



EUROPEAN COMMISSION

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PUBLIC VERSION

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**Subject: State Aid SA.100900 (2021/N) – Slovakia
COVID-19: Amendment of the scheme SA.57599 (2020/N), as already
amended in case SA.64688 (2021/NN)**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 2 December 2021, Slovakia notified an amendment (the “notified amendment”) to the following existing aid scheme, which the Commission had already approved (“the initial decision”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak¹ (the “Temporary Framework”):
 - SA.57599 (2020/N) “*COVID-19: Rent rebates for tenants*”, which the Commission approved by Decision C(2020) 4123 final of 16 June 2020 (“the existing aid scheme”).
- (2) The existing aid scheme has already been amended in case SA.64688 (2021/NN) “*COVID-19: Rent rebates for tenants (amendments to SA.57599) and COVID-19:*”

¹ Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak (OJ C 91I, 20.3.2020, p. 1), as amended by Commission Communications C(2020) 2215 (OJ C 112I, 4.4.2020, p. 1), C(2020) 3156 (OJ C 164, 13.5.2020, p. 3), C(2020) 4509 (OJ C 218, 2.7.2020, p. 3), C(2020) 7127 (OJ C 340I, 13.10.2020, p. 1), C(2021) 564 (OJ C 34, 1.2.2021, p. 6), and C(2021) 8442 (OJ C 473, 24.11.2021, p. 1).

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Fixed costs subsidies (amendments to SA.59996)”, approved by Commission decision C(2021) 7267 final of 7 October 2021.

- (3) Slovakia exceptionally agrees to waive its rights deriving from Article 342 of the Treaty on the Functioning of the European Union (“TFEU”), in conjunction with Article 3 of Regulation 1/1958,² and to have this Decision adopted and notified in English.

2. DESCRIPTION OF THE NOTIFIED AMENDMENT

- (4) The objective of the existing aid scheme, valid until 31 December 2021 as amended with the Commission decision in case SA.64688, is to preserve the continuity of economic activity during and after the COVID-19 pandemic by providing aid in the form of direct grants to undertakings to cover part of their rental costs for infrastructure. It is designed to ensure that undertakings continue to have access to the necessary liquidity to overcome the current economic difficulties.
- (5) Slovakia wishes to amend the existing aid scheme as follows:
- The period for granting the aid will be extended until 30 June 2022. The payment of the aid is possible until 31 December 2022.
 - The overall maximum aid amount per undertaking will be increased to EUR 2.3 million.
 - The overall maximum aid amount per undertaking active in the fishery and aquaculture sector and per undertaking active in the primary production of agricultural products will be increased to EUR 345 000 and EUR 290 000 respectively.
- (6) The overall budget of the aid scheme has been adjusted to EUR 200 million.³
- (7) Apart from the notified amendment, the Slovakian authorities confirm that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered.
- (8) The legal basis for the notified amendment is the State Aid Scheme for support of the economy in relation to COVID-19 outbreak – Grant for Rent as amended by the third amendment⁴. This scheme is based on Act No. 71/2013 Coll. on subsidies within the powers of the Ministry of Economy of the Slovak Republic as amended and Act No. 358/2015 Coll. on the regulation of certain relations in the field of State aid and minimum aid and on amendments to certain acts (the State Aid Act).

² Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.

³ The Commission had already approved a budget of EUR 200 million in the initial decision. In decision SA.64688, the Commission noted that Slovakia adjusted the budget to EUR 150 million (see recital 6 of that decision).

⁴ Not yet adopted.

- (9) The Slovakian authorities committed to respect all the applicable conditions of the Temporary Framework.
- (10) Aid may be granted under the existing aid scheme, as amended, as from the notification of the Commission's approval of the notified amendment.

3. ASSESSMENT

3.1. Lawfulness of the measure

- (11) By notifying the measure before putting it into effect, the Slovak authorities have respected their obligations under Article 108(3) TFEU.

3.2. Existence of State aid

- (12) For a measure to be categorised as aid within the meaning of Article 107(1) TFEU, all the conditions set out in that provision must be fulfilled. First, the measure must be imputable to the State and financed through State resources. Second, it must confer an advantage on its recipients. Third, that advantage must be selective in nature. Fourth, the measure must distort or threaten to distort competition and affect trade between Member States.
- (13) The existing aid scheme constitutes State aid within the meaning of Article 107(1) TFEU for the reasons set out in the initial decision (see recitals 28-33 of that decision). The amendments referred to in recital (5) did not affect this conclusion. The notified amendment does equally not affect that conclusion. The Commission therefore refers to the assessment of the initial decision and concludes that the existing aid scheme, as amended, constitute State aid within the meaning of Article 107(1) TFEU.

3.3. Compatibility

- (14) The existing aid scheme is compatible with the internal market pursuant to Article 107(3)(b) TFEU, since it meets the conditions of sections 2 and 3.1 of the Temporary Framework for the reasons set out in the initial decision. The amendments referred to in recital (5) above did not affect that assessment as confirmed in the respective Commission decisions thereon. The Commission therefore refers to the respective assessment of the initial decision.
- (15) The Commission considers that a limited prolongation of the existing aid scheme is appropriate to ensure that national support measures effectively help affected undertakings during the COVID-19 pandemic. The notified amendment does not affect the compatibility assessment made under the initial decision and confirmed under the amendment specified in recital (2). In particular, the Commission notes that aid under the scheme can only be granted until 30 June 2022, as described in recital (5). The scheme as amended thus complies with point 22(d) of the Temporary Framework.
- (16) Furthermore, the Commission notes that maximum aid amounts per beneficiary under section 3.1 are increased (see recital (5)). The measure thus continues to comply with points 22(a) and 23(a) of the Temporary Framework.

- (17) Apart from the notified amendment, Slovakia confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered.
- (18) The Commission therefore considers that the notified amendment is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State pursuant to Article 107(3)(b) TFEU since it meets all the relevant conditions of the Temporary Framework. The Commission therefore considers that the notified amendment does not alter the Commission's conclusion on the compatibility of the existing aid scheme in the initial decision and in the amendment referred to in recital (2).

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the scheme, as amended, on the grounds that it is compatible with the internal market pursuant to Article 107(3)(b) of the Treaty on the Functioning of the European Union.

The decision is based on non-confidential information and is therefore published in full on the Internet site: <http://ec.europa.eu/competition/elojade/isef/index.cfm>.

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President

