



C&S CLIENT BRIEFINGS



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Maria Segura Catalán, Marianne Clayton and Sofía Medina Sánchez from Clayton & Segura State Aid Lawyers report regularly on the most relevant developments from the capital of Europe on State aid matters.

State Aid Report – March 2026

As the year gains momentum, March has seen a wave of important developments in EU/EEA State aid control. The Commission launched a public consultation on the revision of the State aid Guarantee Notice, adopted the Land and Multimodal Transport State Aid Guidelines (LMT Guidelines) and the Transport Block Exemption Regulation (TBER). Moreover, it published a review of the State aid rules for banks in difficulty. In parallel, the Commission adopted several measures under the Clean Industrial Deal, notably within the CISAF and CEEAG frameworks to support decarbonisation and industrial competitiveness.

At EEA level, the EFTA Surveillance Authority (ESA) remained active, including through the revision of the ETS State aid guidelines.

We have selected the most relevant highlights for you. For more information and a full overview of the latest State aid developments, please visit the [press releases](#) section on our website.

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NEWS FROM THE SCENE

Consultation on the revision of the State aid guarantee notice

The Commission has launched a call for evidence on the revision of the [Guarantee Notice](#), describing how the Commission assesses state guarantees under EU State aid rules. The revision aims to ensure that guarantee premiums are market-conform, improve coherence with other State aid rules and reduce administrative burdens for Member States.

This first update since 2008 will address issues related to effectiveness, efficiency and coherence identified

in the 2022 evaluation of the Notice and reflected in the 2025 Staff Working Document. The Commission will also take into account any additional issue raised during this call for evidence and the forthcoming targeted consultation. In addition, the revision will consider the introduction of specific safeguards to prevent unintended State aid to lenders.

The Commission intends to finalise the revised Notice by June 2027. Member States' authorities, banking and guarantee institution associations, large companies, SMEs and business associations are invited to submit their [contributions](#) by 31 March 2026.



Sustainable mobility: Commission adopts specific State aid rules for transport

The Commission has adopted [the Land and Multimodal Transport State Aid Guidelines \(LMT Guidelines\) and the Transport Block Exemption Regulation \(TBER\)](#), introducing an updated EU State aid framework for land and multimodal transport. The new rules aim to support more sustainable transport solutions for both passengers and freight while ensuring fair competition in the internal market.

The new framework replaces the 2008 Guidelines on State aid for railway undertakings and establishes a coherent set of rules covering a wide range of sustainable transport modes and aid measures. The TBER complements the Guidelines by exempting certain categories of aid in the rail, inland waterways and sustainable multimodal transport sectors from the requirement of prior notification and approval by the Commission.

The new rules will enter into force on 30 March 2026. The TBER will apply until 31 December 2034. No end date for the validity of the LMT Guidelines has been foreseen.

For more information, see Commission's [PR](#).

Commission launches review of State aid rules for banks in difficulty

The Commission has launched a [call for evidence](#) on the revision of the EU State aid rules for banks in difficulty, which were last updated in 2013. The initiative aims to modernise the framework to reflect recent regulatory and economic developments, including reforms of the [Crisis Management and Deposit Insurance framework](#).

The review seeks to ensure consistent treatment of State aid measures in cases of bank failure prevention, resolution or wind-up, while safeguarding financial stability and limiting taxpayer exposure. As part of the revision, the existing rules — currently set out in six separate communications — will be consolidated into a single rulebook to improve clarity and transparency.

Stakeholders can submit feedback on the planned review until 14 April 2026 through the Commission's [Have Your Say portal](#). A public consultation on a draft text expected later this year.

For more information, see Commission's [PR](#).

NEWS FROM THE EUROPEAN COMMISSION

I. Transition to a net-zero economy

Commission greenlights EUR 200 million Spanish EV manufacturing aid scheme

The Commission has approved a EUR 200 million State aid scheme to support manufacturing capacity in the electric vehicle (EV) value chain. The measure aligns with the objectives of the Clean Industrial Deal and was authorised under the [Clean Industrial Deal State Aid Framework](#) (CISAF).

The scheme will provide direct grants to companies operating anywhere in Spain until 30 June 2026 for the production of batteries, energy storage technologies and hydrogen technologies for EVs. It also covers related components and the critical raw materials.

