EUROPEAN COMMISSION



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PUBLIC VERSION

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Subject: State Aid SA.100962 (2021/N) – Slovakia

COVID-19: Prolongation of SA.64148 – Support to professional sport

clubs II

Excellency,

1. PROCEDURE

(1) By electronic notification of 7 December 2021, Slovakia notified a prolongation (the "notified amendment") to the existing aid scheme (SA.64148 (2021/N) – COVID-19 – Support for professional sport clubs II), which the Commission had already approved by Decision C(2021) 6009 final of 8 August 2021 ("the initial decision") under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak¹ (the "Temporary Framework").

Ivan KORČOK Minister zahraničných vecí a európskych záležitostí Hlboká cesta 2 833 36 Bratislava 37 SLOVENSKO/SLOVAKIA

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).

(2) 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

- (3) The objective of the existing aid scheme is to preserve the continuity of economic activity during and after the COVID-19 pandemic. It is designed to ensure that undertakings continue to have access to the necessary liquidity to overcome the current economic difficulties.
- (4) The notified amendment prolongs the existing aid scheme until 30 June 2022. In addition, the maximum aid amounts per beneficiary are increased to EUR 2.3 million. The estimated budget of the scheme will be increased from EUR 10 million to EUR 20 million.
- (5) 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.
- (6) The legal basis for the notified amendment are Act No. 358/2015 Coll. on the regulation of certain relations in the field of State aid and minimum aid and on change and amendments to some acts; Act No. 310/2019 Coll. on Fund for support of sport and on change and amendments to some acts as amended by Act No. 323/2020 Coll.; Act No. 440/2015 Coll. on sport and on change and amendments to some acts as amended; Act No. 523/2004 Coll. on Budget Rules of the Public Service and on change and amendments of some acts as amended; and Act No. 357/2015 Coll. on financial control and audit and on change and amendments of some acts as amended.
- (7) 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

(8) By notifying the amendment before putting it into effect³, the Slovakian authorities have respected their obligations under Article 108(3) TFEU.

3.2. Existence of State aid

(9) 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

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

The standstill obligation is laid down in paragraph 9(1) of the Act No. 358/2015 Coll. on the regulation of certain relations in the field of State aid and de minimis aid and on change and amendments to some acts.

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.

(10) The existing aid scheme constitutes State aid within the meaning of Article 107(1) TFEU for the reasons set out in the initial decision. The notified amendment does 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

- (11) 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 Commission therefore refers to the respective assessment of the initial decision.
- (12) 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 carried out in the initial decision. In particular, the Commission notes that aid under the scheme can only be granted until 30 June 2022, as described in recital (4). The scheme as amended thus complies with point 22(d) of the Temporary Framework.
- (13) Furthermore, the Commission notes that maximum aid amount per beneficiary under section 3.1 of the Temporary Framework is increased to EUR 2.3 million (see recital (4)). The measure thus continues to comply with point 22(a) of the Temporary Framework.
- (14) 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.
- (15) 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 amendments referred to in recital (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

> CERTIFIED COPY For the Secretary-General

Martine DEPREZ Director of the Registry EUROPEAN COMMISSION