonus of [5] % points in regions covered by Article 107(3)(c) or by a bonus of [15] % in regions covered by Article 107(3)(a) of the Treaty up to a maximum of 100 % aid intensity.			

Annex 2

Typical State interventions

- (1) The Commission considers typical scenarios of State aid interventions to increase the level of environmental protection or strengthen the internal energy market.
- (2) In particular, for the calculation of the eligible costs on the basis of a counterfactual scenario the following guidance is provided:

Aid category	Counterfactual scenario / Eligible costs ¹
<i>CHP</i>	The counterfactual is a conventional electricity or heating production system with the same capacity in terms of the effective production of energy.
<i>Environmental Studies</i> ²	The eligible costs are the costs of the studies.
<i>Remediation of contaminated sites</i>	The costs incurred ³ for the remediation work, less the increase in the value of the land ⁴ .
<i>District heating and cooling production plants</i>	The investment costs for the construction, expansion, refurbishment of one or more generation units which are an integral part of the efficient district heating and cooling system.
<i>Waste management</i> ⁵	The extra investment compared to the cost of conventional production not involving waste management with the same capacity investment.
<i>Aid for going beyond Union standards</i>	The extra investment costs consist of the additional investment costs necessary to go beyond the level of environmental protection required by the Union standards ⁶ .
<i>Absence of Union or national standards</i>	The extra investment costs consist of the investment costs necessary to achieve a higher level of environmental protection than that which the undertaking or undertakings in question would achieve in the absence of any environmental aid.
<i>RES electricity production</i>	The extra investment cost compared to the cost of a conventional power plant with the same capacity

¹ The Commission may accept alternative counterfactual scenarios if duly justified by the Member State.

² This includes aid for energy-efficiency audits.

³ The environmental damage to be repaired has to cover damage to the quality of the soil or of surface water or groundwater. All expenditure incurred by an undertaking for the remediation of its site, whether or not such expenditure can be shown as a fixed asset on its balance sheet, may rank as eligible investment in the case of the remediation of contaminated sites.

⁴ Evaluations of the increase in value of the land resulting from the remediation have to be carried out by an independent expert.

⁵ This concerns waste management of other undertakings and includes re-utilisation, recycling and recovery activities.

⁶ The cost of investments needed to reach the level of protection required by the Union standards is not eligible and need to be deducted.

	in terms of the effective production of energy.
<i>RES heating</i>	The extra investment cost compared to the cost of a conventional heating system with the same capacity in terms of the effective production of energy.
<i>Biogas production which is upgraded to a level of natural gas</i>	If the aid is limited to the upgrading of biogas, the counterfactual constitutes the alternative use of these biogas (including burning).
<i>Biofuels and biogas used for transport</i>	In principle the extra investment cost compared to that of a normal refinery should be chosen, but the Commission can accept alternative counterfactuals if duly justified.
<i>Making use of industrial by-products</i>	If the by-product would go wasted unless reused: the eligible cost is the extra investment necessary to use the by product, for instance a heat exchanger in the case of waste heat. If the by-product would need to be disposed: the counterfactual investment is the disposal of the waste.
<i>Aid involved in tradable permit schemes</i>	Proportionality needs to be demonstrated by the absence of over-allocation.

Annex 3

List⁷ of eligible sectors⁸ under Section 3.7.2

NACE	Description
510	Mining of hard coal
729	Mining of other non-ferrous metal ores
811	Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate
891	Mining of chemical and fertiliser minerals
893	Extraction of salt
899	Other mining and quarrying n.e.c.
1032	Manufacture of fruit and vegetable juice
1039	Other processing and preserving of fruit and vegetables
1041	Manufacture of oils and fats
1062	Manufacture of starches and starch products
1104	Manufacture of other non-distilled fermented beverages
1106	Manufacture of malt
1310	Preparation and spinning of textile fibres
1320	Weaving of textiles
1394	Manufacture of cordage, rope, twine and netting
1395	Manufacture of non-wovens and articles made from non-wovens, except apparel

⁷ The Commission may carry out a review of the list in Annex 3 on the basis of the criteria contained in footnote 89, provided that the Commission is presented with evidence that the data on which the Annex is based has changed significantly.

