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| **1.3.1.**  **Supplementary Information Sheet for aid for closing production capacity** |

*This form must be used for the notification of State aid designed to promote the closing of capacity for animal, plant or human health, sanitary, ethical, environmental or climate reasons as described by Section 1.3.1.1. or State aid designed to promote the closing of capacity for other reasons as described by Section. 1.3.1.2. of Chapter 1 of Part II of the European Union Guidelines for State aid in the agricultural and forestry sectors and in rural areas ('the Guidelines').*

Does the planned measure provide that,

(a) there must be a counterpart from the beneficiary of the aid;

(b) enterprises in difficulty are excluded from the measure;

(c) there must be no over-compensation of loss of capital value of assets?

yes  no

If the answer to any of these questions is no, please note that aid cannot be declared compatible with the internal market if those conditions are not fulfilled.

1. CLOSING OF CAPACITY FOR ANIMAL, PLANT OR HUMAN HEALTH, SANITARY, ETHICAL, ENVIRONMENTAL OR CLIMATE REASONS
   1. What is the reason for the closing of capacity?

(a) animal health;

(b) plant health;

(c) human health;

(d) sanitary reasons;

(e) ethical reasons;

(f) environmental or climate reasons.

Please describe the reason(s) in full:

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* 1. Is the measure an aid scheme or an individual aid?

(a) aid scheme;

(b) individual aid.

* + 1. In case it is an aid scheme, is it accessible to all eligible undertakings in the same factual situation on the same conditions?

yes  no

* 1. Please describe the aid scheme or the individual measure including the reasons and the necessity of the measure:

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* 1. Counterpart from the beneficiary/ies of the aid:
     1. To what extent will the capacity of the undertaking(s) concerned be closed:

(a) complete closure of capacity;

(b) partial closure of capacity.

If the aid is granted for the partial closure of capacity, please justify:

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* + 1. Have the beneficiary/ies provided a minimum contribution in the form of a definitive and irrevocable decision to scrap or irrevocably close the production capacity concerned?

yes  no

* + 1. Have legally binding commitments been obtained from the beneficiary/ies that the closure of the production capacity concerned is definite and irreversible and that the beneficiary will not start the same activity elsewhere and are those commitments binding on any future purchaser of the land or facility concerned?

yes  no

* + 1. Are only undertakings that have actually been producing, and only production capacities that have actually been in constant use over the past five years before the closing of the capacity eligible for aid?

yes  no

Please note that no aid can be granted in cases where the production capacity has already closed definitively, or where such closure appears inevitable.

* 1. Are only undertakings fulfilling Union standards eligible for aid?

yes  no

Please note that undertakings which do not fulfil Union standards and which would be obliged to stop production anyway, must be excluded.

* 1. Environmental effects:
     1. Please confirm that in order to avoid erosion and other negative effects on the environment, the owner(s) of open farmland taken out of production undertake to fulfil the commitments listed below:

(a) To afforest or turn into a nature area open farmland within a period of two years of closure in such a way as to ensure that negative effects on the environment are avoided.

(b) In order to prevent negative climatic effects, to not afforest inappropriately agricultural land reconverted to wetland or peatland.

(c) To not re-use the farmland sooner than 20 years after the effective capacity closure and until then to maintain the farmland in good agricultural and environmental condition in accordance with the GAEC standards established under Title III, Chapter I, Section 2, of Regulation (EU) 2021/2115 and with the relevant implementing rules.

(d) To ensure that any closure of installations covered by Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010[[1]](#footnote-1) is carried out in accordance with Articles 11 and 22 of that Directive which require that the necessary measures are taken to avoid any pollution risk and that the site of operation is returned to a satisfactory state.

Please describe how the beneficiary will fulfil the commitment:

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* 1. Eligible costs.
     1. What are the eligible costs?

(a) Loss of value of assets – measured as the current selling value of the assets.

(b) In case of the closing of capacity for environmental or climate reasons, an additional incentive payment, not exceeding 20% of the value of the assets.

(c) Costs of destruction of the production capacity.

(d) Obligatory social costs resulting from the implementation of the closure decision.

Please note that the aid for afforestation and the conversion of land into nature areas must be granted in accordance with the rules set out in Sections 2.1.1 and 2.1.2. of Chapter 1 of Part II of the Guidelines and the rules on aid for non-productive investment set out in Section 1.1.1.1. of Chapter 1 of Part II of the Guidelines.

* 1. Aid intensity.
     1. Please indicate the maximum aid intensity:

(a) up to 100 % for compensation for the loss of value of assets, for compensation for the costs of destruction of the production capacity and to offset the obligatory social costs resulting from the implementation of the closure decision;

(b) up to 120 % for compensation for the loss of value of assets where the closure is done for environmental or climate reasons.

1. CLOSING OF CAPACITY FOR OTHER REASONS
   1. What is the reason for the closing of capacity:

(a) restructuring of a sector;

(b) diversification;

(c) early retirement.

