

Romania's plan to partially compensate energy-intensive companies approved by European Commission

According to the European Union's Emissions Trading Scheme (EU ETS), the European Commission (EC) has approved Romania's plans to partially compensate large energy-consuming companies for higher electricity prices resulting from the costs of CO₂ emissions. The aid will be directed to industrial companies that purchase electricity from coal-fired power plants and therefore must pay for the CO₂ certificates.

For example, Steel pipe producer TMK Artrom Slatina will receive compensations worth about 7.4 % of its electricity bill, while TMK Resita steel mill will have 6 % of its electricity bill covered. The electricity bill accounts for 40 % of the production costs incurred by aluminium producers and 18 % of the costs incurred by steel producers. Over one third of the electricity bill represents the indirect cost of CO₂ certificates passed to industrial end-users. The list of state aid recipients includes steel, aluminum or chemical manufacturers such as Liberty (Sidex) Galati, Tenaris Silcotub Zalau, TMK Artrom, Doosan IMGB, Ciech Soda, as well as clothing or paper and cardboard manufacturers such as Pehart Tec Dej, Ambro Suceava, Manifatture Italiane Craiova and Shireen Fashion Timisoara.

The aid will cover the 2019-2020 period, with a provisional budget of approximately 291 million euros. Compensation will be granted through partial reimbursement of the ETS indirect costs to eligible companies.

Source: serbia-energy.eu