

**Regulation of the Minister of Agriculture, Fisheries, Food Security and Nature (LNV) of PM No WJZ/103975578 amending the Regulation on National Economic Affairs (EZ), Agriculture, Fisheries, Food Security and Nature (LNV) and Climate Policy and Green Growth (KGG) Subsidies with the introduction of the subsidy module 'Zero-emission agricultural equipment'**

(KetenID WGK28343)

The Minister of Agriculture, Fisheries, Food Security and Nature,

Having regard to Articles 2, 4, 5(1) and (2), 16, 17(1)(a) and (4), 19, 23(b), 25, 27 and 44(2) of the Framework Decision on national EZK and LNV subsidies;

Hereby decrees:

**ARTICLE I**

The Regulation on National EZ, LNV and KGG Subsidies (Regeling nationale EZ-, LNV- en KGG-subsidies) is amended as follows:

Title 2.4 is amended to read as follows:

**Title 2.4. Zero-emission agricultural equipment**

**Article 2.4.1 Definitions**

In this title, the following definitions apply:

*purchase*: transfer of ownership as per Article 3:84(1) of the Dutch Civil Code [BW] by purchase or 'financial leasing' as referred to in Section 3.2 of the Turnover Tax Decree for leasing [Besluit Omzetbelasting, leasing];

*agricultural contracting company*: an enterprise engaged in activities in primary agricultural production on behalf of an agricultural holding;

*DC charging station*: a charging station as per Article 2(52), of Regulation (EU) 2023/1804 of the European Parliament and of the Council of 13 September 2023 on the deployment of infrastructure for alternative fuels and repealing Directive 2014/94/EU, with a built-in converter;

*vehicle register*: the register referred to in Article 42 of the Road Traffic Act 1994 (Wegenverkeerswet);

*agricultural machine*: fully battery-powered electric or mains-powered machine, other than an agricultural tractor, designed to perform tasks in primary agricultural production;

*agricultural tractor*: fully battery-electric powered agricultural vehicle as referred to in Article 4(1) to (8) of Regulation (EU) 167/2013.

**Article 2.4.2 Granting of subsidies**

On request, the minister shall grant a subsidy to an agricultural undertaking or agricultural contracting company for the purchase of one or more new:

- a. agricultural machines with a continuous electric motor power of at least one and a half kW;
- b. agricultural tractors with a continuous electric motor power of 29 to 74 kW, e.g. 40 to 100 PK, with or without a DC charging station; or
- c. agricultural tractors with a continuous electric motor power of more than 74 kW, e.g. 100 PK, with or without a DC charging station;

if this investment is aimed at reducing or preventing greenhouse gas emissions.

**Article 2.4.3 Maximum number of applications**

Per day, an agricultural holding or agricultural contracting company may submit at most:

- a. one application for a maximum of two agricultural machines as referred to in Article 2.4.2(a); and
- b. one application for no more than:
  - 1) two agricultural tractors as referred to in Article 2.4.2(b) or (c); or
  - 2) one agricultural tractor as referred to in Article 2.4.2(b) or (c) and one DC charging station.

#### **Article 2.4.4. Subsidy amount**

1. The amount of the subsidy is:

- a. for the purchase of an agricultural machine: 25% of the eligible costs;
- b. for the purchase of an agricultural tractor with a continuous electric motor power of 29 to 74 kW, e.g. 40 to 100 PK: 35% of the eligible costs;
- c. for the purchase of an agricultural tractor with a continuous electric motor power of more than 74 kW, e.g. 100 PK: 55% of the eligible costs;
- d. for the purchase of a DC charging station:
  - i. 1°. EUR 9 760 - for a DC charging station with a power of 50 to 100 kW;
  - ii. 2°. EUR 17 700 - for a DC charging station with a power of 100 to 150 kW;
  - iii. 3°. EUR 24 400 for a DC charging station with a power starting from 150 kW.

2. The subsidy amounts to a minimum of EUR 3 000 per application and a maximum of EUR 600 000 per agricultural holding or agricultural contracting company per calendar year.

#### **Article 2.4.5 Eligible costs**

The eligible costs for subsidy are as follows:

- a. for the purchase of an agricultural machine or agricultural tractor: the purchase costs, including ex factory options;
- b. for the purchase of a DC charging station: the costs for the purchase, construction and installation of a DC charging station.

#### **Article 2.4.6 Distribution of subsidy ceiling**

1. The minister shall distribute the subsidy funds up to the subsidy limit in the order the subsidy applications are received.
2. If, after the closing date, it appears that the total amount of subsidies to be granted for one of the investments referred to in Article 2.4.2 is lower than the subsidy ceiling set for that purpose, the remaining amount will, if necessary, be added to the subsidy ceiling for other investments referred to in Article 2.4.2.

#### **Article 2.4.7 Implementation period**

1. The period referred to in Article 23(b) of the Decree shall be one year from the date of the decision granting the subsidy.
2. The minister may, at the request of the subsidy recipient, extend the period referred to in paragraph 1 to one and a half years from the date of the subsidy decision.

#### **Article 2.4.8 Grounds for rejection**

The minister shall reject an application for a subsidy if the applicant qualifies as a large enterprise.

#### **Article 2.4.9 Subsidy obligations**

- a. The subsidy recipient is obliged to:
  - b. register a purchased agricultural tractor in the recipient's name in the vehicle register;
  - c. ensure that a purchased agricultural tractor is registered in the recipient's name in the vehicle register for a period of three years after the subsidy has been determined; and
  - d. use a purchased agricultural tractor for agricultural purposes for at least 70% of the time during a period of three years after the subsidy has been determined.
2. The obligation referred to in paragraph 1(b) shall not apply if the subsidy recipient replaces the purchased agricultural tractor with another agricultural tractor that would also have been eligible for subsidy under this title and this replacement agricultural tractor has been registered in the recipient's name for the remaining time of the period referred to in paragraph 1(b). In this case, the determination of the decision shall be amended accordingly at the request of the subsidy recipient, after issue of the registration number, the agreement and the invoice for this other agricultural tractor.
3. The exception in paragraph 2 does not apply if the subsidy recipient applies for a subsidy for the replacement agricultural tractor.

