State aid: Commission approves most of the electricity contribution reductions granted to electricity-intensive companies in France in 2003-15 and asks France to recover part of the reductions

The Commission has, however, asked France to recover the part of these reductions (estimated at less than €50 million) exceeding the levels permitted under EU State aid rules.

In France, all electricity consumers must pay a surcharge on electricity consumption, known as the 'contribution to the public electricity service' (CSPE). The CSPE goes chiefly towards funding four distinct measures:

(i) support measures for renewable energy;

(ii) high-efficiency co-generation;

(iii) tariff equalisation (compensation for electricity generators in non-interconnected geographical areas), and

(iv) implementation of the social tariff for electricity.

In order to maintain their international competitiveness, France has put in place a CSPE reduction scheme for large electricity consumers.

The Commission's investigation

In March 2014, the Commission launched an in-depth enquiry to assess whether or not these CSPE reductions for large electricity consumers and electricity-intensive companies in 2003-15 were compatible with EU state aid rules.

Renewables support (i)

The Guidelines on State aid for environmental protection and energy 2014-2020 authorise reductions – up to a certain level – in contributions levied on electricity-intensive companies exposed to international trade and used to fund renewable energy support schemes (this corresponds to CSPE measure (i)). These provisions enable Member States to fund support for renewable energies while safeguarding the international competitiveness of their electricity-intensive companies. The Guidelines also provide for the possibility of gradually lowering surcharge reductions under adjustment plans.

The Commission has concluded that CSPE reductions linked to support measures for renewable energy are compatible with EU State aid rules and, in particular, with the Guidelines on State aid for environmental protection and energy for 2014-2020;

Support for (ii) high-efficiency co-generation, (iii) tariff equalisation and (iv) social tariffs.

The Guidelines do not apply directly to CSPE reductions for the other three support measures that the CSPE funds. In spite of this, the Commission considered that there were many similarities between the different objectives pursued by the CSPE, and accordingly it analysed the four measures in the same context.

CSPE reductions provide a sustainable funding base for these measures. They enable France to continue financing these support measures and to pursue its climate and energy objectives without placing an excessive burden on electricity-intensive companies which are particularly affected by the CSPE.

The Commission has therefore concluded that the CSPE reductions necessary to provide a sustainable funding base for the other three measures are compatible with EU State aid rules, in particular Article 107(3)(c) TFEU.

Recovery

However, France has granted certain reductions which go beyond what is necessary to ensure sustainable funding for the four support measures concerned. Any surcharge reductions exceeding the levels set by these adjustment plans must be recovered.

Under the Guidelines, parties benefiting from reductions must contribute at least 15% of the burden and must be particularly affected by this cost – i.e. electricity-intensive companies operating in sectors exposed to international trade. Part of the reductions granted by France does not comply with these two conditions.

The Guidelines also indicate that, for any reduction in the charge granted prior to 2019 which does not yet comply with all the compatibility criteria, Member States may submit an adjustment plan which provides for the reductions to be gradually brought into line with the compatibility criteria laid down in the Guidelines .

France has submitted an adjustment plan of that type to the Commission. It will have to recover from the beneficiaries any reductions exceeding the levels authorised by the adjustment plan. To date, on the basis of the information at its disposal, the Commission estimates the recoverable amount at less than €50 million.

Background

The CSPE was brought in by Law 2003-8 of 3 January 2003 on the gas and electricity markets and on the public electricity service. It is intended to offset the extra costs of public electricity service charges resulting from producing energy from renewable energy sources, from funding high-efficiency co-generation, and from compensation of electricity generators in non-interconnected areas, and the extra costs of implementing the social tariff. The scheme also provides for CSPE reductions for certain companies which uses a large amount of electricity.

More information on today's decision will be available under case number SA.36511 in the State aid register on the DG Competition website, once any potential confidentiality issues have been resolved. The State Aid Weekly e-News lists new publications of state aid decisions on the internet and in the EU Official Journal.

Statement of the Commissioner for Regional Policy, Corina Crețu

"We stand side by side with the Greek people in such difficult moments. We have a permanent dialogue with the Greek authorities and, through the services of the DG Regio, we provide the necessary assistance in order to speed up the procedure for accessing the EU Solidarity Fund (EUSF).

