

State aid: Commission amends the Temporary Crisis Framework, allowing Member States to pay farmers up to €15,000 – frequently asked questions

Is this aid an increased *de minimis* aid?

No. Aid granted under the Temporary Framework constitutes State aid pursuant to Article 87 (1) of the EC Treaty, but can be declared compatible on the basis of Article 87 (3) (b) EC Treaty; it is a "compatible limited amount of aid".

Does this new aid affect the national *de minimis* ceiling under Regulation 1535/2007?

No. Since the limited amount of aid granted under the Temporary Framework is not a *de minimis* aid it does not need to be taken into account as regards the cumulative *de minimis* ceilings stipulated in the Annex to Regulation 1535/2007.

Can the limited amount of aid be targeted at one specific sub-sector only?

No. Point 4.1 of the Temporary Framework requires Member States to demonstrate that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of the respective Member State.

Measures targeted at one sub-sector only (e.g. the dairy sector) are not likely to fulfil this condition.

Even a crisis measure targeting the whole sector of primary agricultural production, but restricted to this sector, is not likely to remedy a serious disturbance in the overall economy of a Member State. Therefore, limited amount of aid measures for farmers have to be open to the whole sector of agricultural production and must complement other general crisis measures already put in place by a Member State.

Do limited amount of aid measures need to be notified?

Yes. Member States have to notify an aid scheme to the Commission. Once this scheme is approved, individual aids can be granted under the scheme immediately, without further notification.

How does the notification procedure look like?

An aid scheme concerning primary agricultural producers only has to be notified to the Commission's Directorate General for Agriculture and Rural Development. A general scheme, covering all sectors of the economy including primary agricultural production has to be notified to the Commission's Directorate General for Competition.

The Commission has put in place a fast track procedure for urgent crisis measures. Therefore, rapid decisions will be possible, if Member States ensure that their aid schemes comply with the rules set out in the Framework, supply all relevant

information promptly and, exceptionally, agree that the decision is adopted in the English language.

Can the limited amount of aid be cumulated with other aids?

It cannot be cumulated with *de minimis* aid. All *de minimis* aid already received by an undertaking since the beginning of 2008 needs to be deducted from the limited amount of aid, so that the total amount per undertaking does not exceed €15,000 in the period between 1.1.2008 and 31.12.2010.

It can be cumulated with other compatible aid or with other forms of Community financing, as long as the maximum aid intensities indicated in the relevant Guidelines or Block Exemption Regulations are respected.