#### **Article 2.4.10 Recovery**

1. If Article 2.4.9(1) and (2) are not complied with, the minister may, without prejudice to Articles 4:46, 4:49 and 4:57 of the General Administrative Law Act, amend the determination of the subsidy and recover the unduly paid part of the subsidy.
2. If the obligation referred to in Article 2.4.9(1)(b) is not met, the amount to be recovered will be determined by reducing the subsidy by 1/36th of the subsidy amount provided, multiplied by the number of full months in which the obligation has not been met.

#### **Article 2.4.11 Information obligations**

1. An application for a subsidy pursuant to Article 2.4.2 shall contain at least the information referred to in Article 6(2) of the Block Exemption Regulation for agriculture.
2. Without prejudice to paragraph 1, a subsidy application shall include at least the following:
  - a. details about the applicant, including the name, the applicable SBI code or SBI codes, account number, telephone number, email address, and visiting and postal address;
  - b. an SME declaration;
  - c. a quotation and technical specification showing the make, model, purchase price, including any ex works options, battery capacity and continuous electric motor power in kW of the agricultural machine or agricultural tractor to be purchased;
  - d. a quote and technical specification showing the make, type, purchase and installation costs and power in kW of the DC charging station to be purchased; and
  - e. a declaration that the applicant will use the agricultural tractor for at least 70% of its capacity in agriculture for a period of three years, starting from the date on which the subsidy is determined;
  - f. a statement confirming that the company is not in difficulty.
3. A quotation as referred to in paragraph 2(c) shall have been drawn up no more than 90 days prior to the date of the subsidy application.

#### **Article 2.4.12 Application for subsidy calculation**

Without prejudice to Article 50(2) of the Decree, the application for subsidy determination shall include a copy of the invoice and proof of payment for the purchased agricultural machine, agricultural tractor or DC charging station, the serial number of the purchased agricultural machine

and the registration number of the purchased agricultural tractor.

#### **Article 2.4.13 State aid**

The subsidy referred to in Article 2.4.2 may contain state aid and is justified by Article 14 of the Block Exemption Regulation for agriculture.

#### **Article 2.4.14 Expiry period**

This title shall expire as per 1 July 2031, provided that it shall continue to apply to subsidies that have been granted prior to this date.

### **ARTICLE II**

In the Regulation opening EZ, LVVN and KGG subsidies 2026, a row is inserted in the table in Article 1 above the row with Title 2.5, reading:

Title 2.4 Subsidy Scheme for Clean and Zero-Emission Agricultural Equipment	Article 2.4.2(a)	Agricultural machines		2-6-2026 t/m 2-10-2026	€ 2.800.000, -
	Article 2.4.2(b ) and (c)	Agricultural tractors, with or without DC charging stations		2-6-2026 t/m 2-10-2026	€ 5.800.000, -

### **ARTICLE III**

This order enters into force on 1 April 2026.

*The Minister of Agriculture, Fisheries, Food Security and Nature*

*F.M. Wiersma*

# EXPLANATORY STATEMENT

## I. General

The Subsidy Scheme for Clean and Zero-Emission Agricultural Equipment (Subsidieregeling Emissieloos Landbouwmaterieel) (hereinafter: SEL or scheme) was drawn up in response to the Climate Act, which includes the ambition to be climate neutral by 2050. Pursuant to Article 2a of the Framework Act on subsidies granted by the Ministry of Economic Affairs, LVVN and KGG (Kaderwet EZ-, LVVN- en KGG), the minister may grant subsidies for activities that fit within the agricultural policy pursued. This scheme, which is based on the Framework Act on EZ, LVVN and KGG subsidies and the underlying Framework Decision on national EZK and LNV subsidies, introduces a new subsidy module into the Scheme on national EZ, LVVN and KGG subsidies (RNES).

The use of fossil fuel-powered agricultural machines and tractors accounts for a portion of CO<sub>2</sub> emissions in the agricultural sector. This scheme will help the sector achieve its CO<sub>2</sub> reduction potential by deploying cleaner and zero-emission equipment. Under the SEL, subsidies may be granted for the purchase of zero-emission machines and tractors used in the agricultural sector in the Netherlands. Charging infrastructure in the form of DC charging stations is important for the deployment of zero-emission agricultural tractors, and it is therefore also eligible under this scheme.

### *Background*

CO<sub>2</sub> emissions have a range of adverse effects, including climate change, soil degradation, biodiversity loss, and water pollution. In order to mitigate climate change, the Netherlands must reduce its carbon dioxide emissions by at least 55% by 2030 compared to its 1990 levels. The Netherlands aims to be climate neutral by 2050.

Virtually all agricultural tractors and agricultural machines are still powered by diesel and therefore emit CO<sub>2</sub>. The estimated emissions from agricultural tractors are 1.1-1.5 megatonnes of CO<sub>2</sub><sup>1</sup>. A fossil fuel combustion engine also emits other harmful substances.

Existing policies to reduce emissions from agricultural tractors mainly focus on fiscal regulations and other tractor uses. However, this is not enough to sufficiently reduce CO<sub>2</sub> emissions. In addition, a variety of (European) regulations such as ETS2 and the RED-III blending obligation, may lead to an increase in the price of fossil fuels over the coming years. The government has therefore decided to stimulate the sustainability of agricultural machines and tractors by making a subsidy of EUR 8.6 million available in 2026 from the Climate Fund of the Minister of Climate and Green Growth (KGG). Based on the results of the first opening, it will be assessed whether the remaining budget (EUR 67 million, including implementation costs of RVO) will be made available for this scheme for the period of 2027-2030. It will also be considered whether adjustments to the scheme are necessary, for example adding an additional subsidy category, adjusting the list of machines, adding other technologies or adjusting the amount of the subsidy.

This scheme brings the goal of climate neutrality in the Netherlands by 2050 closer to reality and mitigates the effects of climate change, which also affect the agricultural sector.