Currently, the Greek authorities make an estimate of the damage caused by fires, on the basis of which they will send the application for EUSF to the European Commission. As soon as the necessary conditions for accessing this fund are met, we are ready to do everything possible to pay an advance as quickly as possible.

Moreover, once the requirements for accessing the EUSF are met, there is also the possibility for Greece to benefit from a 95% co-financing rate for reconstruction work financed through Cohesion Policy. And, last but not least, as I have already written to Prime Minister Tsipras and Minister Haritsis, both myself and my services are prepared to change the operational programs dedicated to Greece under the Cohesion Policy, based on a request from the Greek authorities. This will enable us to redirect European funds and to relaunch economic activity in affected areas."

Enjoy your new digital rights across Europe during summer holidays

This summer, European citizens will enjoy more digital rights than ever before. Following the end of roaming charges across the European Union last year, holidaymakers can now travel with their online TV, film, sports, music or e-book subscriptions at no extra cost. In addition, everyone across Europe can enjoy world-class data protection rules that ensure all Europeans have better control over their personal data.

Andrus **Ansip**, Vice-President for the Digital Single Market said: "*Europeans are already starting to feel the benefits of the Digital Single Market*. *This summer you will be able to bring your favourite TV programmes and sports matches with you wherever you travel in the EU. By the end of this year, you will also be able to buy festival tickets or rent cars online from all over the EU without being geo-blocked or re-routed."*

Věra **Jourová**, Commissioner for Justice, Consumers and Gender Equality added: "*The digital world offers tremendous opportunities, but also challenges; for example, our personal data is a useful asset for many companies. With the modern data protection rules we have put in place, Europeans have gained control over their data whenever they shop, book their holidays online or just surf the internet.*"

Mariya **Gabriel**, Commissioner for the Digital Economy and Society said: "*We are improving the daily life of our citizens, be it end of roaming charges or safer online environment. By completing all our digital initiatives we will bring even more positive change to consumers and businesses alike.*"

Digital rights already in daily use

- Since June 2017, people have been able use their **mobile phones while travelling** in the EU just like they would at home, without paying extra charges. *Since the* EU abolished roaming charges*, more than five times the amount of data has been consumed and almost two and a half times more phone calls have been made in the EU and the European Economic Area.*
- Since April 2018, consumers can **access online content services** they have subscribed to in their home country also when travelling across the EU, including among other films, series and sports broadcasts (see examples in factsheet).
- Under the new **data protection rules** which have been in place across the EU since 25 May 2018, Europeans can safely transfer personal data between service providers such as the cloud or email; everyone now has the right to know if their data has been leaked or hacked, or how their personal data is being collected. Furthermore, with the 'right to be forgotten', personal data has to be deleted upon request, if there are no legitimate reasons for a company to keep it.
- Finally, with the **net neutrality rules** applying since spring 2016, every European has access to open internet, guaranteeing their freedom without discrimination when choosing content, applications, services and information of their choice.

Coming soon

With some digital rights already in place, there is more to come in the upcoming months. From September, Europeans will have increasingly the right to use their national electronic identification (eID) across the whole EU to access public services.

As of December, everyone will benefit from the **free flow of non-personal data**, as they will have access to better and more competitive data storage and processing services in the EU, thus complementing the free movement of people, goods, services and capital. Entrepreneurs meanwhile will have the right to decide where in the EU they store and process all types of data.

As of 3 December, Europeans will be able to **shop online without unjustified discrimination** wherever they are in the EU. They will not have to worry about a website blocking or re-routing them just because they – or their credit card – come from a different country.

As of next year, citizens will be able to compare parcel delivery costs more easily and benefit from more **affordable prices for cross-border parcel delivery**.

Agreed rules on **value added tax for e-commerce** will allow entrepreneurs to take care of their cross-border VAT needs in one online portal and in their own language.

With the recently agreed European Electronic Communications Code, Europeans will have the right to switch internet services and telecoms providers in a simpler way. They will also have the right to receive public alerts on mobile phones in case of an emergency. The new rules will also guarantee a better and more affordable connectivity across the EU.

With the updated rules for audiovisual media, Europeans will have the right to a safe online environment that protects them from incitement to violence, hatred, terrorism, child pornography, racism and xenophobia.

