



EUROPEAN COMMISSION
DG Competition

Deputy Director General for State aid

Brussels, **15 JUL. 2013**
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Translations into official languages will follow

Subject: HT.3126 - Implementation of the transitional provisions of the Regional aid guidelines 2014-2020

Dear Madam/Sir,

As you know, on 28 June 2013, the Commission adopted new regional aid guidelines for the period 2014-2020, that will be applicable as from 1st of July 2014. Meanwhile, the

Commission decided to prolong the existing regional aid guidelines¹ and the in-depth assessment communication² until 30 June 2014. Thus, the Commission will apply the existing rules to regional aid granted or intended to be granted before 1 July 2014 and the new rules to aid granted or intended to be granted after 30 June 2014.

The aid is considered to be granted when the Member State takes a legally binding commitment to award it that can be invoked before the national courts. Therefore, the relevant moment to establish what rules to apply is the moment of granting the aid and not the disbursement (payment) of it. This is equally applicable for aid measures that are co-financed from Union funds (e.g. Cohesion funds, ERDF).

With this letter, I would like to draw your attention to section 6 of the regional aid guidelines 2014-2020, namely to the proposed appropriate measures and to the applicability of regional aid rules before 1 July 2014 and afterwards and to a few practical considerations to take into account in this context.

1. Proposal of appropriate measures:

The Commission has adopted appropriate measures within the context of the regional aid guidelines 2014-2020. In accordance with paragraph 191 of these guidelines, Member States are invited:

- to limit the application of all existing regional aid schemes and regional aid maps to aid awarded or intended to be awarded before or on 30 June 2014;
- to amend all horizontal existing schemes which provide a specific treatment of aid to projects in assisted areas in order to ensure that aid awarded or intended to be awarded after 30 June 2014 complies with the new regional aid map 2014-2020.

In accordance with article 19 of the procedural regulation³, Member States are invited to inform the Commission of their acceptance of the appropriate measures proposed in paragraph 191 of the regional aid guidelines 2014-2020 before 31 December 2013.

2. Possibility to extend the existing regional aid maps⁴ until and including 30 June 2014

Considering that the Commission will apply the existing regional aid rules to any aid granted or to be granted before 1 July 2014, and considering that the Commission has approved the existing regional aid map until 31 December 2013, Member States are invited to notify the prolongation of the existing maps until and including 30 June 2014 without any further change.

3. Notification of new regional aid maps to be applied after 30 June 2014

¹ Guidelines on national regional aid for 2007-2013, (OJ C 54, 4.3.2006, p. 13).

² Communication from the Commission concerning the criteria for an in-depth assessment of Regional aid to large investment projects, (OJ C 223, 16.9.2009, p.3).

³ Council Regulation No 659/1999 of 22 March 1999 laying down detailed rules for the application of Article 93 (now Art.88) of the EC Treaty, (OJ L 83/1, 27.03.1999, p. 1).

⁴ As approved by the Commission on the basis of the Guidelines on national regional aid for 2007-2013 and reviewed as reflected in the Communication of the Commission on the review of the state aid status and the aid ceiling of the statistical effect regions for the period 1.1.2011-31.12.2013 (OJ C 222, 17.8.2010, p.2)

Considering that the Commission will apply the new rules to any aid granted or intended to be granted after 30 June 2014, new regional aid maps must be notified to the Commission on the basis of the regional aid guidelines 2014-2020 in due time to allow the Commission to approve them before 1 July 2014.

4. Existing regional aid schemes put in place on the basis of existing regional aid maps:

a. Block exempted regional aid schemes:

According to Article 44 (3) of the general block exemption regulation (GBER)⁵, the exemption of regional aid schemes expires at the date of expiry of the approved regional aid maps, that is to say on 1st January 2014. Provided that the existing regional aid map will be prolonged until and including 30th June 2014, the regional aid schemes exempted from the notification on the basis of the GBER until 31 December 2013 could remain exempted until and including 30th June 2014, should your authorities decide to prolong the duration of those schemes. In this latter situation, the prolonged aid schemes must respect all conditions of the GBER and new summary information sheets required under Article 9 of the GBER must be submitted to the Commission.

b. Notified and approved regional aid schemes:

Provided that the prolongation of the existing map until and including 30th June 2014 has been approved by the Commission and if your authorities intend to grant regional aid on the basis of these existing schemes after 31 December 2013, the Commission can approve a prolongation of those schemes for application until and including 30th June 2014. Any application of those schemes after 30 June 2014 has to be notified on the basis of the regional aid guidelines for 2014-2020 and will have to respect the conditions of the new regional aid maps for 2014-2020 (see point 5 c) of this letter).