### *Purpose*

The objective of the scheme is to reduce CO<sub>2</sub> emissions from agricultural equipment (agricultural machines and tractors). The scheme is also intended to help to further expand the market for zero-emission agricultural machines and tractors in the agricultural sectors. In addition, the scheme helps to break the traditional fuel chain in agriculture. Based on positive examples, it increases awareness and the willingness to use electrically powered agricultural machines and tractors. This scheme also contributes to increasing the energy independence of the Netherlands. This is achieved by encouraging the purchase of zero-emission, electrically powered agricultural machines or tractors (with a charging infrastructure component) used in agriculture.

### *Expected impact of the scheme*

Almost all agricultural equipment is currently still powered by diesel, and is therefore emitting CO<sub>2</sub>. The estimated emissions from agricultural tractors are 1.1 - 1.5 megatonnes of CO<sub>2</sub>. A fossil fuel combustion engine also emits other harmful substances. Since the scheme concerns subsidies for relatively new applications in the agricultural sector, it is difficult to estimate in advance how many zero-emission agricultural machines and tractors will be purchased and which types. The impact of the scheme in terms of CO<sub>2</sub> emission reduction will be determined during the ongoing evaluation of

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<sup>1</sup> Climate and Energy Outlook (KEV) of PBL 2022.

the scheme, based on the knowledge gained and the key figures. These annual reductions will continue after the end of the scheme for as long as the machines and tractors remain in service. To ensure the impact of the SEL in the agricultural sector, at least 70% of the tractor's use must be in the agricultural sector each year. This is declared by the subsidy applicant in the application form.

## 2. Outline of the Regulation

### *Target group*

The subsidy is intended exclusively for agricultural businesses and agricultural contracting companies established in the Netherlands that are registered with the Chamber of Commerce. The SEL is implemented under the exemption in Article 14 of the Block Exemption Regulation for agriculture, which applies only to SMEs. Both undertakings run by natural persons (sole proprietorship, partnership, general partnership [VOF] or limited partnership [CV]) and undertakings run by legal entities (private limited company [BV]; public limited company [NV]; cooperative, mutual society) may be eligible for the subsidy.

### *Dutch agricultural sector*

To ensure that the subsidy funds made available are used in the agricultural sector by agricultural holdings as referred to in Article 1.1 of the RNES and by agricultural contractors, a link is made with the Standard Industrial Classification (SBI) codes that are known in the Trade Register. The SBI codes are used to determine whether agricultural activities are being carried out. SBI codes starting with 011, 012, 013, 014, 015 or 016 refer to agricultural activities. SBI code 1051 is also an agricultural activity if at least 50% of the processed milk is produced on the dairy farm itself. The agricultural sector includes companies that focus on agricultural practices, such as arable farming, livestock farming and fruit cultivation. An SME statement must be provided along with the application.

It is expected that this scheme will be used by entrepreneurs facing an investment decision: purchasing a new tractor or an agricultural machine. They may want to replace their current equipment or, for example, carry out a new agricultural activity. They can either purchase a diesel variant or opt for a zero-emission drive train. This scheme makes it more attractive to opt for zero-emission agricultural equipment. Without this regulation, almost all of the newly purchased agricultural equipment would be powered by fossil fuels.

The latest developments in net metering mean that it is becoming less and less attractive for farmers to feed their own generated electricity back into the grid. This development means that it will be more attractive to switch to electric agricultural machines and tractors over the coming years. As a result, agricultural operators who generate their own energy are an intended target group for participation in the SEL.

### *Agricultural contracting companies*

This scheme is also open to agricultural contracting companies who meet the definition in Article 2.4.1 of this scheme. It must be a company that carries out work in primary agricultural production on behalf of an agricultural holding. For agricultural contracting companies, SBI codes starting with 016 apply. 78202 'Activities of lending agencies' is also an SBI code common among agricultural contracting companies. Agricultural contracting companies often have several pieces of specialised agricultural equipment at their disposal. They often carry out work that is not done by farmers themselves on a daily basis, or that is better outsourced due to its large scale and complexity. The equipment used by agricultural contractors is deployed for relatively long hours and therefore has a potentially significant impact on the objective of the scheme, which is to reduce greenhouse gas emissions. That is why it was decided to also include agricultural contracting companies as a target group in the SEL.

### *Eligible activities and eligible costs*

The SEL includes a purchase track for new zero-emission fully battery electric powered (or corded to mains power) agricultural machines (category A in the scheme) and a purchase track for new zero-emission battery electric powered agricultural tractors (including the conversion of new agricultural tractors to a zero-emission electric powered variant before delivery to the user) (category B and C of the scheme). For categories B and C, a subsidy may be requested for a DC charging station as per Article 2.4.2 of the scheme.

The purchase costs are the initial costs of acquiring the tractor or agricultural machines. This includes delivery costs as well as any registration fees, which are paid directly upon purchase. Ex-works options are defined as the functions or equipment details that are incorporated into a new tractor during production. These are considered standard parts. Additional options are therefore not included in the purchase price.

Interchangeable tools, in the form of mechanical attachments that can be connected to a tractor such as a bucket, mower, seed drill or brush, which are carried or towed, are not eligible for a subsidy under this scheme unless they are autonomous self-propelled machines. Provided they meet the requirements of the scheme, these may be classified under category A, agricultural machines.

In accordance with Article 6 of the Framework Decision, the possibility of a cumulation of subsidies is limited. The amount of the subsidy to be granted, plus any other subsidies, may not exceed the maximum subsidy amount under the subsidy scheme. This means that the subsidies already granted by a(nother) administrative body for the same investment must be deducted from the subsidy that can be granted under the SEL, even if there is still room for support under the applicable European state aid framework. This ensures that there is no double subsidisation of the same costs and that no subsidisation above the maximum allowed under the SEL or state aid rules occurs.

#### *Agricultural machines (category A)*

Category A covers the purchase costs for new fully battery-powered or mains-powered agricultural machines with a power output greater than or equal to one and a half (1.5) kW.

As the SEL's objective is to have the greatest possible impact on the climate, it has been decided to subsidise only machines with continuous electrical power<sup>2</sup> greater than or equal to 1.5 kW. This means that small electrical appliances (such as tools) are not eligible for a subsidy under the SEL. The documents submitted with the application must demonstrate the continuous electrical power of the agricultural machine.

