

Cross-Border Participation to the Belgian Capacity Remuneration Mechanism

The Belgian authorities introduced the Capacity Remuneration Mechanism (CRM) with a view to maintain the **required level of security of supply for Belgium**. The CRM aims to **compensate the capacity holders** for the portion of their relevant costs that are not covered by their revenues, known as “missing money”, through a yearly remuneration for their capacity. From the first “Delivery Period”, 2025-2026 (Auction in 2024), so-called “Indirect Foreign Capacities” from control zones outside of Belgium can also participate.

The Cross-Border participation to the Belgian CRM is characterized by a few key elements:

Technology neutral & market-wide:

- Open to all technologies contributing to Adequacy;
- Any capacity holder can participate in the mechanism for a 1-year contract with either new, existing or refurbished capacity.

Centralized

- Belgian TSO as “single buyer”, contracting sufficient capacity to ensure adequacy according to Belgian determined reliability standard.

Reliability option

- Payback of “windfall” profits above a certain strike price.

Other

- Level playing field for Foreign and Belgian capacities;
- Participation volume is limited to the “Maximum Entry Capacity” (MEC*);
- Yearly CRM Delivery Periods from 2025-26 until 2035-36;
- Secondary Market available;
- Pay-as-bid Auction Clearing with Intermediate Price Cap for 1-year contracts.

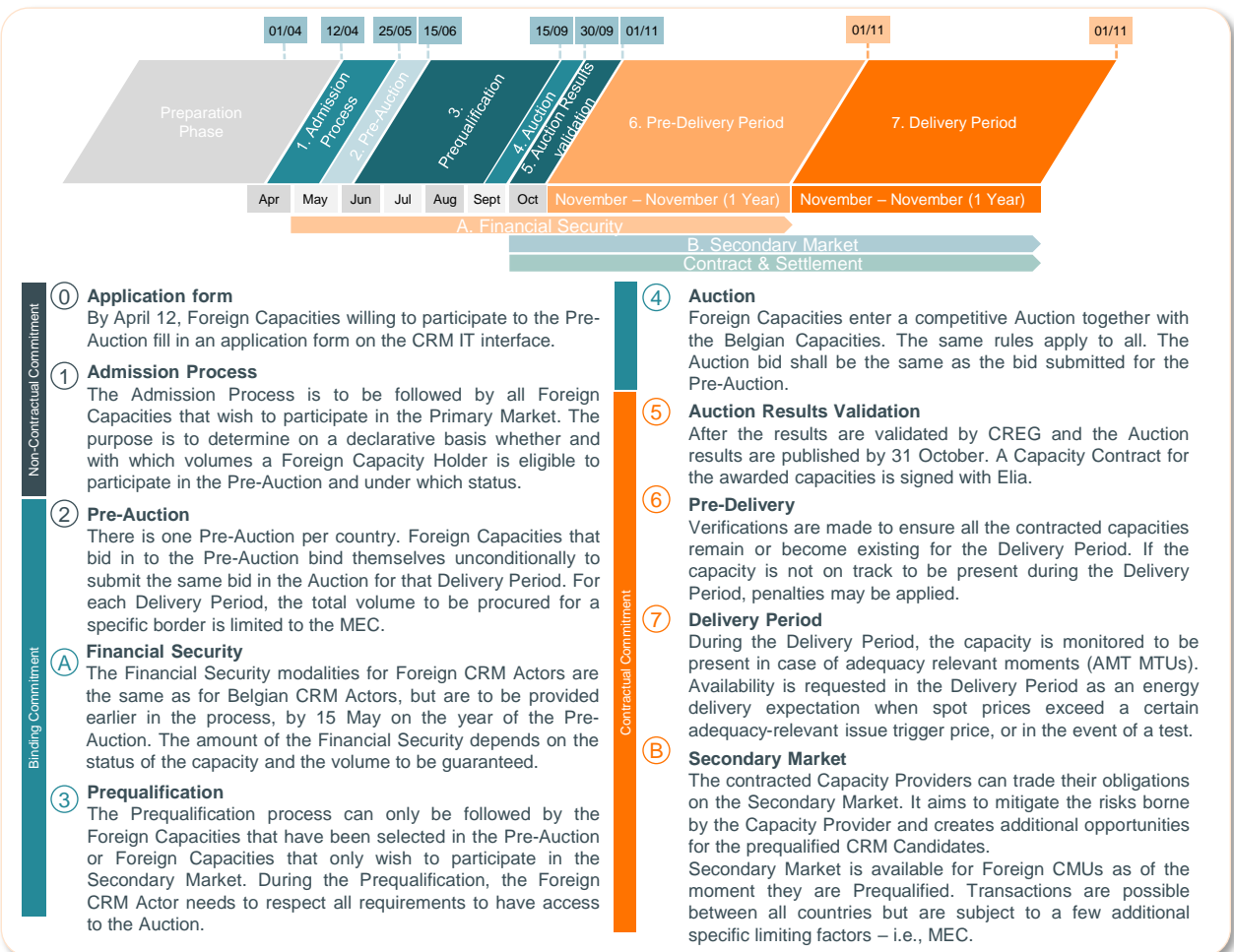
*MEC: Estimated contribution during simultaneous scarcity

Foreign Capacities are subject to the same **eligibility and admissibility criteria** among others as Belgian capacities:

1. The CO₂ emissions shall fulfill the CO₂ Emission cap;
2. No variable operating aid can be received for the duration of the Delivery Period;
3. The permit requirements (country-specific) remain applicable;
4. The Financial Security obligation is applicable.

In addition, currently the **Cross-Border participation is limited to:**

1. Foreign Capacities connected to the TSO grid
2. Each year, participation is only possible in the Y-1 Auction for the Delivery Period Y to Y+1.
3. No multi-year contracts can be obtained.



Useful documents

All the necessary documents are published on ELIA's CRM webpage: [Capacity Remuneration Mechanism](#)

- The Functioning Rules;
- The Design Notes;
- The documents required for the Prequalification of Foreign Capacities;
- Link to the CRM IT Interface.