INTERIM EVALUATION REPORT OF THE STATE AID SCHEMES FOR DECARBONISATION OF INDUSTRY (SA.102388, SA.102385)

Evaluation report was developed pursuant to Art. 1(2)(a) of Regulation (EU) No 651/2014 and pursuant to the draft Evaluation Plan as submitted during the notification process of the schemes in question (please refer to the document "Part III.8 - Supplementary Information Sheet for the notification of an evaluation plan").

State aid schemes evaluated:

SA.102385 – State aid scheme for the decarbonisation of industry from the Recovery and Resilience Plan (component 4) – Slovakia
SA.102388 – State aid scheme for the decarbonisation of industry financed from the Modernization Fund

1. Questions related to the direct impact of the aid on the beneficiaries

1. What was the impact of the scheme on the emissions reduced by the beneficiaries as opposed to those reduced by the entire EU ETS sector?
Relevant indicator: Achieved amount (%) of CO_2eq reduction by entire EU ETS (excl. supported projects) & Achieved amount of CO_2eq reduction by the projects supported by the schemes (%).

To date, there has been no emission reduction by the beneficiaries. This is due to the fact that none of the supported measures has materialized yet, although works have started on several installations.

Some partial investments have already been implemented, but annual emission reductions are verified the following year through approved greenhouse gas reports under Act No. 414/2012, or by functional test protocols, handover documents, or similar records. These must clearly prove that the project output was delivered, functional, or applied as approved. Documentation must include technical parameters and manufacturer certificates of installed technologies, serving as evidence of CO_2eq reduction in line with the approved application.

Most projects already have environmental impact assessments and legal permits. Implementation and procurement checks are ongoing, and in the case of MoF, payment requests totalling 764,220.84 EUR have already been settled.

The most advanced in the implementation process is one of the projects from the first RRP scheme, for which the Slovak Environmental Inspectorate notified by letter on 23.9.2025 the initiation of proceedings to launch the facility into trial operation.

According to the schedules provided by the beneficiaries, the first project will become fully operational in Q1 2027 (SA.102388) and Q4 2025 (SA.102385).

The overview of the supported beneficiaries is enclosed in attachment 1.

2. Did the project lead to increased energy efficiency in industrial installations that do not stimulate or prolong the use of fossil fuels and energy resources?
Relevant indicator: Number of implemented measures to reduce energy consumption not using fossil fuel sources.

To date, there has been no increase in energy efficiency in industrial installations. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

3. Has the measure led to an increase in investment in innovative environmental technologies in industrial production, more in supported undertakings in the energy-intensive industry as compared to non-supported undertaking
Relevant indicator: Increase in expenditures by supported undertakings / private investment in addition to government support relative to annual turnover.

There is already an increase in investments in innovative environmental technologies, but it is not yet possible to quantify the relevant indicator. This is mainly due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

4. Has emission reductions by beneficiaries compared to the reference period decreased by at least 1,233,000 tons CO_2eq on an annual basis for the RRP scheme?
Relevant indicator: Amount of CO_2eq reduction on an annual basis under the RRP scheme.

To date, emission reductions have not been achieved in the RRP scheme. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

The submitted applications of five relevant projects suggest that the emission reduction will equal 208,312.22 tons CO_2eq on an annual basis (see Attachment 1). This abatement is expected to be achieved with the allocation of 35.4 mil. EUR[1] (compared to the originally estimated total aid of 357.3 mil. EUR[2], 9.9%). No further calls are expected in the RRP scheme.

This is below the planned reduction of 1,233,000 tons CO_2eq as set in the state aid letter and also a notable difference compared to the last year interim evaluation report. The reason of this outcome is that the contract for the biggest project (*Decarbonization of steel production by installing electric arc furnaces*) was not signed by the beneficiary U.S. Steel Košice, s. r. o. The Ministry of Environment informed the beneficiary with the letter 30011/2024 dated from 29th April 2024 about the withdrawal of funds. As a result of this development, Slovakia also changed the goals for the component 4 from the Recovery and Resilience Fund from decreasing 1,233,000 tons CO_2eq to 135,507.32 tons CO_2eq (Council implementing decision amending Implementing Decision (EU) (ST 10156/21 INT; ST 10156/21 ADD 1) on the approval of the assessment of the Recovery and Resilience Plan for Slovakia).