The Commission found the measure necessary, appropriate and proportionate to support the EU's net-zero transition and strengthen strategic industries.

For more information, see Commission's [PR](#).

EUR 150 million Romanian State aid scheme for electricity storage approved by Commission

The measure is approved under the [CISAF](#) as part of the Clean Industrial Deal and aims to accelerate the transition to a net-zero economy while enhancing electricity supply security and resilience.

It is financed by the EU Modernisation Fund and provides direct investment grants with beneficiaries selected through competitive tenders and aid to be granted until 31 December 2030.



The Commission found the measure necessary, appropriate and proportionate to accelerate the EU's net-zero transition and facilitate the development of certain economic activities.

For more information, see Commission's [PR](#).

EUR 260 million Belgian State aid for Carbon Capture and Storage project authorised

The Commission has approved a EUR 260 million Belgian State aid measure in favour of Air Liquide Large Industry NV and BASF Antwerpen NV for the carbon capture and storage (CCS) project Kairos@C.

The project will contribute to Belgium's climate targets by decarbonising industry through an integrated cross-border CCS value chain. It will capture greenhouse gas ('GHG') emissions from existing plants producing hydrogen, ammonia, and ethylene oxide in Antwerp, with CO₂ transported for permanent underground storage in the North Sea. Over 15 years, the project is expected to avoid around 20 million tonnes of net GHG emissions, supporting the production of low-carbon hydrogen and ammonia.

Kairos@C was selected in the first large-scale Innovation Fund call of 2020 and awarded a grant of over EUR 365 million. Due to cost increases caused by exceptional inflation and other factors, the project required additional State aid to proceed. This State aid has been considered compatible on the basis of the [Guidelines on State aid for climate, environmental protection and energy \(CEEAG\)](#).

For more information, see the Commission's [PR](#).

EUR 440 million Spanish State aid scheme to support renewable hydrogen production greenlighted

The Commission has approved a scheme to support the production of renewable hydrogen in Spain in connection with the [European Hydrogen Bank's "Auctions-as-a-Service"](#) tool for the auction that closed in February 2026.

The scheme will support the construction of up to 382 MW of electrolysis capacity and incentivise the production of up to 243,800 tonnes of renewable

hydrogen, resulting in the avoidance of up to 1.79 million tonnes of CO₂. The scheme will also help Spain achieve its national objective of installing 12 GW of electrolyser capacity by 2030, as well as the targets for the share of renewable fuels of non-biological origin (RFNBOs) consumed in transport and industry under the [Renewable Energy Directive](#).

The aid will take the form of a direct grant per kilogram of renewable hydrogen produced. Spain can grant the aid in the next 12 months, and once granted, beneficiaries will be eligible for payments over a 10-year period.

The measure contributes to the objectives of the Clean Industrial Deal by accelerating the decarbonisation of EU industry while strengthening its competitiveness. The Commission assessed the scheme under Article 107(3)(c) TFEU and the 2022 [Guidelines on State aid for climate, environmental protection and energy](#), concluding that the measure is necessary, appropriate and proportionate to facilitate the development of renewable hydrogen production.

For more information, see Commission's [PR](#).

Danish State aid scheme to support offshore wind energy greenlighted

The Commission has approved a EUR 5 billion (DKK 37.6 billion) Danish scheme to support offshore wind energy in line with the objectives of the Clean Industrial Deal.

The scheme will support the construction and operation of two offshore wind farms, Hesselø and North Sea I Mid, with a combined annual production equivalent to around 25% of Denmark's total electricity production. Aid will take the form of a monthly variable premium under a two-way contract for difference (CfD), awarded through a competitive bidding process.

The scheme has been approved under the [CISAF](#) adopted by the Commission on 25 June 2025. The Commission has considered the Danish scheme necessary, appropriate and proportionate to accelerate the deployment of renewable energy



while minimizing distortions of competition in the internal market.

For more information, see Commission's [PR](#).

Commission approves French Scheme to boost renewable and low-carbon hydrogen production

To support the production of renewable and low-carbon hydrogen, the scheme will fund 1 GW of electrolysis capacity through competitive tenders and fixed premiums, contributing to France's climate targets and the objectives of the EU Hydrogen Strategy, the Clean Industrial Deal, and the REPowerEU Plan.

