



Commission consults Member States on a limited prolongation of the State aid Temporary Crisis and Transition Framework to further support the agricultural sector

Brussels, 11 April 2024

The European Commission has **sent to Member States for consultation a draft proposal** for a limited prolongation of the State aid [Temporary Crisis and Transition Framework](#) ('TCTF') in order to **allow continued support for the primary agricultural sector** in view of the persisting market disturbances.

Russia's war against Ukraine and its direct and indirect effects have created significant economic uncertainties. This has also disrupted trade flows and supply chains, and at its early stages triggered exceptionally large and unexpected price increases, especially in natural gas and electricity, but also in numerous other input and raw materials and primary goods.

In its latest meeting held on 21-22 March 2024, the European Council underlined the importance of a resilient and sustainable agricultural sector for food security and the EU's strategic autonomy, and invited the Commission to take work forward on easing the farmers' financial strain by designing means of additional support, such as by extending the TCTF.

In reply to a Commission survey of 27 March 2024 on the expiry of parts of the TCTF, Member States underlined that **market disturbances** as a result of Russia's war against Ukraine persist and **affect in particular the primary agricultural sector**, which faces important challenges and is under financial strain.

Against this background, the Commission is consulting Member States on a **limited prolongation for the primary agricultural sector of the TCTF section**, which currently allows Member States until 30 June 2024 to grant limited amounts of aid. The limited prolongation will allow Member States to continue providing limited amounts of aid to farmers where needed and ensure that crisis support measures are implemented effectively.

The Commission's **draft proposal** sent to Member States today **does not affect the remaining provisions of the TCTF**.

Member States now have the possibility to comment on the Commission's draft proposal. The Commission intends to adopt the limited amendments to the TCTF as soon as possible, taking into account the feedback received from the Member States.

Background

The State aid [Temporary Crisis Framework](#), adopted on [23 March 2022](#), enabled Member States to use the flexibility foreseen under State aid rules **to support the economy in the context of Russia's war against Ukraine**. The Temporary Crisis Framework was amended on [20 July 2022](#) and on [28 October 2022](#).

On [9 March 2023](#), the Commission adopted the current [Temporary Crisis and Transition Framework](#) to foster support measures in sectors which are key for the **transition to a net-zero economy**, in line with the [Green Deal Industrial Plan](#).

Currently, the Temporary Crisis and Transition Framework, as amended on [20 November 2023](#), provides for the following types of aid, which can be granted by Member States:

- **Section 2.1: Limited amounts of aid**, in any form and granted until 30 June 2024, for companies affected by the current crisis or by the subsequent sanctions and countersanctions up to €280,000 and €335,000 in the agriculture, and fisheries and aquaculture sectors respectively, and up to €2.25 million in all other sectors;
- **Section 2.4: Aid to compensate for high energy prices**. The aid, which can be granted in any form in principle until June 2024, will partially compensate companies, in particular

intensive energy users, for additional costs due to exceptional gas and electricity price increases;

- **Section 2.5: Measures accelerating the rollout of renewable energy.** Member States can set up schemes for investments in all renewable energy sources, including renewable hydrogen, biogas and biomethane, storage and renewable heat, including through heat pumps, with simplified tender procedures that can be quickly implemented, while including sufficient safeguards to protect the level playing field. Under such schemes, aid may be granted until 31 December 2025; after that date, the usual State aid rules will continue to apply, including in particular the corresponding provisions of the [Climate, Energy and Environmental Aid Guidelines \(CEEAG\)](#);
- **Section 2.6: Measures facilitating the decarbonisation of industrial processes.** To further accelerate the diversification of energy supplies, Member States can support investments to phase-out from fossil fuels, in particular through electrification, energy efficiency and the switch to the use of renewable and electricity-based hydrogen which complies with certain conditions, with expanded possibilities to support the decarbonisation of industrial processes switching to hydrogen-derived fuels. Under such schemes, aid may be granted until 31 December 2025; after that date, the usual State aid rules will continue to apply, including in particular the corresponding provisions of the [CEEAG](#);
- **Section 2.8: Measures to further accelerate investments in key sectors for the transition towards a net-zero economy,** enabling investment support for the manufacturing of strategic equipment, namely batteries, solar panels, wind turbines, heat-pumps, electrolyzers and carbon capture usage and storage as well as for production of key components and for production and recycling of related critical raw materials. Under such measures, aid may be granted until 31 December 2025. More information on the support possibilities for measures to accelerate the transition to a net-zero economy can be found [here](#).

More information on the Temporary Crisis and Transition Framework and other actions taken by the Commission to address the economic impact of Russia's war against Ukraine and foster the transition towards a net-zero economy can be found [here](#).

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