⁸ This list, and the criteria it is based on does not represent, and is not relevant, for the Commission's future position on the risk of carbon leakage as regards ETS for the work in the context of elaborating carbon leakage rules in the 2030 climate and energy policy framework.

1411	Manufacture of leather clothes
1610	Sawmilling and planing of wood
1621	Manufacture of veneer sheets and wood-based panels
1711	Manufacture of pulp
1712	Manufacture of paper and paperboard
1722	Manufacture of household and sanitary goods and of toilet requisites
1920	Manufacture of refined petroleum products
2012	Manufacture of dyes and pigments
2013	Manufacture of other inorganic basic chemicals
2014	Manufacture of other organic basic chemicals
2015	Manufacture of fertilisers and nitrogen compounds
2016	Manufacture of plastics in primary forms
2017	Manufacture of synthetic rubber in primary forms
2060	Manufacture of man-made fibres
2110	Manufacture of basic pharmaceutical products
2221	Manufacture of plastic plates, sheets, tubes and profiles
2222	Manufacture of plastic packing goods
2311	Manufacture of flat glass
2312	Shaping and processing of flat glass
2313	Manufacture of hollow glass
2314	Manufacture of glass fibres
2319	Manufacture and processing of other glass, including technical glassware
2320	Manufacture of refractory products
2331	Manufacture of ceramic tiles and flags

2342	Manufacture of ceramic sanitary fixtures
2343	Manufacture of ceramic insulators and insulating fittings
2349	Manufacture of other ceramic products
2399	Manufacture of other non-metallic mineral products n.e.c.
2410	Manufacture of basic iron and steel and of ferro-alloys
2420	Manufacture of tubes, pipes, hollow profiles and related fittings, of steel
2431	Cold drawing of bars
2432	Cold rolling of narrow strip
2434	Cold drawing of wire
2441	Precious metals production
2442	Aluminium production
2443	Lead, zinc and tin production
2444	Copper production
2445	Other non-ferrous metal production
2446	Processing of nuclear fuel
2720	Manufacture of batteries and accumulators
3299	Other manufacturing n.e.c.
2011	Manufacture of industrial gases
2332	Manufacture of bricks, tiles and construction products, in baked clay
2351	Manufacture of cement
2352	Manufacture of lime and plaster
2451/ 2452/2453/2454	Casting of iron, steel, light metals and other non-ferrous metals
2611	Manufacture of electronic components
2680	Manufacture of magnetic and optical media

3832	Recovery of sorted materials
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Annex 4

Calculation of gross value added and electro-intensity at the level of the undertaking under section 3.7.2

- (1) For the purposes of Section 3.7.2, gross value added (GVA) for the undertaking means the gross value added at factor costs, which is GVA at market prices less any indirect taxes plus any subsidies. Value added at factor cost can be calculated from turnover, plus capitalised production, plus other operating income, plus or minus changes in stocks, minus purchases of goods and services⁹, minus other taxes on products that are linked to turnover but not deductible, minus duties and taxes linked to production. Alternatively, it can be calculated from gross operating surplus by adding personnel costs. Income and expenditure classified as financial or extraordinary in company accounts is excluded from value added. Value added at factor costs is calculated at gross level, as value adjustments (such as depreciation) are not subtracted¹⁰.
- (2) For the purposes of applying Section 3.7.2, the arithmetic mean over the most recent 3 years¹¹ for which GVA data is available shall be used.
- (3) For the purposes of Section 3.7.2, the electro-intensity of an undertaking shall be defined as:
 - (a) The undertaking's electricity costs (as calculated according to paragraph (4) below); divided by
 - (b) The undertaking's GVA (as calculated according to paragraphs (1) and (2) above).
- (4) An undertaking's electricity costs shall be defined as:
 - (a) The undertaking's electricity consumption; multiplied by
 - (b) The assumed electricity price.
- (5) For the calculation of the electricity consumption of the undertaking, use is to be made of electricity consumption efficiency benchmarks for the industry where available. If not available, the arithmetic mean over the most recent 3 years¹² for which data is available shall be used.
- (6) For the purposes of sub-paragraph (4)(b), above, the assumed electricity price shall mean the average retail electricity price applying in the Member State to undertakings

⁹ For avoidance of doubt, "goods and services" shall not include personnel costs.