The Commission found the scheme necessary and proportionate. It will have a limited impact on competition and positive environmental effects. It will help decarbonise sectors where electrification is not sufficient and reduce dependence on imported fossil fuels.

For more information, see Commission's [PR](#).

Commission greenlights EUR 50 million scheme to support decarbonisation of industrial process heat in Spain

The Commission has approved a EUR 50 million Spanish scheme to support the decarbonisation of industrial process heat through innovative technologies, including electrification and renewable heat solutions. The measure will be implemented via the "Auctions-as-a-Service" (AaaS) tool under the Innovation Fund 2025 Heat Auction. It is the first AaaS project outside of the hydrogen sector.

Aid will be granted as a fixed premium per tonne of CO₂ avoided through a competitive bidding process, covering the additional costs of replacing fossil-based heat production. The scheme, financed by the Recovery and Resilience Facility, will run until 31 December 2026, with payments linked to verified emissions reductions.

The Commission found the measure in line with EU State aid rules, in particular Article 107(3)(c) TFEU and the [2022 Climate, Energy and Environmental Aid Guidelines](#), concluding that it is necessary,

proportionate and has limited impact on competition.

For more information, see Commission's [PR](#).

Commission greenlights EUR 50 million cleantech State aid scheme in Catalonia

The Commission has approved a EUR 50 million scheme introduced by the Spanish region of Catalonia to support manufacturing capacity aligned with the objectives of the [Clean Industrial Deal](#).

The scheme, adopted under the CISAF, aims to accelerate the transition towards a net-zero economy. It will be open to companies investing in the expansion of manufacturing capacity for net-zero technologies, including the production of key components listed in [Annex II of the CISAF](#). It also supports the production of new or recovered critical raw materials necessary for these technologies.

The aid will be provided in the form of direct grants financed by Catalonia's regional government and will be available until 31 December 2030.

The Commission found that the scheme complies with the conditions set out in the CISAF. It incentivises the production of clean technologies and their components, while supporting the supply of essential raw materials. The Commission concluded that the measure is necessary and appropriate to facilitate the development of strategic economic activities linked to the Clean Industrial Deal.

For more information, see the Commission's [PR](#).

Commission greenlights EUR 500 million Luxembourgish cleantech manufacturing capacity scheme

The scheme will fund projects that expand production of cleantech products and key components, such as solar panels, wind technologies, heat pumps, and batteries, as well as critical raw materials needed for their production. The aid will be provided as direct grants and will be available to companies across Luxembourg until 31 December 2030.



The Commission has found the measure necessary, appropriate, and proportionate to accelerate the green transition and support strategic economic activities. It has considered the scheme constitutes compatible State aid on the basis of the provisions of the CISAF.

For more information, see Commission's [PR](#).

Commission approves EUR 144 million French State aid to support HyforSeeds in the production of hydrogen

The measure provides support to HyforSeeds, a subsidiary of hydrogen production firm Hynamics. HyforSeeds' project will install and operate a **50 MW** renewable and low-carbon hydrogen production unit on the site of fertiliser and industrial chemicals producer LAT Nitrogen in the Ottmarsheim-Chalampé industrial zone, in Haut Rhin, France. The project will contribute to decarbonisation of the ammonia production.

The project is expected to cut greenhouse gas emissions by at least 70%, avoiding release of over 46,000 tonnes of CO₂ annually. The aid will be provided as a direct grant covering part of the investment costs, including the construction of an electrolyser and related infrastructure.

The aid will contribute to achieving the targets of the [EU Hydrogen Strategy](#) and the [Renewable Energy Directive](#) for the use of hydrogen in industry. The Commission has found the measure necessary, proportionate, and with limited impact on competition, while supporting a strategic sector.

For more information, see Commission's [PR](#).

EUR 6 billion aid scheme for renewable hydrogen in Italy approved

The European Commission has approved, a EUR 6 billion Italian scheme to support the production of renewable hydrogen for the transport and industrial sectors. The scheme will contribute to the development of renewable hydrogen production capacity in line with the objectives of the [EU Hydrogen Strategy](#) and the [Clean Industrial Deal](#).