5. Has the amount of GHG /in CO_2eq emitted by beneficiaries under the RRP scheme decreased by at least 30% CO2eq compared to the reference period?
Relevant indicator: Percentage of GHG /in CO_2eq decreases under the RRP scheme, compared to the reference period.

To date, none of the beneficiaries under the RRP scheme decreased their GHG by at least 30%. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

Nevertheless, the compilation of five approved applications (SA.102385) indicates that all approved projects will decrease the amount of GHG by at least 30% of CO_2eq compared to the reference period (see Attachment 1).

6. Has emission reductions by beneficiaries compared to the reference period decreased by at least 3,000,000 tons CO2eq on an annual basis for the MoF scheme?
Relevant indicator: Amount of CO_2eq reduction on an annual basis under the MoF scheme.

To date, none of the beneficiaries under the MoF scheme decreased their GHG. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

The submitted applications of four approved projects (SA.102388)[3] indicate that the annual emission reduction resulting from these four projects is projected to be 564,955.5 tons of CO_2 equivalent on an annual basis. This

[1] Excluding the bid for the U.S. Steel Košice, s. r. o. that was withdrawn, as is explained in the next paragraph.
[2] Based on the total allocation of the scheme, set in the Council Implementing Decision to SK RRP.
[3] Excluding three successful bids that will not receive state aid. Two bidders, U.S. Steel Košice, s. r. o. and Mondi SCP, a. s., did not sign a binding contract with the government, and their support was consequently withdrawn. The third bidder, Duslo, a.s., concluded an agreement with the Ministry of Environment of the Slovak Republic on 25 August 2025 to terminate the project contract for the implementation of the project entitled 'Duslo, a.s. – Green Ammonia' due to the incomplete environmental impact assessment process required under the Environmental Impact Assessment Act, as well as the non-viability of the project.

abatement is expected to be achieved with the allocation of 82.34 mil. EUR (compared to the estimated total aid of 750 mil. EUR, 11.0%). The second Modernisation Fund call is prepared and should be launched later this year.

7. Has the amount of GHG /in CO_2eq emitted by beneficiaries decreased by at least 10,000 tons CO2eq on an annual basis for the MoF scheme?

Relevant indicator: Amount of GHG /in CO_2eq reduction per project under the MoF scheme, compared to the reference period on an annual basis.

To date, none of the beneficiaries under the MoF scheme decreased their GHG. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation.

Nevertheless, the compilation of four approved applications (SA.102388) indicates that all projects will decrease the GHG by at least 10,000 tons of CO_2eq on an annual basis (see Attachment 1).

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8. Has the energy consumption (in GJ/year) per each project decreased by at least 10% compared to the reference period under the MoF scheme?

Relevant indicator: Energy consumption reduction, expressed in % compared to the reference period under the MoF scheme.

To date, none of the beneficiaries under the MoF scheme decreased their energy consumption. This is due to the fact that none of the supported measures has been finalised yet. The projects are in the phase of implementation. Nevertheless, the compilation of four approved applications (SA.102388) indicates that all projects will decrease energy consumption by at least 10%. Currently four projects are being implemented with an expected reduction final energy consumption of 3,393,986.88 GJ/year.

9. Have the direct impacts been heterogeneous across different types of beneficiaries (size/location/sector)?

Relevant indicator: Proportion of beneficiaries (%) as per: i. size (small, medium, large enterprises), ii. Location (western, central, eastern Slovakia), iii. sector (NACE)

The overview of the supported project is enclosed in the attachment. Regarding the proportions of beneficiaries in terms of the size of enterprises, the support has been strongly concentrated (table 1). All aid was disbursed to large enterprises (over 100 employees).