The focus on achieving the greatest possible climate impact also means that machines used to replace labour are excluded from this scheme as much as possible, with the emphasis instead on machines used in land-based agriculture. For the same reason, electric forklift trucks, shovels and telehandlers, for example, do not fall within the scope of this scheme. For evaluation purposes, the application form will ask for an estimate of the number of litres of diesel saved on an annual basis.

The applicant must indicate in the application form the category to which the machine belongs, by making a choice from the list of machines as shown below. These machines have been selected in advance because it is expected that they will meet the requirements of the scheme. However, this list is for information purposes only. It is important that the machines comply with the requirements of the scheme. *If a machine complies with the conditions of the SEL but does not fit into one of the defined categories on the machine list, the applicant may submit the machine under 'Other agricultural machines complying with the conditions and requirements of the scheme for reducing diesel consumption in basic agricultural activities, i.e.'* with a justification of how the machine fits into the SEL. This will then be assessed by the RVO.

Machine list for land-based crops:

- Self-propelled feed delivery system/autonomous (roughage) feed system;
- Mobile devices or self-propelled autonomous devices for open fruit cultivation, soft fruit cultivation and tree cultivation;
- Mobile devices or self-propelled autonomous devices in open vegetable cultivation;
- Mobile devices or self-propelled autonomous devices for sowing, planting, transplanting, crop care, weed control, fertilisation and harvesting in open cultivation;
- Self-driving autonomous device for carrying agricultural machines;
- Irrigation system (reel or precision irrigation);
- System for spreading litter in cow boxes;
- Manure mixer in the silo or manure pump for fertilising fields;
- Other agricultural machines that comply with the conditions of the scheme, whereby diesel consumption is reduced in activities in land-based agriculture, i.e. ...

#### *Agricultural tractors (category B and C)*

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<sup>2</sup> The continuous power of a tractor is the amount of energy that the tractor can deliver continuously and reliably without overheating or damage, measured in kW. It is therefore not the peak power.

These categories include the purchase costs for new fully battery-powered agricultural tractors with a continuous electric motor power of 29 to 74 kW, or 40 to 100 PK (category B), and agricultural tractors with a continuous electric motor power of more than 74 kW, or 100 PK (category C), including factory options. The continuous electrical power must be stated in the quotation or technical specifications submitted with the application.

When purchasing an electric tractor, it is possible to apply for a subsidy for a DC charging station that matches the power of the tractor. The costs for the purchase, construction and installation of the DC charging station are eligible for subsidy. A subsidy for a DC charging station is only possible in combination with a tractor in category B or C and must be submitted at the same time as the application for the tractor. A maximum of 1 DC charging station (with multiple charging points, if applicable) may be requested per tractor. It is not possible to apply for a DC charging station in combination with a category A agricultural machine.

In order to determine whether a machine or tractor is new, in the case of a machine or tractor with a registration plate, the name registration is taken into account. It is deemed new if the details in the vehicle register, the initial authorisation date, the initial registration date in the Netherlands and the name registration date are correct. The initial authorisation date is the date that indicates when the object was first registered (anywhere in the world). The date of registration is the date on which the owner or holder of the object was entered in the vehicle register. The initial registration date in the Netherlands is the date when the object was first registered in the Netherlands. This information is available in the vehicle register. For a new object, all of these dates are the same. If an inspection reveals that these dates do not match, RVO will investigate this with the subsidy applicant. Agricultural machines often do not have a registration number. In order to determine whether the machine is new, the serial number/type plate and the date of commissioning after production are examined. The Purchase agreement may clarify this further.

In addition to purchasing, financial leasing is also eligible for subsidy. For financial leasing, economic ownership is transferred from the leasing company to the lessee (the leasing company). For financial leasing, only the lessee is eligible for a subsidy. Operational lease is excluded from the subsidy because the leasing company, and not the agricultural operator, becomes the economic owner of the machine or tractor. Financial leasing does constitute an investment in an agricultural holding, as required under Article 14 of the Block Exemption Regulation for agriculture.

Market consultations have shown, inter alia, that agricultural tractors powered by hydrogen or biogas are not sufficiently available on the market. These types are therefore excluded from the scheme in this opening. If, after the initial opening, it appears that this market has developed accordingly, this may be adjusted at a subsequent opening. In order to maximise the climate impact, hybrid machines and tractors (both hybrid electric and plug-in hybrid electric tractors) and second-hand agricultural machines or tractors are excluded from participation in the scheme.

### *Subsidy amounts*

The starting point for determining the subsidy percentages is that the maximum aid cap (aid intensity), as specified in Article 14 of the Block Exemption Regulation for agriculture, is not exceeded. The maximum amount of support is determined in any case by the condition that it concerns support for an investment related to the primary production of agricultural products and that it contributes to making agriculture more sustainable.

For the purchase of agricultural machines, category A, a subsidy percentage of 25% of the eligible costs applies. This subsidy percentage is lower than for the purchase of a tractor in category B or C. The reasoning behind this is that the market for electric agricultural machines is more developed and that electric agricultural machines are already being used more frequently, even without subsidies. In addition, the use of electric agricultural machines is often known to save on labour hours. One example is the use of an electric feed mixing system. This saves both diesel and labour hours, meaning that the investment costs can be recouped relatively quickly compared to a tractor.

Within the B and C category, tractors, two different subsidy rates are used. The investment and return on investment of different tractors were examined. There are greater differences between the purchase prices of tractors as their power increases. The gap in purchase costs between diesel tractors and electric tractors is (much) greater in category C than in category B. In order to also stimulate the purchase of tractors in category C, a higher subsidy percentage has therefore been chosen for category C (55%) than for category B (35%).

For DC charging stations, fixed subsidy amounts per power category (Article 2.4.3) are used, regardless of the costs incurred. The subsidy amounts are based on experience gained from other

schemes, such as the Subsidy Scheme for Clean and Zero-Emission Construction Equipment (SSEB) and the Subsidy Scheme for Private Charging Infrastructure at Companies (SPRILA). Given the average level of eligible costs, the maximum subsidy amount is 40%. Therefore, the risk of over-subsidisation is negligible.

All subsidy applications are subject to a minimum subsidy amount of EUR 3 000 per subsidy application and a maximum of EUR 600 000 per company or group of companies per calendar year. This is due to the desire to make the greatest possible climate impact within the framework of the SEL. By including a minimum subsidy amount, smaller equipment (such as tools) with little climate gain are excluded from the SEL.

