

DO YOU QUALIFY FOR ENERGY GRANTS? IT'S NOT TOO LATE TO FIND OUT!

To support companies affected by the rise in energy prices, the French government has set up various support schemes:

- A "Gas and Electricity Grant" to support the companies that consume the most,
- Funding for projects aimed at net carbon neutrality,
- The new "Resilience" State Guaranteed Loan,
- A support function in case of problems with your energy supplier.

This newsletter will set out the details of the Gas and Electricity Grant. The grant (decree no. 2022-967, 1 July 2022) aims to support companies whose energy expenses constitute a large part of their costs. It has been available since July and is planned to last until the end of December 2022.

Companies eligible for this support must meet the following criteria:

- To have been incorporated before 1 December 2021, not be in the process of being safeguarded / suspending payment of creditors "procédure de sauvegarde", receivership or to have appointed insolvency practitioners,
- Must not have any unpaid corporation tax or social security at 31 December 2021,
- Be a high energy consuming company, which means gas and/or electricity purchases amount to at least 3% of turnover in 2021,
- Have experienced a doubling of the price of gas and/or electricity over the eligible period compared to the average price paid over the qualifying period in the year 2021.

Please note that companies involved in electricity or gas supply, credit, or financial institutions are not eligible for this aid.

The grant available depends on the company's situation:

- A grant equal to 30% of eligible costs, up to a maximum of €2 million, for companies suffering a fall in earnings before interest, taxes, depreciation and amortization (EBITDA) calculated on a monthly basis compared to 2021 or having a negative EBITDA,
- A grant equal to 50 % of eligible costs, with a ceiling of €25 million, for companies with a negative EBITDA and where the losses are at most twice the eligible costs. This aid is limited to 80% of the losses,
- Grant equal to 70% of the eligible costs, with a ceiling of €50 million, for companies which meet the same criteria as above and which operate in one of the sectors most exposed to international competition and listed in Annex 1 of the Decree (Official Journal of the European Union 2022/C 131/01). The aid is limited to 80% of the losses.

For group companies, the ceilings will be assessed at group level. For eligible companies which have statutory audits, the scheme allows auditors to certify the information contained in the company's submission, such as the related turnover, results related to gas and electricity and the total eligible costs. An auditor's report along with the company's submission may be replaced by a statement from the company's chartered accountant "Expert-Comptable".

Applications must be made through the secure system of the [impots.gouv](https://impots.gouv.fr) website using the relevant forms.

Applications must be made by:

- **Between 4 July 2022 and 31 December 2022** for claims relating to the months of March, April and May 2022,
- **Between 3 October 2022 and 31 December 2022**, for claims for claims relating to the months of June, July and August 2022,
- **Between 15 November and 31 January 2023**, for claims for relating to the months of September and October 2022,
- **Between 16 January and 24 February 2023**, for claims for relating to the months of November and December 2022.

From an accounting perspective, the energy support should be considered as an operating grant and should be recorded in a 74 account.

Do not hesitate to contact us if you have any questions! Our teams remain at your disposal to help you check your eligibility and your calculations!



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