



EUROPEAN COMMISSION

Brussels, 23.05.2013

C (2013) 3060 final

PUBLIC VERSION

This document is made available for information purposes only.

**Subject: State aid SA.36407 (N /2013) – Spain**

**Promotion of the Basque language (2013-2016)**

Sir,

**1. SUMMARY**

1) I am pleased to inform you that the Commission has decided to approve the above scheme until 31 December 2016.

**2. PROCEDURE**

2) By electronic notification dated 25 March 2013, registered on the same day, the Spanish authorities, in accordance with the Article 4 of Commission Regulation (EC)

Excma. Sr. D. José Manuel García-Margallo  
Ministro de Asuntos Exteriores y Cooperación  
Plaza de la Provincia 1  
E-28012 MADRID

N° 794/2004<sup>1</sup>, notified the Commission the prolongation of the approved scheme SA.34396 (N/2012)<sup>2</sup> until 31 December 2016.

### **3. DESCRIPTION OF THE MEASURE**

#### ***Objective***

- 3) In the framework of a general programme for promoting the use of the Basque language, the notified scheme provides aid for the promotion, diffusion and standardization of the Basque language at the workplace, with the ultimate goal of making available to the citizens diversified instruments to enhance the use of the Basque language.

#### ***Legal basis***

- 4) The scheme is based on a 2013 draft Order from the Counselor for Education, Language Policy and Culture of the Basque Country that announces the support for the promotion of the Basque language at the workplace and establishes the rules for the awarding of the grants.

#### ***Beneficiaries***

- 5) Aid beneficiaries can be physical or legal persons governed by private law that are in charge of working places placed in the Basque Country, with the exception of the entities that have a public capital share of more than 50% and of the entities and consultancy bodies working in the field of the promotion of the Basque language. The Spanish authorities estimate that the number of beneficiaries will be between 101– 500. They confirmed that the beneficiaries' selection process will not discriminate on the basis of nationality or place of establishment. Thus, the aid scheme is open to any physical or legal person established in the European Union and/or European Economic Area.

#### ***Form of financial support***

- 6) Financing will be granted in the form of direct grants.

#### ***Budget***

- 7) The total budget is estimated at EUR 7,779,000 covering the period 2013-2016, which would represent EUR 1,944,800 annually. The annual budget will thus decrease by EUR 340,200 compared with the previous scheme SA.34396 (N/2012) (EUR 2,285,000). It will be granted out of the general budget of the Basque Country ("Presupuestos Generales de la Comunidad Autónoma del País Vasco").

---

<sup>1</sup> Commission Regulation (EC) N° 794/2004 of 21 April 2004 implementing Council Regulation (EC) N° 659/1999 laying down detailed rules for the application of Article [93] of the EC Treaty, OJ L 140, 30.04.2004, p. 1.

<sup>2</sup> SA.34396 (12/N), Aid for the promotion of the Basque language, OJ EC, C/242/3, 11.08.2012.

- 8) This amount may be increased depending on the global amount of the aids requested. This increase shall be decided before the decision on the granting of the aids is taken and will depend on the amounts remaining after allocation of the other schemes supporting the Basque language of the Regional Ministry of Culture of the Basque Country. In case such increase occurs, it will be notified to the Commission.
- 9) The threshold for the maximum amount of aid that can be granted per project under the instrument Management Plan 2013 for working places in the Basque region belonging to private entities has been decreased with EUR 15,000 from EUR 50,000 (in the previous scheme SA.34396 (N/2012)) to EUR 35,000. Also, taking into account the points obtained during the selection phase, different thresholds have been established. The grants per project will be distributed as following:

Amount thresholds granted per project for the projects assessed under the instrument Management Plan 2013		
Points	Management Plan 2013- (period 2013-2016)-EUR	Management Plan 2012- (period 2012)-EUR
40-60	15,000 €	25,000 €
61-70	20,000 €	40,000 €
71-80	25,000 €	45,000 €
81-100	35,000 €	50,000 €

- 10) The thresholds regarding the amount of aid to be granted for the other category of projects eligible for support under the scheme, under the instrument "First Action Plan promoting Basque language", remain unchanged. Nonetheless, the maximum amount of aid that one applicant is entitled to receive after being validated as successful applicant for one or for both of the instruments put in place for the promotion of the Basque language is of EUR 35,000<sup>3</sup> instead of EUR 50,000 compared to the previous scheme.