### *Implementation period*

The implementation period means that the eligible activities must, in principle, be completed within one year of the date of the decision to grant the subsidy. This period is based on manufacturers' estimates and current delivery times for agricultural machines and tractors. In the event that delivery times are longer, for example due to a peak in applications as a result of this scheme, this period may be extended by six months. For this, the recipient must submit a reasoned request to the RVO, explaining why the one-year period is not feasible.

### *Maintenance period*

There is a desire to retain the zero-emission agricultural machines and tractors supported by this scheme in the Netherlands. This will also achieve long-term climate benefits in the Netherlands and reduce diesel consumption in the Dutch agricultural sector.

For this reason, the scheme stipulates that newly purchased agricultural tractors that are registered must remain the property of the subsidy recipient for three years after the subsidy has been determined. In addition, agricultural tractors must be used in Dutch agriculture for at least 70% of the time for a period of at least three years after the subsidy has been determined. This requirement is partly due to the desire to achieve emission reductions specifically in agriculture and partly due to the requirements of Article 14 of the Block Exemption Regulation for agriculture, under which only investments in agriculture may be subsidised.

The registration of the zero-emission agricultural tractors of subsidy recipients will be checked by the RVO when the application for subsidy determination is submitted to the Road Transport Agency (hereinafter: RDW). After registration, the RDW will also periodically check, during the term of the subsidy, whether this requirement continues to be met. This check is permissible because there are opportunities for companies to resell and use the tractors outside the agricultural sector (particularly in the construction sector). If the registration changes within three years, the RVO will be notified and will investigate the situation further. If it appears that the three-year retention period has not been complied with, the subsidy will be reclaimed on a pro rata basis.

The subsidy recipient may replace the new zero-emission tractor within this period with another new zero-emission tractor that would also have been eligible for subsidy under this scheme. This other tractor must then be registered in the recipient's name for the remainder of the period.

Resale of agricultural machines (category A) outside the agricultural sector is rare because the machinery is designed to perform specific tasks in agriculture. Therefore, the agricultural machines are not subject to a retention period.

### *Failure to comply with subsidy obligations*

If it appears that the applicant does not meet the subsidy requirements from Article 2.4.9, the subsidy may be reduced or recovered. Pursuant to Article 4.46 and 4.49 of the General Administrative Law Act, the minister may revoke or change the subsidy determination to the detriment of the recipient. Pursuant to Article 4:57(1) of the aforementioned Act, the Minister may recover subsidy amounts that should not have been paid out.

If the obligation to use the agricultural tractor for 70% of its capacity in agriculture for three years is not met, repayment will be required. Among other aspects, the extent to which the subsidy recipient has failed to meet the obligation will be taken into account. For example, a subsidy recipient who has used an agricultural tractor for only 10% of its capacity in agriculture will have to repay more subsidy than a recipient who has used the tractor for 60% of its capacity in agriculture.

If the subsidy recipient fails to comply with the obligation to register ownership of the tractor for a period of three years after the subsidy has been determined, a recovery will apply in proportion to the period of ownership. The recovery amount shall be calculated by subtracting 1/36th of the

subsidy amount granted, multiplied by the number of complete months of non-compliance. RVO may request proof of this from the company's basic administration for this purpose.

Incidentally, Article 4:49 of the General Administrative Law Act does not require the minister to reduce the subsidy if the applicant does not meet the subsidy obligations. In situations of force majeure, it may also be decided not to reduce the subsidy. One example of this would be total loss declared after an accident or theft.

### *Information obligations*

The Subsidy Award Instructions [Aanwijzingen voor subsidieverstrekingen] contain the rules for granting subsidies under ministerial responsibility, which are taken into account when drafting subsidy schemes. These Instructions draw a distinction based on the subsidy amount.

The applicant must submit information about themselves, including their name, telephone number, email address, visiting and postal address, an SME declaration, the applicable SBI code or SBI codes, and their account number. An unsigned quotation must also be submitted. This may not be dated earlier than 90 days prior to the date of the subsidy application. This is to ensure that the quotation and the costs indicated therein are sufficiently recent. The quotation or technical specification must state the brand, type, purchase price, including any ex works options, and the continuous electric motor power of the agricultural machine or agricultural tractor to be purchased.

In the case of tractors, a statement must be provided confirming that the applicant will use the agricultural tractor for at least 70% of its capacity in agriculture for a period of three years, starting from the date of the subsidy determination decision.

If a subsidy is requested for a DC charging station, an additional quotation must be provided showing the brand, type and specifications of the DC charging station, the purchase and installation costs and the power in kW.

It is expected that most of the above information can be obtained from the applicant's basic records or can be found in the quotation.

Applications < EUR 25 000 are automatically approved, with the full subsidy amount being paid out upon approval. These applications may be checked later by means of a random sampling based on the invoice and proof of payment.

For subsidy amounts exceeding EUR 25 000, the application for subsidy determination can be submitted as soon as the purchased agricultural machine or tractor has been delivered and (where applicable) registered in the vehicle registration register (RDW). The subsidy determination application must be accompanied by the registration number (if applicable), the serial number of the purchased agricultural machine, a copy of the invoice and proof of payment for the purchased objects. This can be done using an assessment form in which the above documents are submitted and a number of specific questions are asked for the purpose of monitoring and evaluating the scheme.

## 3. Subsidy ceiling

In accordance with the conditions of the KGG Climate Fund, the SEL will be opened for EUR 8.6 million in 2026. As this is the first time a new scheme has been opened, it is not yet entirely clear how much interest there will be in the various categories. That is why a budget flexibility clause has been built into the scheme. EUR 2.8 million is available for category A and EUR 5.8 million in total for categories B and C. If, after closure of the scheme, it appears that the total amount of subsidies to be granted for one of the categories is lower than the established subsidy ceiling, the remaining amount shall be added to the subsidy ceiling for the other category if necessary.

In order to prevent the available budget from being quickly exhausted by one or a few parties and to give as many operators as possible the opportunity to receive a subsidy, a number of restrictive conditions have been added. This is because an enterprise or group of enterprises may receive up to EUR 600 000 in subsidies per calendar year.