Background

The Digital Single Market strategy was proposed by the Commission in May 2015 to make the EU's single market fit for the digital age – tearing down regulatory walls and moving from 28 national markets to a single one. This has the potential to contribute €415 billion per year to our economy and create hundreds of thousands of new jobs.

Three years later, the strategy is well on its way: 17 legislative proposals have been agreed on, while 12 proposals are still on the table. There is a strong need to complete our regulatory framework for creating the Digital Single Market. Thanks to this the value of Europe's data economy has the potential to top €700 billion by 2020, representing 4% of the EU's economy.

For More Information

Digital Single Market

Factsheet: A Digital Single Market for the benefit of all Europeans

Factsheet: Creating a Digital Single Market – European Commission actions since 2015

Factsheet: EU Budget for the Future – Digital Transformation 2021-2027

Data Protection – benefits for citizens

Blog post by Vice-President Ansip: Getting ready for summer in Europe with more digital freedom

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Daily News 27 / 07 / 2018

Juncker Plan supports €40 million loan to finance research of cancer treatment

The Juncker Plan's European Fund for Strategic Investments (EFSI) has provided its backing to a European Investment Bank (EIB) loan worth €40 million to biotechnology company Nanobiotix. The loan will help finance research and development by Nanobiotix of innovative cancer treatments. Commenting on the agreement, Commissioner Vytenis **Andriukaitis** said: *"Cancer is the second-highest cause of death in the EU and with Europe's ageing population, fighting cancer will undoubtedly remain a priority in the years to come. We need to have innovative and dedicated research to always be in search of new treatments. Nanoparticle based cancer treatment research funding is one example of how serious we are in fighting cancer, with the significant support from the EIB to finance research and innovation."* These latest loan agreements come following the confirmation that the Juncker Plan's European Fund for Strategic Investments (EFSI) has mobilised €335 billion in additional investment across the EU since July 2015, exceeding the initial target of mobilising €315 billion of investment. Factsheets on the results of the Juncker Plan are available here. A press release is available here. *(For more information: Christian Spahr – Tel.: +32 229 50055; Enda McNamara – Tel.: +32 229 64976)*

Digital Single Market: Enjoy your new digital rights across Europe during summer holiday

This summer, the Digital Single Market brings Europeans more digital rights than ever before, strengthening citizens' online trust and security. Since the abolition of roaming charges in June 2017, people already have been able use their mobile phones while travelling in the EU without paying extra charges. Under the new data protection rules,which have been in place across the EU since 25 May 2018, Europeans have more control over their personal data. Additionally, since April 2018, consumers can access online content services they have subscribed to in their home country also when travelling across the EU. To mark the digital achievements, Vice-President for the

Digital Single Market Andrus **Ansip** said: "*Europeans are already starting to feel the benefits of the Digital Single Market*. *This summer you will be able to bring your favourite TV programmes and sports matches with you wherever you travel in the EU. By the end of this year, you will also be able to buy festival tickets or rent cars online from all over the EU without being geo-blocked or re-routed."* In the upcoming months, more digital rights will become a reality. From September onwards, Europeans will have increasingly the right to use their national electronic identification (eID) across the whole EU to access public services; and from December, everyone will benefit from the free flow of non-personal data and will be able to shop online without unjustified discrimination wherever they are in the EU. All existing and upcoming digital rights are in the press release. (*For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Inga Höglund – Tel.: +32 229 50698)*

From mini-organs to ultrafast filming: early career researchers get funding from the European Research Council

What can we eat to prevent dementia? Are our eyes really the windows to our personalities? How do birds help forests flourish? 403 talented early career researchers have been awarded European Research Council grants to answer such questions. Scientists will benefit in total from €603 million to create their own research teams and conduct pioneering projects. Carlos **Moedas**, Commissioner for Research, Science and Innovation, said: "*In addition to supporting early stage European researchers, the ERC Starting Grants also help enrich the European research field by attracting and retaining foreign scientists in Europe. More than one in ten grantees comes from outside the EU or its associated countries. Europe is open to the world!*" The grants are part of the 'excellent science' pillar of the EU's current Research and Innovation programme, Horizon 2020. More information here. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maud Noyon – Tel.: +32 229 80379)*

Mergers: Commission clears acquisition of Augusta refinery and ancillary assets by Sonatrach

