The harmonisation of energy taxation in the EU\(^1\) is based on Article 113 of the Treaty on the Functioning of the European Union which aims to ensure the establishment and the functioning of the internal market and to avoid distortion of competition. The fulfilment of these objectives requires minimum levels of taxation.

Recognising that the dramatic events in Ukraine have direct and indirect consequences for the EU economy, the Commission adopted on 23 March 2022 a specific Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia\(^2\). In particular, Member States are now able to set up schemes to grant up to EUR 35 000 for companies affected by the crisis active in the agriculture, fisheries and aquaculture sectors, and up to EUR 400 000 per company affected by the crisis active in all other sectors. This aid does not need to be linked to an increase in energy prices, as the crisis and the restrictive measures against Russia affect the economy in multiple ways, including through increase in oil prices. This support can be granted in any form, including by means of direct grants.

The principles of subsidiarity and proportionality, the EU single market and the need to avoid higher prices for consumers in the medium and long run are key reference points for the Commission, which is currently not considering adopting a single European trading mechanism establishing uniform prices for the main raw materials in the EU.

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\(^2\) C(2022) 1890 final.