The aid will take the form of two-way contracts for difference and will run until 31 December 2029.

The Commission found that the aid is necessary and appropriate to facilitate the production of renewable hydrogen for the decarbonisation of the transport and industrial sectors. It concluded that the aid has an incentive effect, is proportionate and will bring about positive effects, in particular on the environment, that outweigh the negative effects on competition.

For more information, see Commission's [PR](#).

II. Printed media

Commission greenlights EUR 70 million Spanish State aid scheme to support digitalisation of print Media

The scheme to support the digitalisation of newspapers and periodical publications aims to modernise Spain's print media sector, which currently faces underinvestment in digital technologies, and to enhance economic sustainability, competitiveness, and resilience. It also seeks to promote higher-quality content, media pluralism, and improved accessibility for consumers through digital solutions such as anti-disinformation tools, source traceability, certification, and transparency platforms.

Under the scheme, vouchers will be granted to eligible newspapers and periodical publications to acquire digitalisation solutions, including editorial management systems, cloud storage, and cybersecurity tools. Direct grants will be provided to support advanced digitalisation projects. The scheme will remain in place until 31 December 2028.

The Commission assessed the measure under Article 107(3)(c) of the Treaty on the Functioning of the European Union (TFEU), which allows Member States to support the development of certain economic activities. It concluded that the scheme is necessary and appropriate to address the underinvestment in digitalisation and proportionate, as it is limited to the minimum necessary and has a limited impact on competition and trade within the EU.



For more information, see the Commission's [PR](#).

Commission approves EUR 107.5 million aid scheme for the distribution of printed press in France

The Commission has approved a EUR 107.5 million French scheme to support the distribution of printed press through a network of national distributors, wholesalers and retailers.

The measure aims to encourage publishers to use pooled distribution systems in order to reduce costs and maintain a balanced territorial press distribution network across the country. By supporting the circulation of newspapers and periodicals, the scheme seeks to ensure citizens' access to reliable and high-quality information while promoting media pluralism, democratic debate and cultural diversity.

The aid will take the form of direct grants available to press publishers using a single-copy distribution network. It will cover up to 40% of the distribution costs of national daily and weekly newspapers of political and general interest, as well as certain sports periodicals. The scheme will run until 31 December 2030.

The Commission assessed the measure under Article 107(3)(c) of the TFEU and concluded that the scheme is necessary, appropriate and proportionate, with a limited impact on competition and trade within the EU.

For more information, see Commission's [PR](#).

III. Openings of formal investigations

Opening of in-depth investigation into arbitration award ordering Bulgaria to compensate ACF published in the OJ

The Commission has published in the Official Journal (OJ) the opening of the in-depth investigation procedure regarding the arbitration award ordering Bulgaria to pay ACF Renewable Energy Limited compensation for regulatory changes to its 2011 renewable electricity support scheme. The award, issued on 5 January 2024, grants ACF EUR 61.04 million plus interest. Bulgaria has notified the award

to the Commission but has not yet paid the compensation.

The Commission's assessment indicates that the award, and any potential implementation, may constitute State aid within the meaning of Article 107(1) TFEU.

Furthermore, the Commission found that the award is incompatible with the EU legal order as it conflicts with Article 19(1) TEU and Articles 267 and 344 TFEU, which govern the exclusive jurisdiction of the Court of Justice of the European Union and the uniform application of Union law.

For more information, see the [publication](#) in the OJ and our previous [PR](#).

Opening of In-depth investigation into Denmark's wastewater fee system published in the OJ

On 19th March the Commission published in the OJ the opening of the in-depth investigation procedure regarding the Danish wastewater pricing system, raising concerns that a degressive tariff model may grant an undue advantage to large industrial users.

The measure, introduced in 2013 through the so-called "staircase model", applies lower average charges per cubic metre to companies with higher wastewater discharge volumes. While the system was designed to reflect cost differences, a complaint by Danske Slagtermestre argues that it disproportionately benefits large operators and distorts competition.

In 2018, the Commission concluded that the measure did not constitute State aid within the meaning of Article 107(1) TFEU. However, that decision was annulled by the General Court of the European Union in 2024, prompting the Commission to reassess the measure. In its renewed analysis, the Commission has identified serious difficulties in determining whether the tariff system confers a selective economic advantage.