The European Commission has approved, under the EU Merger Regulation, the acquisition of a refinery located in Augusta (Italy) and a number of ancillary assets by Sonatrach of Algeria. The Augusta refinery and the ancillary assets are all currently owned and controlled by Esso Italiana S.r.l., an affiliate of the ExxonMobil Corporation of the US. Sonatrach is an Algerian government-owned company operating in the oil and gas sector. The Commission concluded that the proposed acquisition would raise no competition concerns given the companies' moderate combined positions in the markets where their activities overlap and their limited individual market positions where their activities are vertically linked. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8959. (*For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – +32 229 55344)*

Concentrations: la Commission autorise l'acquisition de ROLAND Rechtsschutzversicherungs par le groupe AXA

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, l'acquisition de ROLAND Rechtsschutzversicherungs AG, basé en Allemagne, par le groupe AXA, basé en France. ROLAND est actif dans la fourniture d'assurances de protection juridique, d'assurances contre les accidents et les pannes, ainsi que dans le service d'assistance en Allemagne. AXA est actif dans l'assurance et la gestion d'actifs dans le monde entier. La Commission a conclu que l'opération envisagée ne soulèverait pas de problème de concurrence compte tenu de son impact très limité sur la structure du marché. De plus amples informations sont disponibles sur le site internet concurrence de la Commission dans le registre public des affaires sous le numéro M.8905. (*For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – +32 229 55344)*

State aid: Commission approves €500 million in German public funding to promote energy efficiency in rail transport

The European Commission has approved under EU State aid rules a German scheme to support railway companies that invest in energy efficiency technologies. Under the scheme, companies providing electrically powered rail transport services may be compensated for up to 50% of expenses incurred from energy efficiency measures, such as acquisition of modern energy-saving rolling stock including hybrid locomotives or automated solutions. To benefit from this public support, rail transport companies need to demonstrate a year on year improvement of 1.75% (2% from 2020) in their energy efficiency. The Commission found that the scheme is beneficial for the environment and for mobility because it supports and promotes rail transport, which is less polluting than road transport. The Commission also found that the measure is proportionate and necessary to achieve its objective to support the modal shift from road to rail. As a result, the Commission has concluded that the measure complies with EU State aid rules, in particular the 2008 Commission Guidelines on State aid for railway undertakings. Commissioner Margrethe **Vestager** in charge of competition policy, said: "*Electrically powered rail transport is one of the most environmentally friendly transport options. By promoting a shift from road to rail, the German scheme will contribute to meeting the EU's environmental and transport objectives, without distorting competition*". A full press release is available in EN, FR, DE. (*For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – +32 229 55344)*

ANNOUNCEMENTS

European solidarity on Energy: Better integration of the Iberian Peninsula into the EU energy market

In the presence of the European Commission, the Prime Minister of Portugal António Costa, the President of France Emmanuel Macron, and the President of the government of Spain Pedro Sanchez will meet in Lisbon this afternoon to strengthen their regional cooperation in the framework of the Energy Union. Leaders will take stock of the important progress achieved in better integrating the Iberian Peninsula into the internal energy market and will formally agree on ways to strengthen the regional cooperation between Spain, France and Portugal. Commission President Jean-Claude **Juncker** said: *"Today's event shows the value of European solidarity and regional unity. By agreeing on steps forward to complete the energy interconnections between France, Portugal and Spain and ways to enhance our regional cooperation, we are strengthening the security of energy supply across Europe, and delivering on our promise to make Europe number one on clean energy and renewables. The world looks to us for leadership in these turbulent times. Let's show just how much unity can achieve."* Climate Action and EnergyCommissioner Miguel **Arias Cañete** added: *"This summit will showcase the commitment of the Juncker Commission to get the hardware of the Energy Union built on the ground and make a difference. A solid and resilient energy infrastructure is also essential to encourage regional action in new areas, such as renewables and energy efficiency. This will help us deliver on our Paris Agreement commitments. I am particularly pleased by the signing of a grant agreement for the power line crossing the Bay of Biscay, the largest investment in energy infrastructure under Connecting Europe Facility ever awarded. It is good for Spain and Portugal, good for France, and good for Europe*". Since the Juncker Commission took office, the integration of the Iberian Peninsula into the internal energy market has been a priority. By supporting the construction of the necessary infrastructure, the EU's goal is to end the energy isolation of this part of Europe, whilst improving energy security, giving consumers more choice, and spurring economic growth and jobs. These interconnections are also essential for renewable energy sources to thrive and make Europe world number one in renewable energy. Read full IP/18/4621 and MEMO/18/4622. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Nicole Bockstaller – Tel.: +32 229 52589)*