5. New regional aid schemes:

- a. In order to allow to Member States to put in place new schemes after 31 December 2013 that are exempted from notification under the GBER No 800/2008, Commission intends to amend Article 45 of the current GBER in order to prolong its validity until 30th June 2014. Therefore, new regional aid schemes put in place after 31 December 2013 could remain exempted from the notification on the basis of the prolonged GBER until 30th June 2014, provided the Commission has approved the prolongation of the existing regional aid maps until that date.
- b. For schemes falling outside the prolonged GBER No 800/2008, the Commission will assess the compatibility of these notified measures on the basis of the regional aid guidelines 2007-2013 and will approve them only until and including 30th June 2014, provided the Commission has approved the prolongation of the existing regional aid maps until that date.
- c. For schemes falling outside a new general block exemption regulation and to be applied after 30th June 2014, the Commission will apply the new regional aid guidelines 2014-

⁵ Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Article 87 and 88 of the Treaty (General block exemption Regulation), OJ L 214, 9.8.2008, p. 3.

2020 to assess their compatibility. However, to assess the compatibility of these schemes, a new regional aid map has to be first approved by the Commission. As explained in paragraph 189 of the regional aid guidelines 2014-2020, the notification of aid schemes to be applied after 30th June 2014 or individual aid to be granted after that date, will not be considered complete until a new regional aid map has been approved by the Commission. A regional aid map is necessary also when the regions eligible for regional aid are considered to fulfil the conditions of Article 107 (3) (a) of the TFEU (including outermost regions).

As announced in the State aid modernisation communication, the Commission intends to focus its scrutiny on the most distortive cases facilitating the treatment of less distortive aid measures under a general block exemption regulation. In this context, it is envisaged to revise the existing GBER and to extend its scope. I would like to encourage your authorities to make use of the revised block exemption regulation instead of notifying regional aid schemes that could fall within the limits of this regulation. The adoption of a revised block exemption regulation is planned for spring next year, to allow Member States to prepare regional aid schemes to be put in place after 30th June 2014 within the limits of the new regulation.

6. Procedure:

I would like to encourage your authorities to notify only as from 1 September 2013 the prolongation of the existing maps, prolongation of approved aid schemes or new regional aid maps to be applied after 30th June 2014.

To notify the prolongation of existing maps until 30th June 2014, please use the form attached to this letter and submit the relevant underlying legal act.

To notify the prolongation of existing regional aid schemes until 30th June 2014, the simplified procedure laid down in Article 4 of the Implementing Regulation⁶ may be used.

We will answer to possible practical questions on the implementation of the transitional provisions in the regional aid guidelines in the framework of one of the advisory or multilateral meetings with Member States to be organised in September 2013. A separate invitation will be sent in due time.

Yours faithfully,



Gert-Jan KOOPMAN

⁶ Commission Regulation (EC) No 794/2004 of 21 April 2004 implementing Council Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty, OJ L 140, 30.04.2004, p. 1.

Contact:

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Enclosures: Regional aid guidelines 2014-2020

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Notification form for the prolongation of existing maps:

1. Please indicate the number of Commission decision(s) approving or reviewing the regional aid map for 2007-2013 the prolongation of which your authorities intend to notify.
2. Please confirm that only the duration of the regional aid map 2007-2013 as approved or reviewed by the Commission will be prolonged until 30 June 2014 and that all other conditions or commitments contained in the initial Commission decision(s) will be respected.
3. Please attach the draft legislation modifying the duration of the existing maps until 30 June 2014.
4. Please confirm that the information provided during the notification procedure does not contain any confidential information.