¹⁰ Code 12 15 0 within the legal framework established by Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics.

¹¹ In the case of undertakings in existence for less than one year, projected data can be used in the first year of operation. However, Member States should carry out an ex-post assessment at the end of the first year of operation ("Year 1") to verify the eligibility status of the undertaking and the cost limits (as a percentage of GVA) applying to it under paragraph 189 in Section 3.7.2. Following this ex-post assessment, Member States should compensate companies or recover compensation given, as appropriate. For Year 2, data from Year 1 should be used. For Year 3, the arithmetic mean of data for Years 1 and 2 should be used. From Year 4 onwards, the arithmetic mean of data for the previous 3 years should be used.

¹² See previous footnote.

with a similar level of electricity consumption in the most recent year for which data is available.

- (7) For the purposes of sub-paragraph (4)(b), above, the assumed electricity price can include the full cost of funding support for electricity from renewable sources that would be passed on to the undertaking in the absence of reductions.

Annex 5

Mining and manufacturing sectors not included on the list of Annex 4 having an extra-EU trade intensity of at least 4%

NACE code	Description
610	Extraction of crude petroleum
620	Extraction of natural gas
710	Mining of iron ores
812	Operation of gravel and sand pits; mining of clays and kaolin
1011	Processing and preserving of meat
1012	Processing and preserving of poultry meat
1013	Production of meat and poultry meat products
1020	Processing and preserving of fish, crustaceans and molluscs
1031	Processing and preserving of potatoes
1042	Manufacture of margarine and similar edible fats
1051	Operation of dairies and cheese making
1061	Manufacture of grain mill products
1072	Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes
1073	Manufacture of macaroni, noodles, couscous and similar farinaceous products
1081	Manufacture of sugar
1082	Manufacture of cocoa, chocolate and sugar confectionery
1083	Processing of tea and coffee
1084	Manufacture of condiments and seasonings
1085	Manufacture of prepared meals and dishes
1086	Manufacture of homogenised food preparations and dietetic food
1089	Manufacture of other food products n.e.c.
1091	Manufacture of prepared feeds for farm animals
1092	Manufacture of prepared pet foods
1101	Distilling, rectifying and blending of spirits
1102	Manufacture of wine from grape
1103	Manufacture of cider and other fruit wines
1105	Manufacture of beer
1107	Manufacture of soft drinks; production of mineral waters and other bottled waters
1200	Manufacture of tobacco products
1391	Manufacture of knitted and crocheted fabrics
1392	Manufacture of made-up textile articles, except apparel
1393	Manufacture of carpets and rugs
1396	Manufacture of other technical and industrial textiles
1399	Manufacture of other textiles n.e.c.
1412	Manufacture of workwear
1413	Manufacture of other outerwear
1414	Manufacture of underwear

NACE code	Description
1419	Manufacture of other wearing apparel and accessories
1420	Manufacture of articles of fur
1431	Manufacture of knitted and crocheted hosiery
1439	Manufacture of other knitted and crocheted apparel
1511	Tanning and dressing of leather; dressing and dyeing of fur
1512	Manufacture of luggage, handbags and the like, saddlery and harness
1520	Manufacture of footwear
1622	Manufacture of assembled parquet floors
1623	Manufacture of other builders' carpentry and joinery
1624	Manufacture of wooden containers
1629	Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials
1721	Manufacture of corrugated paper and paperboard and of containers of paper and paperboard
1723	Manufacture of paper stationery
1724	Manufacture of wallpaper
1729	Manufacture of other articles of paper and paperboard
1813	Pre-press and pre-media services
1910	Manufacture of coke oven products
2020	Manufacture of pesticides and other agrochemical products
2030	Manufacture of paints, varnishes and similar coatings, printing ink and mastics
2041	Manufacture of soap and detergents, cleaning and polishing preparations
2042	Manufacture of perfumes and toilet preparations
2051	Manufacture of explosives
2052	Manufacture of glues
2053	Manufacture of essential oils
2059	Manufacture of other chemical products n.e.c:
2120	Manufacture of pharmaceutical preparations
2211	Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres
2219	Manufacture of other rubber products
2223	Manufacture of builders' ware of plastic
2229	Manufacture of other plastic products
2341	Manufacture of ceramic household and ornamental articles
2344	Manufacture of other technical ceramic products
2362	Manufacture of plaster products for construction purposes
2365	Manufacture of fibre cement
2369	Manufacture of other articles of concrete, plaster and cement
2370	Cutting, shaping and finishing of stone
2391	Production of abrasive products
2433	Cold forming or folding
2511	Manufacture of metal structures and parts of structures
2512	Manufacture of doors and windows of metal
2521	Manufacture of central heating radiators and boilers