In addition, a maximum of one subsidy application per subsidy ceiling may be submitted per day, per company or group of companies. There is a subsidy ceiling for category A (agricultural machines) and a subsidy ceiling for category B and C (tractors and DC charging stations). Only objects from the same category may be included in a single subsidy application. A single subsidy application may therefore contain a maximum of two objects from category A (agricultural machines) or a maximum of two objects from category B/C (two tractors or a tractor + DC charging

station). A tractor and an accompanying DC charging station are considered two objects under category B or C. It is not possible to submit an application with one object from category A and one object from category B or C; two separate applications must be submitted for this.

For example, on the first day, a subsidy applicant submits a subsidy application for one tractor from category B and one tractor from category C. In addition, on the same day, the applicant submits a second application containing two objects from category A (machines). On the following day, the same applicant submits a subsidy application for a tractor from category B and a DC charging station. This is allowed, per calendar year, until the maximum subsidy amount of EUR 600,000 per enterprise or group of enterprises is reached.

If an applicant submits multiple applications in the same category on the same day (for example, two applications, each with two tractors from category B), only the first application submitted will be eligible for subsidy. The other applications will be rejected as they do not comply with the provision in Article 2.4.3. This loss cannot be recovered.

## 4. State aid and notification

### *State aid*

The granting of subsidies to companies for the purchase of zero-emission agricultural machines and tractors is considered state aid within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union. This subsidy can be granted under certain conditions under Article 14 of the Block Exemption Regulation for agriculture.

- Article 14 stipulates, inter alia, that the subsidy must have an incentive effect and that no irrevocable commitment may have been entered into at the time the subsidy application is submitted. Under this scheme, an application must therefore be submitted on the basis of an unsigned quotation.
- The applicant qualifies as an SME (small or medium-sized enterprise) in the agricultural sector. This is verified when applying for the subsidy, for example by means of an SME declaration.
- The subsidy application relates to an investment that will improve the overall performance and sustainability of the agricultural business and contribute to the mitigation of and adaptation to climate change, including by reducing greenhouse gas emissions and promoting sustainable energy and energy efficiency. The scheme specifically aims to reduce diesel consumption in the agricultural sector by promoting zero-emission agricultural machines and tractors. This means that there are climate benefits compared to a situation without the scheme. Currently, fossil-fuel-powered equipment is purchased in virtually all cases. In every case, participation in the scheme requires a (considerable) financial investment on the part of the operator. It can therefore be assumed that an operator will only purchase electric equipment if it is actually used. After all, the own investment is too high to not use the new electrical equipment afterwards. This means that the scheme leads to a reduction in the use of fossil fuels on farms.
- The level of aid intensity also depends on whether or not the investment is productive. When the applicant submits an application to replace an activity carried out with diesel with a zero-emission machine or tractor, the activity remains the same. This means that the investment can be regarded as a non-productive investment, for which a subsidy of up to 100% may be granted. Ultimately, purchasing zero-emission equipment does not increase the value or profitability of a business. However, if a new activity is developed and an *additional* tractor or machine is purchased for this purpose, the investment can be registered as productive, which means that a subsidy of up to 80% may be granted.
- This subsidy scheme will, in the vast majority of cases be a non-productive investment. However, in some cases it will be a productive investment. In order to remain within the state aid framework, a maximum subsidy of 80% for a productive investment has been assumed in all cases. The requirement that agricultural contractors must be 70% active in the agricultural sector means that the maximum subsidy percentage is 56% (70% of 80%). The decision was made to keep the subsidy percentage the same for all target groups. The maximum subsidy percentage in this scheme is therefore 55% (in category C). This prevents the state aid rules from being exceeded.
- For DC charging stations, fixed subsidy amounts per power category (Article 2.4.3) are used, regardless of the costs incurred. The subsidy amounts are based on experience gained from other schemes. Given the average cost of purchasing, constructing and installing a DC charging station in the various power categories, the subsidy amounts amount to a maximum of 40% subsidy.
- When determining the aid intensity, the maximum aid percentages permitted under the block exemption regulation for agriculture were taken into account. However, if application

- of the subsidy rate given in the Regulation results in an aid rate that exceeds the maximum in a specific situation, the subsidy will be reduced to an allowable amount.
- The Framework Decision also includes some other grounds for rejection, to meet the conditions set out in the Block Exemption Regulation for agriculture.

### *Notification*

The draft regulation was submitted to the European Commission pursuant to Article 5(1) of Directive 2015/1535 of the European Parliament and of the Council of 9 September 2015 laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services, OJEU L 241/1. Article 2.4.2 of the scheme contains de facto technical regulations, as it concerns technical specifications in a financial measure that influence the consumption of products by encouraging compliance with those technical specifications.

The overriding reason of public interest is that these requirements contribute to the reduction of CO2 emissions in the agricultural sector and thereby contribute to combating climate change.

The requirements in the scheme are non-discriminatory, because subsidies are possible regardless of the origin of the agricultural tractor or machine. Any tractor or machine that meets the objective criteria of the scheme is eligible for subsidy.

Furthermore, the requirements in the scheme are necessary to encourage the use of electrically powered agricultural equipment in agriculture. Reducing CO2 emissions in agriculture requires a transition from fossil fuel-powered agricultural equipment to electric alternatives. However, this market is not yet sufficiently developed, as the high cost of electric alternatives is dampening demand for this equipment. The purchase costs for electric tractors and machines are two to four times the price of a diesel tractor or machine. In order to stimulate demand for electric alternatives and thereby accelerate the development of zero-emission agricultural equipment, this scheme subsidises part of the (unprofitable) additional costs of an electric tractor or machine compared to the diesel variant.

This scheme is proportionate, as the requirements in the scheme are appropriate for reducing CO2 emissions in agriculture. By stimulating demand for electric agricultural equipment, support is provided to this developing market, enabling the sector to become familiar with electric equipment and increasing sales. A subsidy does not go beyond what is necessary, as it does not impose any obligations on farmers or impose any requirements on the agricultural equipment that the sector is allowed to use. It merely encourages the use of alternatives that contribute to reducing CO2 emissions and therefore climate change, as opposed to more polluting alternatives.

