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Factsheet: SDE++

Subsidy for energy production and reduction of CO₂ emissions

Features of the SDE++

- ▶ The SDE++ succeeds the SDE+ program, with a broad scope aimed at cost-effective CO₂ reduction, including stimulation for the production of renewable energy.
- ▶ It provides operational subsidies to deploy techniques for renewable energy and other CO₂ reducing techniques.
- ▶ The 'unprofitable component' is subsidized for technique.
- ▶ Allocation follows a phased competition based on the requested subsidy intensity.
- ▶ The program contains a diverse range of categories, each with its specific conditions, contributions, and attachments.

What is SDE++

The Dutch Stimulating Sustainable Energy Production and Climate Transition (SDE++) subsidy aims to reduce CO₂ emissions by supporting a wide range of technologies. The subsidy encourages the production of sustainable energy and the application of CO₂ reducing techniques, helping to decrease reliance on fossil fuels. The scope includes solar, wind, biomass, geothermal energy, and water, as well as CO₂ capture and storage (CCS), hydrogen production via electrolysis, advanced renewable fuels, industrial electrification (such as heat pumps and electric boilers), and the use of industrial waste heat.

Funding details

- ✓ For: registered organizations, collaborative projects
- ✓ Opening: October 7th, 2025 (9:00 hours)
- ✓ Deadline: November 6th, 2025 (17:00 hours)
- ✓ Total budget: €8 billion
- ✓ Funding: 'unprofitable component'
- ✓ Type: Cash grant

Key Elements of the Program:

- ▶ The SDE++ offers operation subsidies for either 12 or 15 years, contributing per reduced ton of CO₂ emissions.
- ▶ Large-scale production of renewable energy is still available within the SDE++.
- ▶ The SDE++ aims to realize CO₂ reduction in a cost-effective manner, with a subsidy per reduced ton of CO₂.

Applicants and Benefits

Companies or institutions planning new production installations, resulting in lower CO₂ emissions, can apply for SDE++. If there is a partnership, then the partnership forms the producer and the applicant for the SDE++ subsidy.

Explanation of expected benefit

The SDE++ funding is calculated by the difference between the cost of the technology (the “base amount”) and the average market fee for the energy generated or CO₂ emissions reduced by the technology (the “correction amount”).

Eligibility and Categories

The total fund available for 2025 is €8 billion, with applications accepted from October 7th (9:00 hours) to November 6th (17:00 hours). The program is divided into five categories:

- ▶ Renewable electricity;
- ▶ Renewable heat;
- ▶ Renewable gas;
- ▶ Low carbon heat;
- ▶ Low carbon production.

Important Conditions and Changes

- ▶ In view of grid congestion, a new category of ‘vertical solar panels’ is announced. For solar-PV on land, the nature-inclusive variant will exclusively be eligible for a grant starting this year.
- ▶ Direct Air Capture (DAC) captures CO₂ from the atmosphere and is a new category, as well as industrial heat pumps.
- ▶ Electric boilers are now eligible for funding, with separate subcategories for different applications.
- ▶ Planning to install on a property you don't own? Obtain prior permission from the landowner.
- ▶ Solar and wind projects will receive a lower grant amount if electricity sales generate significant profits.
- ▶ It is often mandatory to include a feasibility study of the project with the application.
- ▶ Projects may require one or more permit, and these should be issued before the application is submitted.
- ▶ One or more permits are often required for the realization of a new production installation. These permits must be issued at the time an application is submitted.

Also check out the Energy Investment Allowance (EIA)

For projects aimed at process efficiency or other innovative techniques to reduce CO₂ emissions, the Energy Investment Allowance (EIA) might offer a fiscal investment advantage.

EY Grants & Incentives

The EY Grants & Incentives team offers support with applications for the SDE++ program. We also supervise contacts with RVO during the assessment of SDE++ applications. Of course, we are also available for all other (subsidy) questions.

Do you have any questions about the options and/or applying for SDE++? Please feel free to contact your local EY advisor or one of the specialists below from the EY Grants & Incentives team.

More information

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