EN
E-002515/2024
Answer given by Executive Vice-President Ribera
on behalf of the European Commission
(10.1.2025)

Directive 2003/87/EC[1] provides which activities are entitled to free allocation of emission allowances, which in general does not include electricity production.

In its assessment of whether a specific case of state aid being provided is or is not compatible with the internal market, the Commission follows Articles 107 and 108 of the Treaty on the Functioning of the European Union[2]. The Commission is not in a position to comment on the compatibility of aid in general terms.

In general, it is for Member States to decide if they wish to support a specific company or sector. If they decide to do so, it is for the Member States to design measures in line with EU law, and to assess whether a measure involves State aid. If a measure constitutes State aid within the meaning of Article 107 of the Treaty on the Functioning of the European Union, it needs to be notified by the relevant Member State to the Commission for assessment, in advance of any granting of aid to beneficiaries.

[1] Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32–46).
[2] Treaty on the Functioning of the European Union of 13 December 2007 — consolidated version (OJ C 202, 7.6.2016, pp. 47-360), https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12016ME%2FTXT