## 5. Implementation & privacy

### *Implementation of the RUS framework and what is applicable*

The RVO, part of the Ministry of Economic Affairs, will implement this Regulation. The RVO has years of proven experience implementing a variety of subsidy schemes for businesses and individuals. RVO was closely involved in drawing up the scheme and has carried out a feasibility test on a draft version of the scheme. RVO considers the Regulation to be feasible and enforceable.

It is important that the decision is made to implement this scheme in accordance with the subsidy arrangement under the subsidy implementation framework (RUS). The RUS is a binding framework for subsidy determination that must be applied throughout the central government and that further elaborates on the Regulation on the establishment of guidelines for subsidy determination, also known as the Uniform Subsidy Framework (USK). The RUS contains three implementation variants based on the USK. Different (reporting) obligations apply to each implementation variant. This is set out in detail in the articles in Chapter 11 of the Framework Decision.

### *Privacy*

The process of applying for a subsidy is a long-established and tried and tested process, which does not affect privacy. A subsidy scheme has been chosen because there is still insufficient incentive to scale up zero-emission agricultural equipment.

To ensure proper implementation and monitoring of the scheme, RVO uses data from the Trade Register of the Chamber of Commerce and, if registration is required, data from the RDW. Some of the data are public data in the vehicle register, which anyone can access. Other data must be

exchanged between the RDW and the RVO. For instance, when calculating the subsidy, the RVO can check that the name of the subsidy recipient matches the name entered in the vehicle register. After this, the RVO can periodically check the name registration with the RDW to verify compliance with the maintenance obligation. This is necessary to check whether the conditions of the scheme are being met.

The data collected will be used by RVO to monitor and assess the impact of this scheme. This will involve assessing the extent to which the scheme has achieved its predefined objectives. This will also contribute to the policy evaluation of this scheme for the purpose of any future openings.

## 6. Impact on regulatory burden

Regulatory burden effects are all investments and efforts that citizens, businesses and/or professionals must make in order to comply with regulatory obligations (definition by the Advisory Board on Regulatory Burden (ATR)).

The efforts required of subsidy applicants consists primarily of familiarising themselves with the Regulation. In practice, manufacturers, trade associations or intermediaries will often inform agricultural operators about the possibilities for subsidies. Using this information, they can then visit the RVO website to find out more about the conditions for claiming the subsidy. Agricultural operators can also actively seek out information on subsidies themselves.

After receiving and assessing the quotation, the subsidy applicant must submit an application for a subsidy through the digital portal of the RVO. Applicants must submit their applications using eHerkenning. The applicant must submit information about themselves, including their name, telephone number, email address, visiting and postal address, an SME declaration, the applicable SBI code or SBI codes, and their account number. In addition, an unsigned quotation showing the make, type, purchase costs, possibly including ex factory options, technical specifications and continuous electric motor power of the agricultural machine or agricultural tractor to be purchased. In the case of tractors, a statement must be provided confirming that the applicant will use the agricultural tractor for at least 70% of its capacity in agriculture for a period of three years, starting from the date of the subsidy determination decision. If a subsidy is requested for a DC charging station, an additional non-signed quotation must be provided showing the brand, type and specifications of the DC charging station, the purchase and installation costs and the power in kW.

The applicant will then receive a decision from the RVO on whether the application has been approved or rejected within the processing period. Applications < EUR 25 000 are automatically approved, with the full subsidy amount being paid out upon approval. These applications may be checked later via a random sampling based on the invoice and proof of payment. For applications > EUR 25 000, an advance payment of 90% of the subsidy amount will be paid upon approval. For applications > EUR 25 000 subsidy, the applicant shall, after the objects have been delivered and, if applicable, registered in the vehicle registration register (RDW), submit a request for determination to RVO within 13 weeks after the end of the determination period. For this purpose, the applicant shall submit the invoice, proof of payment and an assessment form to the RVO. If an object is stated on a registration plate, the registration number must also be transmitted and, in the case of machinery, the serial number or type plate. Payment of the rest of the subsidy will follow at the time of determination. The requirement in this scheme to use the tractors in agriculture for at least 70% of their capacity may be checked on a random basis by RVO in case of suspicion of improper use. This check is carried out based on the basic records of the operator. The operator does not have to keep a separate record for this purpose.

The time that a subsidy applicant spends on these steps for each object depends on the number of machines or tractors for which a subsidy is requested. It is expected that a grant applicant will spend an average of three hours per application on all of these steps (grant process + determination). A standard rate of EUR 60 per hour is used to calculate the regulatory burden on business owners. In total, the regulatory burden for an applicant is therefore on average EUR 180 per application. In the case of an incomplete grant application, this administrative burden increases by a maximum of EUR 60 (1 hour) due to possible corrections of the application. This concerns one-time costs incurred when submitting a subsidy application. Participation in the random check costs on average 1 hour (EUR 60), which is related to submitting the basic records.

Assuming an average subsidy amount of EUR 50 000, this means a regulatory burden of 0.36%. Based on current information, approximately 175 applications for subsidies for new zero-emission agricultural equipment are expected during the initial opening period. This brings the macro

regulatory burden of this scheme to approximately EUR 31 500 for the entire duration of the scheme. This amount is equal to 0.35% of the subsidy budget.

The regulatory burden has been sufficiently identified, ATR did not select the file for formal advice because it does not foresee any significant impact on regulatory burden.

## 7. Advice and consultation

During the development of the scheme, LVVN and RVO consulted various stakeholders in or with a direct relationship to the agricultural sector.

A market consultation took place on 20 June 2025 with Cumela Nederland, Fedecom, Land- en Tuinbouw Organisatie Nederland, the Royal General Association for Bulb Culture (KAVB), WUR and RVO. The purpose of the meeting was to present an overview of the subsidy scheme for the transition to zero-emission agricultural equipment. The meeting showed that there is general support for the scheme. It was recommended, inter alia, that the scheme should also be opened up to agricultural machines. Following a further review of this opinion with others, category A (agricultural machinery) was added to the scheme. The stakeholder meeting also recommended initially focusing on new electrically powered agricultural machines and tractors, given that the market for hydrogen, for example, is not yet sufficiently developed in this sector.