Table 1: Share of projects supported and the share of allocation by the size of enterprises

	Small enterprises	Medium enterprises	Large enterprises
Share of projects	0%	0%	100%
Allocation share	0%	0%	100%

Source: author, based on the information provided by the Ministry of Environment

The concentration is strong also in terms of geography. The majority of supported projects (7 out of 9) are located in Western Slovakia. Even stronger is the concentration of financial allocation. 78% of financial allocation is intended for the projects located in Western Slovakia. The least allocation in terms of allocation share went to Central Slovakia, with a 1.5% allocation share (table 2).

Table 2: Share of projects supported and the share of allocation by location

	Western Slovakia	Central Slovakia	Eastern Slovakia
Share of projects	78%	11%	11%
Allocation share	91.3%	1.5%	7.2%

Source: author, based on the information provided by the Ministry of Environment

The support was divided among 6 beneficiaries across 6 different industries in terms of the NACE codes. The allocation share is not strongly concentrated. Manufacture of refined petroleum products received 37.5% allocation share (table 3).

Table 3: Share of projects supported and the share of allocation by NACE

	Number of beneficiaries	Number of projects	Allocation share
19200. Manufacture of refined petroleum products	1	2	37.5%
23130. Manufacture of hollow glass	1	1	24.3%
23510. Manufacture of cement	1	2	15.3%
23320. Manufacture of bricks	1	2	13.2%
20150. Manufacture of fertilisers and nitrogen compounds	1	1	8.2%
24100. Manufacture of basic iron and steel and of ferroalloys	1	1	1.5%
Total	**6**	**9**	**100%**

Source: author, based on the information provided by the Ministry of Environment

10. Has the measure resulted in a change in the competitive position of the beneficiaries in comparison to non-beneficiaries following the granting of aid?
Relevant indicator: Increase of beneficiary market share.

To date, none of the supported measures has been finalised yet. They did not affect the competitive environment, as the measures are still being implemented. These are large-scale projects whose realization requires a longer timeframe. Therefore, the measures have not resulted in a change in the competitive position of the beneficiaries, compared to the non-beneficiaries.

11. How many jobs were created as a result of project implementation in granted undertakings;
Relevant indicator: Number of FTE created in granted undertakings

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures have not resulted in a significant number of jobs created in supported undertakings.

2. Questions related to the indirect impacts

1. How many jobs were created as a result of project implementation in the supplier industry?
Relevant indicator: Number of FTE created in the supplier industry.

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures have not resulted in a significant number of jobs created in the supplier industry.

2. Has the aid resulted in skilled workers in the financed industries displacing skilled workers from other industries?
Relevant indicator: Number of FTE in the financed industries displacing skilled work from other industries?

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures have not resulted in the displacement of skilled workers from other industries. This indicator will be possible to be quantified only after the completion of the projects.

3. Has the measure resulted in spillover effects (the potential use of the supported technologies in further undertakings, sectors and regions)
Relevant indicator: Further use or planned use of promoted technologies in the given industry/ other industries/ regions.

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures have not resulted in spillover effects.

As a partial spillover effect, two successful bidders, Danucem Slovensko a.s. and Wienerberger, spol. s r. o. (both under the first RRP call), are already implementing similar investments in their other facilities. These initiatives have likewise received support through the funding schemes, specifically from the MoF scheme and the second RRP scheme, respectively (see Attachment 1 for details).

4. Has the measure resulted in a change in supply and demand structures in the markets towards products and technologies with low or zero GHG emissions?
Relevant indicator: Shares of the supported products in the EU-wide turnover of the products mainly affected by the support.

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures have not resulted in a change in supply and demand structures in these markets.

5. Has the measure resulted in an increased demand for electricity and in particular increase in demand for fossil-based electricity by beneficiaries?
Relevant indicator: (i) increase in overall electricity consumption, (ii) variations in the production capacity of electricity produced from fossil fuels, (iii) variations in the production of electricity produced from fossil fuels

Relevant indicator in case of increase of demand for fossil-based electricity: comparison of the amount of increased CO_2 emissions resulting from fossil-based electricity increase to the emission reductions stipulated as aid scheme objectives.

To date, none of the supported measures has been finalised yet. The projects are in the phase of implementation. Therefore, the measures did not lead to an increased demand for electricity, or fossil-based electricity.

