



**CAN / MTVSZ Community Energy Workshop**

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MINISTRY FOR  
TECHNOLOGY AND INDUSTRY

# **State aid for energy communities in Hungary**

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Ministry for Technology and Industry

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- **Why** state aid is needed?
- **How** we support them?

How to grasp the concept of community energy?

Many definitions, no consensus



Legal approach



EU: „Clean energy for all Europeans” package (2019)

EMD: „citizen energy community”, RED II: „renewable energy community”



Regulated by the Hungarian Electricity Act\*

„Energy community” within that: „renewable energy community”



**State aid focuses on the regulated energy community concepts**

\*Act No. LXXXVI of 2007 on electricity

## Why do ECs need financial support?

- CE without any major history/background in Hungary.
- Entirely new regulation, market participant → lack of experience and knowledge
- Pilot projects to explore the possibilities and barriers of ECs → high level of uncertainty,
- State aid as a first nudge → enables pilots to start earlier and in greater number
- Their task/our aim:
  - To create models: replicable, economically sustainable,
  - Explore barriers: legal, financial
  - Make policy proposals

## The first step: 2020-3.1.4-ZFR-EKM

- Call for proposals before the transposition of CEP
- Budget: 2 billion Ft; source: ETS
- Founding rate: 25-100% depending on activity and applicant (non-refundable)
- Supported activities: EC modelling, founding and operation + research
- 7 supported projects (out of 34; two stages): consortiums municipalities, tech companies and research institutes
- Status: during implementation (2021-2023)
- Zero Carbon Hub: EC Forums → enabled the projects to share information
- Association of energy communities and independent aggregators

- Budget: 4 billion Ft; source: Modernisation Fund
- Founding rate: 100% (non-refundable)
- Supported activities: EC modelling, founding and operation
- 14 supported projects (out of 28): municipalities, tech companies and research institutes
- Status: preparing Grant Agreements
- Projects with **aggregation focus**

- Direct EU action grant
- **Budget:** 6,5 million €
- **Founding rate:** 95% (non-refundable)
- **Supported activities:** EC planning, modelling, services, research (mainly personnel costs, no investment costs eligible)
  - Scope A - Local authorities collaborating with citizen-led-initiatives
  - Scope B - Developing integrated services to support community energy
- **Consortium composition:** at least 3 applicants from 3 different eligible countries
- **Status:** application phase (until: 16 November 2022),
- **Contact person:** Zina Horváth ([zina.horvath@itm.gov.hu](mailto:zina.horvath@itm.gov.hu))
  - Information event
  - Application assistance
- **High chance of winning**

## EU RRF: „Emerging Settlements” program



- Hungarian RRP supports the „Emerging Settlements” program (direct grant)
- Stakeholders:
  - Responsible authority: Ministry of Interior
  - Executor: Hungarian Charity Service of the Order of Malta
- Supported activities: facilitates the catching-up of the 300 most disadvantaged settlements of Hungary
  - Focus on families with children
  - Room with healthy electric heating → energy from social ECs/social PV plants



## EU funded Operational Programs

- Territorial and settlement development OP Plus (TOP Plus) and Environmental and Energy Efficiency OP Plus (EEEOP Plus)
- Government incentives primarily through EEEOP Plus; in case of major role of the municipality → TOP Plus
- **EEEOP Plus:** main source of state aid for ECs in the future
  - No details yet
- **TOP Plus:**
  - **1.2.2-21** – „Urban rehabilitation for social purposes”: Founding ECs are supported, but marginal (no EC applicants)
  - Planning of the EC tender is in progress



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**Thank you  
for your attention!**



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