



# Important Projects of Common European Interest (IPCEI)

European Competition Day  
Prague, 10 October 2022

*Karl SOUKUP*  
*Directorate General Competition*

*The views expressed in this document are those of the author and may not in any circumstances be regarded as stating an official position of DG Competition or of the European Commission.*

# IPCEI – some basics

- Legal basis of **Article 107(3)(b)** practically not used for a long time, but revived with 2014 Communication.
- Need for **integrated project**, i.e. sub-projects integrated under an overall structure, complementary and necessary for the achievement of an important European objective.
- **Open to all companies** (large and SME) along the value chain.
- Positive **spill-over effects** to be generated throughout the EU, beyond the participating Member States and companies/sectors.

# IPCEIs contributing to achieving Union's objectives

- IPCEIs can underpin all policies and actions that seek to achieve **common European objectives**, in particular the European Green Deal, the Digital Strategy, and the Digital Decade, the New Industrial Strategy for Europe, etc.
- Concrete and important **contribution to the Union's objectives** or strategies is one of the eligibility criteria of the IPCEI Communication.
- **Member States** are in the driving seat **to form an IPCEI**, they need to demonstrate its contribution to Union's objectives.

## 2018 Microelectronics IPCEI

- European Strategy for Key Enabling Technologies
- Strategy for Digitising European Industry
- Electronics Strategy for Europe
- ...

**Innovative microelectronics underpin competitiveness in all major economic sectors and contribute to energy efficiency**

## 2019 and 2021 Batteries IPCEIs

- Climate-neutrality targets
- Energy Strategy for Europe
- Strategic Action Plan on Batteries
- ...

**Sustainable and efficient batteries for mobility and grid-balancing are imperative in the context of green transition**

## 2022 Hydrogen IPCEIs „Hy2Tech” and „Hy2Use”

- Climate-neutrality targets
- Green Deal
- EU Hydrogen Strategy
- REPowerEU Plan
- ...

**Hydrogen as indispensable component for the diversification of energy sources and reducing dependency on fossil fuels**

# Review of the IPCEI Communication

- Case practice as well as the evaluation (2019) and public consultations (2021) showed that the Communication was overall **fit for purpose**, thus **only targeted amendments** were introduced.
- Focus areas of the review:
  1. **Openness and inclusiveness** of IPCEIs.
  2. Facilitated participation of Small and Medium Enterprises (**SMEs**).
  3. Update to **current EU priorities** and strategies (green and digital transitions).
  4. **Further guidance** on the IPCEI's eligibility and compatibility criteria (e.g. on the definition of first industrial deployment).
- The revised Communication applies since **1 January 2022**.

# Preparation of an IPCEI

- IPCEIs, as well as any other State aid instruments, are **designed** and financed **by the Member States**.
- DG COMP's role is limited to assessment of IPCEIs' compatibility with State aid rules and the functioning of the internal market, while policy-oriented DGs are better suited to support such initiatives.
- IPCEIs currently in preparation:
  - IPCEI **Microelectronics & Connectivity** (second IPCEI on Microelectronics).
  - IPCEI on **Next Generation Cloud Infrastructure and Services**.
  - Two further IPCEIs on **hydrogen** (infrastructure and mobility).
  - Some Member States announced preparation of a possible IPCEI in the field of **health-related** innovations.

# Thank you



© European Union 2020

Unless otherwise noted the reuse of this presentation is authorised under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/) license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

# Summary of the amendments (general criteria)

2014 IPCEI Communication	2022 IPCEI Communication
Clear <b>definition of the project</b>	No changes
Contribution to the EU's objectives	Update to current priorities <b>(green &amp; digital)</b>
Positive <b>spillover</b> effects	No changes
Normally more than 1 Member State	Normally <b>at least 4 Member States</b>
Requirement of co-financing by the beneficiary	Requirement of important co-financing <b>with proportionate assessment for SMEs</b>
Principle of phasing out of environmental harmful subsidies	<b>„Do no significant harm”</b> principle