One of the conditions of the calls was that any increase in electricity demand will be covered by renewable sources. Projects that stimulate new investments in energy production or industrial production using the most polluting fossil fuels such as hard coal, diesel, lignite, oil, peat and shale oil within the meaning of point 128 of the Guidelines[4] are not eligible.

[4] Guidelines on State aid for climate, environmental protection and energy for 2022, as amended by European Commission Communication No. C(2022)481 – Chapter 4.1.2.1.

3. Questions about the proportionality and appropriateness of the aid:

1. Were beneficiaries granted the aid through a competitive bidding process?
Relevant indicator: (i) Open, clear, transparent and non-discriminatory bidding process, based on objective criteria, defined ex-ante in accordance with the objective of the schemes (ii) Selection of projects with application of cost-efficiency related bidding criterion.

Both schemes had an open, clear, transparent and non-discriminatory bidding process following the criteria that were defined ex-ante. To increase transparency and avoid providing unfair advantage to the bidders, the Ministry has published several rounds of FAQs for all three calls.

The selection of projects followed the conditions that were set up ex-ante. In both cases, 70% of the final score was based on achieving the lowest costs for abating 1 t of CO_2eq, while the remaining 30% of the score was allocated based on the total size of abatement.

During the bidding process, nine bidders (four in the first SA.102385 call, four in the second SA.102385 call, and one in the SA.102388 scheme) were disqualified from the competition due to not fulfilling the conditions of the schemes that were declared ex ante. In addition, three bidders withdrew four of their bids after being declared successful in the call (footnote 1 and 3)

Under the MoF scheme, one bidder was disqualified for failing to meet the requirement of a 10,000 tCO_2eq reduction in emissions. In the first RRP call, three bidders were excluded for not achieving the minimum 30% emissions reduction, and another for not being part of the EU ETS. In the second RRP call, two bidders were disqualified for the same EU ETS requirement, and one for failing to submit the application on time and in the prescribed form. In one case, disqualification resulted from a potential conflict of interest, as the brother of a bidder's managing director was linked to the same political group as the Minister of Environment.

2. Were all criteria published in advance of the deadline for submitting applications?
Relevant indicator: Time to submit a grant application from the publication of the call for grant applications.

For the Modernization fund, the applicants had three months to apply (MŽP SR, 2024). The time was shorter for the RRP schemes – approximately 2 months (MŽP SR, 2024; MŽP SR, 2025).

The relevant state institutions published a notice of their intention to establish the aid measure in advance (for example in the forms of asking industries to submit their non-binding investment intentions for the Modernization fund and publishing the Recovery and resilience plan). Additionally, all installations belonging to the EU ETS in the Slovak Republic were invited for three consultations with the Ministry of Environment of the Slovak Republic. The first consultation took place during the preparation of the state aid notification, and the second one after the state aid was notified (but without details on the call). The third consultation took place in July 2025 to introduce the second call from the Modernisation fund.

Taking all of these facts into consideration, the period to submit a grant application from the publication of the call was sufficient for potential bidders to submit their applications.

3. Did all bidders receive aid?
Relevant indicator: The amount of requested aid which exceeded the entire allocation.

In all three calls, not all bidders received aid. However, all bidders that fulfilled the eligibility conditions to participate were successful applicants in all three calls.

For the first RRP call, the bidders requested 387 mil. EUR. Successful bidders (3) were earmarked funds of 316.9 mil. EUR (81.9%)[5]. Four unsuccessful (disqualified) additional bidders have requested 70.2 mil. EUR (18.1%) cumulatively.

For the second RRP call, the bidders requested 304.6 mil. EUR. Successful bidders (3) were earmarked funds of 18.5 mil. EUR (6.1%). Four unsuccessful (disqualified) additional bidders have requested 286.1 mil. EUR (93.9%) cumulatively.

For the MoF scheme, 516 mil. EUR were requested by the bidders. Successful bidders (7) were earmarked funds of 469.7 mil. EUR (91%)[6]. One unsuccessful (disqualified) additional bidder has requested 46.5 mil. EUR (9 %).