Interested parties are invited to submit their comments within one month of the publication of the measure in the Official Journal.



For more information, see the [publication](#) in the OJ and our previous [PR](#).

Commission opens in-depth investigation into French support to nuclear programme

The European Commission has launched an in-depth investigation into France's plan to financially support the construction and operation of six new nuclear reactors (around 10 GW total capacity, costing EUR 72.8 billion). In November 2025, France had notified the Commission of its plan.

The six new reactors will be built in pairs at sites of existing nuclear power plants. The new units are planned for commissioning between 2038 and 2044, and to have a lifetime of 60 years each. The total construction costs are currently estimated at EUR 72.8 billion.

France intends to support the project—led by Électricité de France—through:

- a subsidised loan at a preferential rate (60% of costs),
- a 40-year two way contract for difference to stabilise revenues,
- and a risk-sharing mechanism for unforeseen events.

While the Commission considers the project necessary and beneficial for energy security and decarbonisation, it has concerns about:

- whether the aid is proportionate and not excessive,
- its potential distortion of competition, particularly strengthening EDF's market power,
- and its compliance with EU electricity market rules.

The investigation is a standard procedure and does not prejudice the final decision.

For more information, see the Commission's [PR](#).

IV. Forestry sector

EUR 250 million scheme to support forestry sector in Portugal approved

The Commission has approved a scheme to support investments for the restoration of forests following natural disasters, severe weather or catastrophic events, in accordance with the [Portuguese CAP Strategic Plan](#). It also aims at offsetting revenue losses experienced by landowners due to the reforestation of agricultural and non-agricultural land.

The aid will take the form of direct grants, in the form of fixed premiums that will be paid for a period of up to 20 years. Reforestation premiums will be granted to owners of agricultural and non-agricultural land for ceasing agricultural activities or committing to maintaining new forests in their land, while restoration premiums will be granted to owners that restore their land's forest potential following natural disasters, severe weather or catastrophic events. The scheme is co-financed by the [European Agricultural Fund for Rural Development](#) by up to EUR 21.9 million and was already approved under the CAP rules as part of the Portuguese National Strategic Plan. It will run until 31 December 2029.

The Commission assessed the scheme under [Article 107\(3\)\(c\)](#) of the TFEU and the [Guidelines for State aid in the agricultural and forestry sectors and in rural areas](#). The Commission found that the scheme is necessary and appropriate to encourage investments in reforestation, that it is proportionate and will have a limited impact on competition and trade between Member States. On this basis, the Commission approved the Portuguese scheme.

For more information, see Commission's [PR](#).



NEWS FROM THE EFTA SURVEILLANCE AUTHORITY

ESA revises ETS State aid guidelines

ESA has adopted amendments to its guidelines on State aid for sectors exposed to the European Emission Trading System (ETS).

The guidelines, originally adopted in December 2020 and updated in January 2022, allow Iceland, Liechtenstein, and Norway to compensate industries genuinely at risk of carbon leakage.

The amendments align ESA's rules with the European Commission's December 2025 update, extending coverage to additional energy-intensive sectors due to rising ETS costs.

Key amendments include:

- Extension of eligible sectors: 20 new sectors and two new sub-sectors
- Higher aid intensity: maximum aid intensity increases from 75% to 80%
- Flexibility for additional sectors: EEA EFTA States may notify sectors or sub-sectors not included in the revised list, provided they can demonstrate a genuine risk of carbon leakage

- Stronger green-transition requirements: Large beneficiaries must now meet specific obligations contributing to the green transition.

Emission factors and geographic areas for 2026–2030 have been updated, allowing EEA EFTA States to apply their own methodology and a gradual transition if the reduction in the maximum CO₂ factor is significant. The amended guidelines further permit EEA EFTA States to introduce a gradual transition from 2026 to 2030 when the reduction in the maximum regional CO₂ emission factor, compared with the 2021–2025 period, is particularly substantial.

For more information, see ESA's [PR](#).

STATE AID CALENDAR

Upcoming:

23 April Judgment ;
2026 Case [C-457/23 P](#)

*Deutsche Lufthansa v Ryanair and
Condor Flugdienst*

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