During the development of the scheme, frequent consultations took place with Fedecom, the trade association for manufacturers, importers and dealers in agricultural technology, livestock farming technology and horticultural technology, and Cumela, the trade association for contractors. Contractors requested that their position in relation to farmers be acknowledged; steps have been taken to ensure that both parties are treated equally under the scheme. The scheme was also discussed several times in the Energy Transition Working Group, which brings together various agricultural sector organisations and interest groups. It was pointed out that tractors are often leased, after which financial leasing was included in the scheme. RVO and LVVN also made working visits to manufacturers and various agricultural operators, including fruit growers. Specifically, discussions were also held with the organic sector, including organic farmers, Bionext and Biohuis. Finally, another digital meeting was organised in January 2026. LVVN issued the invitation to this stakeholder meeting which was sent to the contact persons who had been previously involved. The draft scheme was well received. Based on this meeting, a number of changes were made to the scheme, including restrictions on the maximum number of applications.

The decision was made not to hold an internet consultation for this scheme. This was replaced by the aforementioned contact and consultation opportunities.

## 8. Evaluation and developments

Developments in zero-emission agricultural machines and tractors are moving rapidly, in terms of technology as well as the availability and pricing of zero-emission agricultural equipment. The scheme is budgeted to remain within the financial framework of the budget of the Ministry of Agriculture, Fisheries, Food Security and Nature (LVVN). This scheme will be evaluated after it comes into effect, in order to determine its effectiveness and efficiency.

In consultation with KGG, the decision was made to evaluate the scheme after the first year to determine the level of success. This will be determined based on the number of applications received, how much of the available budget was used, and estimates of the reduction in diesel consumption and the CO<sub>2</sub> emissions avoided. Based on these findings, a decision will be made as to whether and under what conditions the scheme can be reopened using the remaining funds from the Climate Fund. The scheme will also be monitored on an ongoing basis. Where necessary, the regulation will be adapted to resolve any bottlenecks and to promote allocation of the funds in all categories as much as possible. Future market developments and falling prices for zero-emission agricultural machines and tractors may prompt adjustments to the scheme, such as diversification of aid rates, expanding technologies or adjusting subsidy ceilings. The subsidy scheme features a number of categories for eligible agricultural machines (category A). This list will be evaluated for developments in the market in terms of types and price developments and adjusted accordingly if needed.

## 9. Entry into force

This scheme enters into force on 1 April 2026. This means that the system of fixed dates for regulatory changes will remain in place until the date of entry into force. However, there will be a

deviation from the minimum two-month period between the date of publication and the date of entry into force. This deviation is justified as it prevents the target group from being disadvantaged by a later entry into force. This would be disadvantageous as it means that investments in the relevant agricultural machines would have to be postponed.

## II. Explanatory notes for individual articles

### *Article 2.4.2 Granting of subsidies*

This article indicates for which investments a subsidy may be obtained. It is important to note that a DC charging station is only eligible for a subsidy if it is requested in combination with an agricultural tractor as referred to in parts b and c. Separate applications for DC charging stations are not eligible for a subsidy.

### *Article 2.4.4 Subsidy amount*

The subsidy shall not exceed EUR 600 000 per applicant. Affiliated companies are regarded as a single applicant, meaning that the maximum subsidy amount of EUR 600 000 also applies to a group of companies. In addition, there is a minimum subsidy amount of EUR 3 000 per individual application. Both the costs for the purchase of an agricultural machine or agricultural tractor and the costs for the purchase and installation of a DC charging station falls within the maximum subsidy amount of EUR 600 000. Fixed amounts apply for the purchase and installation of a DC charging station based on the power of the charging station.

### *Article 2.4.6 Distribution of subsidy ceiling*

This article regulates the manner in which the subsidy ceiling is distributed. The distribution takes place on the basis of the order of entry of the applications. Article 27 of the Framework Decision sets out the rules on this matter. This means that the first application shall be eligible for a subsidy, of course taking into account the maximum grant amount. If the application submitted is incomplete, the applicant shall be given the opportunity to submit the missing documents. The date on which the application is complete shall be the date of entry. A random selection will be made to determine the order if multiple applications are submitted on the day that the subsidy ceiling is exceeded.

Any increase or decrease in the subsidy ceilings is explained in Part 3 of the general section of the explanatory notes.

### *Article 2.4.8 Grounds for rejection*

This article contains specific grounds for rejection for this module. These grounds apply in addition to the general grounds for rejection in Articles 22 and 23 of the Framework Decision.

### *Article 2.4.11 Subsidy obligations*

The subsidy for the purchase of an agricultural tractor is subject to a three-year retention period. The retention period means that the subsidy recipient must register the agricultural tractor in their name in the vehicle register and keep it registered in their name for three years from the date of the subsidy determination (paragraph 1). In addition, the subsidy recipient is obliged to use the agricultural tractor for at least 70% of the time spent on agricultural activities during these three years. This use is calculated on an annual basis.

During this period, it is possible to deregister the agricultural tractor from the vehicle register. In that case, the subsidy determination will be amended and reduced in proportion to the retention period. An exception applies if the subsidy recipient purchases a new electric agricultural tractor for which they could also have received a subsidy under this title. In that case, the subsidy calculation amount will not be reduced. Additional information obligations to RVO apply in this case (paragraphs 2 and 4). This exception does not apply if the subsidy recipient also applies for a subsidy for the replacement agricultural tractor (paragraph 3).

### *Article 2.4.12 Application for subsidy calculation*

This article is about the application for a subsidy calculation. Chapter 13 of the Framework Decision contains rules on this matter. For applications of less than EUR 25 000, these are determined ex officio pursuant to Article 50(9) of the Framework Decision. For this purpose, the subsidy recipient does not have to submit an application for subsidy calculation. For applications above EUR 25 000,

the subsidy recipient must submit an application for subsidy calculation. The application must be submitted within 13 weeks after the end of the implementation period referred to in Article 2.4.6. This is normally one year and may be extended to one and a half years upon submission of a reasoned request to RVO.

*The Minister of Agriculture, Fisheries, Food Security and Nature,*

*F.M. Wiersma*