4. How much aid compared to the total investment costs have the projects within each project category received on average?

Relevant indicator: The amount of average awarded aid, compared to the total project investment costs, expressed for each project category.

On average, the aid covered 46% of the total project investment costs. There was a significant variance in terms of individual shares, from 31% in the sector of manufacture of cement to 100% in the sector of the manufacture of hollow glass (table 4). Significant variations in the allocation of aid relative to total investment costs have contributed to a wide range of cost efficiencies among individual projects in terms of cost per metric ton of CO_2 equivalent abated in €/tCO_2eq/year (attachment 1).

Table 4: Aid provided and total investment costs by individual NACE codes

NACE code	Aid provided	Total investment cost	Share
19200. Manufacture of refined petroleum products	44 200 000 €	138 115 000 €	32%
23130. Manufacture of hollow glass	18 007 302 €	57 467 016 €	100%
23510. Manufacture of cement	15 506 920 €	21 379 835 €	31%
23320. Manufacture of bricks	9 664 000 €	12 080 000 €	73%
20150. Manufacture of fertilisers and nitrogen compounds	1 768 155 €	138 115 000 €	80%
24100. Manufacture of basic iron and steel	44 200 000 €	N/A	
Total	**117 718 682 €**	**257 614 156**	**46%**

Source: author, based on the information provided by the Ministry of Environment

[5] Aid was later withdrawn for one of the bidders (U.S. Steel Košice, s. r. o.); see page 3 for details.
[6] Aid was later withdrawn for three of the bidders. See page 3 for details.

Reply to the request for additional information

- Can the Evaluator provide a fully-fledged discussion of the counterfactual impact evaluation methodology envisaged to assess the direct effects of the schemes under scrutiny?

Future reports will include a staggered difference-in-difference methodology to identify the effects of the schemes on the beneficiaries compared to the firms that were not supported. The counterfactual scenario will be based on a comparison of beneficiaries with suitable peer groups without a subsidy. Regarding peer groups, the sampling will aim to choose companies that are similar to the beneficiaries in terms of industry type (based on NACE codes), revenues, profits, and GHG emissions. To make a meaningful comparison, the companies in peer groups will be primarily from Slovakia. The key dependent variables that will be evaluated are revenues, profits, and emissions of greenhouse gases.

It is important to point out that the staggered difference-in-difference evaluation will be possible to implement not sooner than in April in year n+2 after the full implementation of a project in year n. This is due to the data availability constraints. To identify the causal effect, the data will have to be available for a full year of operation of the subsidized firms. Annual reports containing the data are not available sooner than in April of the subsequent year.

- Can the evaluator provide a complete list of the available variables, with the related observation periods and level of observation (i.e. applicant, aggregate, etc.)?

The list of relevant indicators is included in Table 5

Table 5: List of relevant indicators, observation periods, level of observation, and data sources

Indicator	Observation period	Level of observation	Source
Revenues	annually	applicant	financial statements*
Profits	annually	applicant	financial statements*
NACE	annually	applicant	financial statements*
Number of employees (categorical variable)	annually	applicant	financial statements*
Capital	annually	applicant	financial statements*
Energy savings	annually	applicant	reports of successful applicants
GHG emissions	annually	applicant	Slovak National Administrator of Union Registry

** Using aggregator of financial statements data.* *Source: author*

- Can the Evaluator provide a more complete set of descriptive statistics, also comparing successful applicants, unsuccessful applicants and non-applicants from the same eligible sectors?

Tables 6-8 contain descriptive statistics for each of the five sectors, in which at least one applicant was successful.[7] Only firms emitting at least 10,000 tons of CO_2eq yearly were included, aiming for comparison of relevantly sized firms and also taking into account the MoF scheme requirement of 10,000 tons abatement. In average, larger firms in terms of revenues, profits, pollution, and number of employees were successful in their bids.