NACE code	Description
2529	Manufacture of other tanks, reservoirs and containers of metal
2530	Manufacture of steam generators, except central heating hot water boilers
2540	Manufacture of weapons and ammunition
2571	Manufacture of cutlery
2572	Manufacture of locks and hinges
2573	Manufacture of tools
2591	Manufacture of steel drums and similar containers
2592	Manufacture of light metal packaging
2593	Manufacture of wire products, chain and springs
2594	Manufacture of fasteners and screw machine products
2599	Manufacture of other fabricated metal products n.e.c.
2612	Manufacture of loaded electronic boards
2620	Manufacture of computers and peripheral equipment
2630	Manufacture of communication equipment
2640	Manufacture of consumer electronics
2651	Manufacture of instruments and appliances for measuring, testing and navigation
2652	Manufacture of watches and clocks
2660	Manufacture of irradiation, electromedical and electrotherapeutic equipment
2670	Manufacture of optical instruments and photographic equipment
2680	Manufacture of magnetic and optical media
2711	Manufacture of electric motors, generators and transformers
2712	Manufacture of electricity distribution and control apparatus
2731	Manufacture of fibre optic cables
2732	Manufacture of other electronic and electric wires and cables
2733	Manufacture of wiring devices
2740	Manufacture of electric lighting equipment
2751	Manufacture of electric domestic appliances
2752	Manufacture of non-electric domestic appliances
2790	Manufacture of other electrical equipment
2811	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines
2812	Manufacture of fluid power equipment
2813	Manufacture of other pumps and compressors
2814	Manufacture of other taps and valves
2815	Manufacture of bearings, gears, gearing and driving elements
2821	Manufacture of ovens, furnaces and furnace burners
2822	Manufacture of lifting and handling equipment
2823	Manufacture of office machinery and equipment (except computers and peripheral equipment)
2824	Manufacture of power-driven hand tools
2825	Manufacture of non-domestic cooling and ventilation equipment
2829	Manufacture of other general-purpose machinery n.e.c.
2830	Manufacture of agricultural and forestry machinery
2841	Manufacture of metal forming machinery

NACE code	Description
2849	Manufacture of other machine tools
2891	Manufacture of machinery for metallurgy
2892	Manufacture of machinery for mining, quarrying and construction
2893	Manufacture of machinery for food, beverage and tobacco processing
2894	Manufacture of machinery for textile, apparel and leather production
2895	Manufacture of machinery for paper and paperboard production
2896	Manufacture of plastic and rubber machinery
2899	Manufacture of other special-purpose machinery n.e.c.
2910	Manufacture of motor vehicles
2920	Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers
2931	Manufacture of electrical and electronic equipment for motor vehicles
2932	Manufacture of other parts and accessories for motor vehicles
3011	Building of ships and floating structures
3012	Building of pleasure and sporting boats
3020	Manufacture of railway locomotives and rolling stock
3030	Manufacture of air and spacecraft and related machinery
3040	Manufacture of military fighting vehicles
3091	Manufacture of motorcycles
3092	Manufacture of bicycles and invalid carriages
3099	Manufacture of other transport equipment n.e.c.
3101	Manufacture of office and shop furniture
3102	Manufacture of kitchen furniture
3103	Manufacture of mattresses
3109	Manufacture of other furniture
3211	Striking of coins
3212	Manufacture of jewellery and related articles
3213	Manufacture of imitation jewellery and related articles
3220	Manufacture of musical instruments
3230	Manufacture of sports goods
3240	Manufacture of games and toys
3250	Manufacture of medical and dental instruments and supplies
3291	Manufacture of brooms and brushes