

IderBox



Bulgaria accused of illegal aid to fossil fuel

Romania keeps giving state aid to coal even as it holds EU presidency

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Why relevant in the EnC?





- Environment and Climate Change
- State aid:

- 1. EnC Treaty
- 2. TFEU
- 3. Case Law
- 4. Council Decision 2010/787
- 5. Other legal acts
- 6. National law

Case study: Kolubara (Serbia)

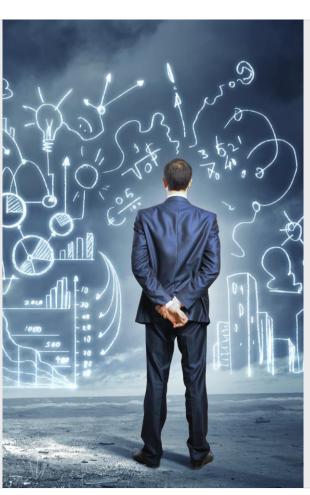




- Electricity sector in Serbia: EPS
- Thermal Power Plant Kolubara
- State aid enforcement system in Serbia:
 - Law on State Aid Control (2009)
 - Commission for State Aid Control
- Complaint:
 - Loans by EBRD and Kreditanstalt für
 Wiederaufbau (KfW) -> State guarantee
 - Transfer of property
- Complaint: Lack of assessment

Case study: Tuzla 7 (BiH)





Tuzla 7 project

Loan by Chinese Export-Import Bank for 80% of the costs

Secured by State guarantee for the entire loan State aid:

- More than 80% covered
- Level of premium market-based?

Cooperation mechanism with national authorities (Art. 2 DSR)

Case study: Kosova e Re (Kosovo*)





- Case pending, not opened yet
- Kosovo C project (450 MW)
- Deal signed in March 2018
- Potential state aid elements:
 - PPA, incl capacity payment
 - VAT exemption
 - Sale and lease of property
 - State guarantee
- Lack of assessment by State aid authority

Take aways





- Lack of enforcement of State aid prohibition in the energy sectors
- Superficial assessment due to...
- Lack of expertise and...
- Lack of courage