Table 6: Descriptive statistics for sector 23 Manufacture of other non-metallic mineral products

	Non-applicants	Unsuccessful applicants	Successful applicants
Average yearly profit	3 747 985 €	-	18 902 342 €
Average yearly revenues	77 710 797 €	-	154 136 542 €
Emissions yearly average[1]	164 212	-	392 303
Number of firms	9	-	3
Average number of employees	355	-	541

Data from 2024 was used. *Source: author*
[1] Calculated as average per firm (not installation).

Table 7: Descriptive statistics for sector 24 Manufacture of basic metals

	Non-applicants	Unsuccessful applicants[1]	Successful applicants
Average yearly profit	-8 854 381 €	-99 608 000 €	-7 956 516 €
Average yearly revenues	134 523 038 €	2 684 573 000 €	95 001 567 €
Emissions yearly average[2]	45 031	4 721 158	69 886
Number of firms	3	1	1
Average number of employees	950	7 500	175

Data from 2024 was used. *Source: author*
[1]If an applicant was unsuccessful with one project, but successful with another project these were coded as successful. Applicants that had successful bids, but did not sign the contract (p. 3) were coded as unsuccessful.
[2] Calculated as average per firm (not installation).

Table 8: Descriptive statistics for sectors 20 Manufacture of chemicals and chemical products and 19 Manufacture of coke and refined petroleum products

	Non-applicants	Unsuccessful applicants	Successful applicants
Average yearly profit	5 037 552 €	-	187 939 500 €
Average yearly revenues	130 259 832 €	-	3 054 096 000 €
Emissions yearly average[1]	51 498	-	1 106 596
Number of firms	3	-	2
Average number of employees	500	-	2 000

Data from 2024 was used. *Source: author*
[1] Calculated as average per firm (not installation).

- Can the Evaluator (possibly jointly with the managing authority) explain why the number of applicants has been much lower than expected? Did it harm competition among applicants, hence the perspective of selecting the most efficient projects?

The State aid schemes to decarbonize industry from the Recovery and Resilience Plan and the Modernisation Fund were approved by the European Commission on 10 October 2022.

[7] Due to covering only sectors with at least one successful bidder, the number of unsuccessful applicants in this section does not match the number of unsuccessful applicants in question 3.3, as some of them came from different sectors.

The first call for applications for the Recovery and Resilience Facility aimed at supporting the decarbonization of industry with code 04I01-18-V01 was launched on 25 November 2022 with a closing date of the call by 20 January 2023[8].

The second call for applications for the Recovery and Resilience Facility aimed at supporting the decarbonization of industry with code 04I01-18-V02 was launched on 30 May 2024 with a closing date of the call by 30 July 2023.

The first call for proposals from the Modernisation Fund to support industrial decarbonization with code 01/2023 was launched on 30 March 2023 with the closing date of the call by 30 June 2023. It was launched following a call from the Recovery and Resilience Plan, as soon as possible, so that unsuccessful applicants from the first Recovery and Resilience Plan call were already known and could apply for support from the Modernisation Fund. According to the Ministry of Environment, the next call from the Modernisation Fund is planned to be announced in the foreseeable future.

Drawing from the EU ETS data, the number of industrial companies that emit yearly at least 10,000 tCO_2eq, is only 32. In both schemes, 11 firms out of 32 applied, which represent 34% of all industrial companies emitting at least 10,000 tCO_2eq. It is expected that more will apply during later calls for application. For the MoF scheme, an additional 667.77 mln. eur will be disbursed on top of the funds discussed in Attachment 1.

To conclude, the number of applicants has not been much lower than expected as we are still expecting further calls for applications in the upcoming months and years. Additionally, it must be noted that the number of firms that can apply is relatively low in Slovakia. This was also communicated to the EC in one of the attachments to the notification of the state aid.[9]

- It would be very useful to also have a description of the state aid, how it is structured, and who the beneficiaries are, as at the present moment such information needs to be retrieved from the Evaluation Plan. This would help the reader understand the quantitative and qualitative analysis that would follow.