Upcoming events of the European Commission (ex-Top News)

European solidarity on Energy: Better integration of the Iberian Peninsula into the EU energy market

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Commissioner for Climate Action and Energy Miguel Arias Cañete will be present on behalf of the Commission President Jean-Claude Juncker. The Vice-President of the European Investment Bank Emma Navarro will also attend the meeting.

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Underlining the EU's willingness to complete the Energy Union and fulfil its commitments under the Paris agreement, the leaders will sign the **Lisbon Declaration** that clearly sets out the way forward. It builds on the Madrid Declaration from March 2015 which launched the integration process and set up a High Level Group chaired by the Commission to steer progress. A grant agreement for the power line crossing the **Bay of Biscay** totalling €578 million, will also be signed at the occasion. It will be the largest Connecting Europe Facility investment ever awarded to an energy infrastructure project. With 280 kilometres of electricity interconnection, the link will double by 2025 the exchange capacity between France and Spain and bring Spain closer to the 15% interconnection target contained in the new regulation on the governance of the Energy Union.

Background

The lack of sufficient interconnection capacity remains an obstacle for the creation of an electricity market in South-West Europe and has prevented Iberian energy companies from fully participating in the EU electricity market. With an interconnection capacity of only 6,000 MW, Spain and with it, Portugal remains largely an energy island that does not participate fully in the European electricity market. This interconnection capacity also puts them behind the 15% interconnection target contained in the recently adopted regulation on the Governance of the Energy Union. Since the Juncker

Commission took office, energy interconnections between the Iberian Peninsula and the EU internal market have been boosted considerably.

Examples of progress:

- **Biscay Bay line**: with 280 kilometres of electricity interconnection, it will double by 2025 the exchange capacity between France and Spain, bring Spain closer to the 10% interconnection target set by the European Council (from the current level of 6%) and will integrate the whole Iberian Peninsula into the internal electricity market. At Lisbon, it was awarded €578 million in Connecting Europe Facility-Energy grants, the largest ever awarded to an energy infrastructure project.

- **Santa-Llogaia-Baixas/INELFE project**: the completion in June 2017 of the phase-shifter transformer in Arkale, Spain, enabled the full utilisation of the Santa-Llogaia-Baixas interconnection between Spain and France, doubling the electricity interconnection capacity between both countries. These investments co-financed by the European Commission made it possible for Spain to help France and show solidarity during periods of supply-demand stress during the winter of 2017.

- **Interconnection project between Spain and Portugal** (Ponte Lima – Vila Nova Famalicão – Recarei (PT) and Beariz – Fontefría (ES)): it will allow Portugal to attain the 10% level of interconnections by increasing the current interconnection capacity level to 3.2 GW. The commissioning date of the project is planned by 2021.

- **Pyrenean crossings:** two projects to increase the electricity interconnection capacity between Spain and France across the Pyrenees are under consideration. A first link concerns Cantegrit in France and Navarra in Spain, and the other one Marsillon in France and Aragón in Spain.

- **Val de Saône gas pipeline**: it will contribute to Spanish and Portuguese access to the European Gas Market when completed by end 2018.

- **STEP project**: aims at increasing the bidirectional flows between the Iberian Peninsula and France and improve the interconnection with the internal gas market through the development of the Eastern gas axis, including a third interconnection point between Spain and Portugal.

Financing

In addition to the financing opportunities provided to infrastructure projects of common interest (PCIs) under the energy window of the Connecting Europe Facility (CEF) and the European Structural and Investment Funds, the

European Fund for Strategic Investment (EFSI) (the so-called "Juncker Plan") supports key interconnection projects, therefore accelerating and complementing the current structure of European financial assistance. The proposals for the next EU budget for 2021-2027 include a new energy window under the Connecting Europe Facility, with a budget close to 1 billion euro (€865 million), to nurture Member States cooperation on cross-border renewables projects.

More information

Madrid declaration

More information on EU energy infrastructure