

December 2020

Draft decree on subsidization of electric vehicle charging stations and hydrogen refuelling infrastructure

On 18 December 2020, a draft decree of the Minister of Climate and Environment on detailed terms and conditions of granting State aid for the development of electric vehicle charging infrastructure and hydrogen refuelling infrastructure was published on the website of the Government Legislation Centre.

Until 31 December, up to PLN 800m will be allocated to support such projects. According to the draft decree, subsidization will be available to entities having their seat or branch in the territory of the Republic of Poland, as well as Polish municipalities, cooperatives and housing communities. The subsidies would be available for development of charging stations with up to 150kW capacity, or for increasing the capacity of the existing charging stations to up to 150kW, along with development of publicly available chargers and hydrogen refuelling stations.

Conditions for receiving support

The support will take form of subsidization. For publicly available charging stations, the percentage amount of the subsidy may not exceed 50 percent of eligible costs. Nevertheless, the percentage amount of the subsidy may be increased by 25 percent if the publicly available charging station is located in a commune, where, in the year preceding the year in which the application for aid was submitted, the number of inhabitants did not exceed 100k. This will not apply, however,

to charging stations located in the vicinity of expressways or highways. For charging infrastructure other than the publicly available one, the percentage amount of subsidy may not exceed 25 percent of eligible costs (however, with a possibility to increase the amount by 25 percent for charging stations with 22kW capacity and projects aimed at increasing the capacity to 22kW).

The eligible costs will cover fixed asset acquisition price or the cost of producing them (excluding construction and modernization of RES infrastructure within the meaning of the Act on Renewable Energy Sources), purchase price of intangible assets or the cost of producing them, assembly costs, construction work costs, costs of developing technical documentation, connection installation costs, investor's or designer's supervision costs, as well as costs of tests and acceptance, provided that they increase the fixed asset value. Period of eligibility will start to run with the date of submission of the application.

The project also sets the cap on support for the construction or expansion of infrastructure other than the generally accessible one. For capacity of up to 11 kW, it will amount to a maximum of PLN 7,500, for capacity of up to 22 kW - PLN 10,000, for capacity of up to 100 kW - PLN 27,500, and for capacity of up to 150 kW - PLN 47,500.

The aid provided under the National Fund for Environmental Protection and Water Management will be also used to support the construction

of hydrogen refuelling infrastructure. In this case, the percentage amount of support may not exceed 50 percent of eligible costs, with the maximum value of PLN 3m per one station.

Beneficiaries

According to the draft decree, the aid will be granted to undertakings which are not 'in difficulty', within the meaning of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

Moreover, it will not be possible to combine State aid granted under the decree with aid received from other sources, since the draft decree sets the maximum amount of aid that may be granted for the development of infrastructure for charging electric vehicles and infrastructure for refuelling hydrogen. Furthermore, the aid will not be granted or paid to undertakings subject to an outstanding recovery order following a previous Commission decision declaring an aid illegal and incompatible with the internal market.

The applications may be submitted continuously, until the allocated funds are exhausted.

Further developments

The support scheme will be subject to the principle of notification, pursuant to the Act of 30 April 2004 on procedures concerning State aid. This means that decree will be notified to the European Commission for approval.

According to the draft decree, the aid will be granted until 31 December 2023. The authors of the draft predict, however, that the expected development of the electric vehicle

charging, and hydrogen refuelling services will provide conditions for further extending the scope and conditions of granting aid after this date.

If you would like to learn more about the issues discussed, please do not hesitate to contact us at: mam pytanie@kpmg.pl

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