Title of the aid scheme:

- SA.102385 – State aid scheme for the decarbonization of industry from the Recovery and Resilience Plan (component 4) – Slovakia
- SA.102388 – State aid scheme for the decarbonization of industry financed from the Modernization Fund

Slovakia ranks among the Member States with the highest share of GHG emissions from industry, largely due to aging industrial technologies and the energy intensity of industry. The industry contributes significantly to the total emissions of the Slovak Republic; therefore, its participation is essential in meeting the decarbonization target by 2030 with a vision of carbon neutrality by 2050. Industrial production and the use of fossil fuels in industry is the source of 41% of all emissions produced in Slovakia, which is the highest figure among the EU countries.

The EU ETS sector accounts for approximately 90% of GHG emissions in industry (emissions from industrial processes and fuel combustion) come from the EU ETS.

The purpose of the State Aid Scheme for the decarbonization of industry from the Recovery and Resilience Plan (component 4) and the State Aid Scheme for the decarbonization of industry from the Modernisation Fund is to support environmental investments in the form of reducing greenhouse gas emissions in the sectors of industrial production cost-effectively in accordance with the national goals of the Integrated National Energy and Climate

[8] The call in question was launched earlier than the approved timeline of the implementation steps of the Recovery and Resilience Plan, according to which it was only due to be launched in Q2 2023.
[9] Additional information provided by Slovak authorities based on the letter of the Commission dated 18 July 2022 in respect to: Cases: SA.102388 and SA.102385.

Plan for 2021 - 2030 and the Low Carbon Development Strategy of the Slovak Republic until 2030 with a view to 2050.

The schemes aim to contribute to reducing greenhouse gas emissions by supporting industrial decarbonization projects leading to energy savings and introducing the use of innovative environmental technologies in industrial production, thus directly supporting the achievement of national, European, and global climate targets under the Paris Agreement.

The extent of the emission reductions compared to the reference period should reach at least 135 507,32 tons of CO_2eq on an annual basis for the RRP and approximately 3,000,000 tons of CO_2eq on an annual basis for the MoF. The investments must be finished by the 30th of June 2026 in the case of the RRP scheme and by the 31st of December 2030 in the case of the MoF scheme.

Eligible beneficiaries of the aid are undertakings pursuant to Article 107(1) TFEU, i.e. entities engaged in an economic activity and carrying out activities falling under Annex 1 to the Trading Act may be the beneficiary of the aid (ETS sector).

4. Attachment 1

Table 9: Overview of the beneficiaries from both sources of the state aid

Beneficiary	Name of the project	Requested aid	Abatement cost	Source
Danucem Slovensko a.s.	Decarbonization of gray cement in Turna nad Bodvou	8 439 174 €	68.46 €/tCO2eq	SA.102385 (RRP, 1st call)
Wienerberger s r. o.	Decarbonization of production at the Wienerberger brickworks - Zlaté Moravce	8 434 470 €	1000 €/tCO2eq	SA.102385 (RRP, 1st call)
RONA, a.s.	Decarbonization of production capacities at RONA, a.s.	28 572 305 €	1724.06 €/tCO2eq	SA.102388 (MoF)
SLOVNAFT, a.s.	Reduction of CO2eq emissions through the implementation of a set of technological measures	24 200 000 €	77.23 €/tCO2eq	SA.102388 (MoF)
SLOVNAFT, a.s.	Set of technological measures increasing energy efficiency and reducing CO2eq emissions at the Ethylene Unit	20 000 000 €	343.07 €/tCO2eq	SA.102388 (MoF)
Danucem Slovensko a.s.	Decarbonization of cement production in Rohožník	9 568 128 €	54.13 €/tCO2eq	SA.102388 (MoF)
Duslo, a.s.	Tertiary Reduction KD2	9 664 000 €	471.41 €/tCO2eq	SA.102385 (RRP, 2nd call)
Wienerberger s.r.o.	Decarbonisation of Production at Wienerberger Brickworks – Boleráz	7 072 450 €	1100 €/tCO2eq	SA.102385 (RRP, 2nd call)
OFZ, a.s.	Decarbonisation of Production at OFZ by Changing the Reducing Agent in Ferroalloy Production	1 768 155 €	35.60 €/tCO2eq	SA.102385 (RRP, 2nd call)
Sum		**117 718 682 €**		