* 1. Is the measure an aid scheme?

yes  no

Please note that measures to close capacity for the reasons referred to in question 2.1 above must be part of an aid scheme.

* 1. Please confirm that no aid is granted which would interfere with the mechanisms of the common organisation of the markets in agricultural products:

yes  no

* 1. What is/are the sector(s) covered by the scheme?

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* 1. Is/are sector(s), referred to in question 2.4, subject to production limits or quotas?

yes  no

If yes, please describe it:

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Please note that aid schemes applying to sectors which are subject to production limits or quotas will be evaluated on a case-by-case basis.

* 1. Can that sector \those sectors referred to in question 2.4 be considered to be in excess of capacity either at regional or national level?

yes  no

If the answer is yes, please describe it:

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* 1. Please confirm that the aid part of a programme which has defined objectives and a specific timetable aimed at restructuring the sector(s), at diversification or at early retirement:

yes  no

Please describe the programme:

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* 1. Is the duration of the planned aid scheme limited to a period of not more than six months for collecting applications for participation and a further 12 months for actually closing down?

yes  no

If the duration is longer than prescribed above, please justify it.

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Please note that the Commission will not accept aid schemes with duration of more than three years, since experience has shown that such aid schemes may result in the postponement of the necessary changes.

* 1. Is the aid scheme accessible to all economic operators in the sector(s) concerned on the same conditions and is a transparent system of calls for interest which publically invites all potentially interested undertakings to participate used?

yes  no

* 1. Is the organisation of the aid scheme managed in such a way that it neither requires nor facilitates anticompetitive agreements or concerted practices between the undertakings concerned?

yes  no

Please describe how this is ensured:

…………………………………………………………………………………………………………………………………………………………………………………...........

* 1. Counterpart from the beneficiary of the aid.
     1. To what extent will the capacity of the undertaking concerned be closed:

(a) complete closure of capacity;

(b) partial closure of capacity.

If the aid is granted for the partial closure of capacity, please justify it:

……………………………………………………………………………………………………………………………………………………………………

* + 1. Have the beneficiary/ies provided a minimum contribution in the form of a definitive and irrevocable decision to scrap or irrevocably close the production capacity concerned?

yes  no

* + 1. Have legally binding commitments been obtained from the beneficiary/ies of the aid that the closure of the production capacity concerned is definite and irreversible and that the beneficiary of the aid will not start the same activity elsewhere and are the commitments binding on any future purchaser of the land or facility concerned?

yes  no

* + 1. Are only undertakings that have actually been producing, and only production capacities that have actually been in constant use over the past five years before the closing of the capacity eligible for aid.

yes  no

Please note that no aid can be granted in cases where the production capacity has already closed definitively, or where such closure appears inevitable.

* 1. Are only undertakings fulfilling Union standards eligible for aid?

yes  no

Please note that undertakings which do not fulfil Union standards and which would be obliged to stop production anyway, must be excluded.

* 1. Environmental effects:
     1. Please confirm that in order to avoid erosion and other negative effects on the environment, the owner(s) of open farmland taken out of production undertake to fulfil the commitments below:

(a) To afforest or turn into a nature area open farmland within a period of two years of closure in such a way as to ensure that negative effects on the environment are avoided.

(b) In order to prevent negative climatic effects, to not afforest inappropriately agricultural land reconverted to wetland or peatland.

(c) To not re-use the farmland sooner than 20 years after the effective capacity closure and until then to maintain the farmland in good agricultural and environmental condition in accordance with the GAEC standards established under Title III, Chapter I, Section 2, of Regulation (EU) 2021/2115 and with the relevant implementing rules.

(d) To ensure that any closure of installations covered by Directive 2010/75/EU of the European Parliament and of the Council is made in accordance with Articles 11 and 22 of that Directive which require that the necessary measures are taken to avoid any pollution risk and that the site of operation is returned to a satisfactory state.

Please describe how the beneficiary of the aid will fulfil the commitment:

……………………………………………………………………………………………………………………………………………………………………

* 1. Please indicate the eligible costs:

(a) Loss of value of assets, measured as the current selling value of the assets.

(b) Costs of the destruction of the production capacity.

(c) Obligatory social costs resulting from the implementation of the closure decision.

Please note that the aid for afforestation and the conversion of land into nature areas must be granted in accordance with the rules set out in Sections 2.1.1. and 2.1.2. of Chapter 1 of Part II of the Guidelines and the rules on non-productive investments in Section 1.1.1.1. of Chapter 1 of Part II of the Guidelines.

* 1. Aid intensity:

Please confirm that the maximum aid intensity will not exceed 100% of the eligible costs:

yes  no

**OTHER INFORMATION**

Please indicate any other information considered relevant to the assessment of the measure concerned under these Sections of the Guidelines.

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1. Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control)(OJ L 334, 17.12.2010, p. 17) [↑](#footnote-ref-1)