### ***Duration***

- 11) Contrary to the previous scheme, SA.34396 (N/2012), which was approved by the Commission on 11.04.2012, the Spanish authorities confirmed that, upon Commission approval, the aid will be granted until 31 December 2016, therefore an extension of the scheme duration with 4 years instead of 1 year.

### ***Granting authority***

---

<sup>3</sup> As the measure allows for the cumulation of other sources of financing for the same purpose from any other public or private entity (see further in the decision paragraph 14) on Cumulation), the Spanish authorities have stated during the notification process that, ensuring the application of the threshold of EUR 200,000 can prove to be difficult in this type of measure, therefore, they are not contemplating the possibility of applying the Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the TFEU to *de minimis* aid in this case.

- 12) The granting authority established is the Department for Education, Language Policy and Culture of the Basque Country of the Basque Country (Consejería de Educación, Política Lingüística y Cultura del Gobierno Vasco).

### ***Intensity***

- 13) The aid intensity is limited to 60% at most as in SA.34396 (N/2012).

### ***Cumulation***

- 14) The financing granted under the present scheme may be cumulated with other sources of financing awarded for the same purpose by any other public or private entity, provided that it does not exceed the total cost of the project.

### **Remaining provisions**

- 15) The selection criteria and weighting of the subsidized projects, the type of eligible projects, and the type of eligible costs of the subsidized projects are aspects of the measure that have not suffered any change in respect with the ones from the previously approved scheme.

## **4. ASSESSMENT OF THE MEASURE**

### ***4.1 Existence of aid within the meaning of Article 107(1) of the TFEU***

- 16) The changes introduced to the notified measure do not alter the prior conclusion of the Commission in the case SA.34396 (N/2012) that the measure constitutes State aid within the meaning of Article 107(1) TFEU as the four cumulative criteria can still be applied.
- 17) The Commission therefore concludes that the notified scheme constitutes State aid within the meaning of Article 107(1) TFEU as moreover confirmed by the Member State during the notification.

### ***4.2 Compatibility of the aid***

- 18) According to Article 107 (3) d of the TFEU, aid to promote culture and heritage conservation may be considered to be compatible with the Internal market, where such an aid does not affect trading conditions and competition in the Union to the extent that is contrary to the common market.
- 19) The Commission's compatibility assessment of the notified scheme did not imply any serious difficulties and confirms that i) the four-year extension of the scheme, ii) the minor changes introduced for the aid amount thresholds for the projects assessed under the Management Plan 2013, iii) and the annual scheme budget reduction by EUR 340,000, do not modify the original compatibility assessment regarding the approved measure SA. 34396 (N/2012).

- 20) Moreover, the new changes do not alter either the control mechanisms which remain the same ones from SA.34396 (N/2012). Therefore, the Commission assessment from N/2012 that the control mechanisms foreseen offer an additional guarantee that only projects aiming at the promotion of the Basque language at the workplace will be supported, still applies.
- 21) Thus, it can be concluded that the objective of supporting culture is achieved with as little extra distortion as possible. Therefore, the measure does not affect trading conditions and competition in the Union to an extent that is contrary to the common interest.

## 5. CONCLUSION

- 22) The Commission therefore finds that the existing measure SA.34396 (N/2012) – Promotion of the Basque language in 2012 as amended by means of the measure notified in case SA.36407 (N/2013) – Promotion of the Basque language in 2013, is compatible with the Internal Market in accordance with Article 107 (3) (d) of the TFEU, taking also into account Article 167 of the TFEU, and has accordingly decided not to raise objections to the notified measure.
- 23) The Commission takes note of the commitment from the Spanish authorities not to admit any application from any entity established in the Basque Country having received illegal and incompatible aid in the context of one of the state aid schemes mentioned below or, if the entity had received such kind of aid, that this, including interests, has been fully recovered or has been deposited in a blocked account:
- Fiscal aid - Alava I, Alava II and Alava III (cases CR 48/99, CR 49/99 and CR 58/00);
  - Fiscal aid - Guipuzcoa I, Guipuzcoa II and Guipuzcoa III (cases CR 50/99, CR 53/99 and CR 59/00);
  - Fiscal aid - Vizcaya I, Vizcaya II and Vizcaya III (cases CR 52/99, CR 54/99 and CR 60/00).

A sworn statement that this condition is fulfilled, signed by a representative of the applicant, will furthermore be required.

- 24) The Commission reminds Spain to submit annual reports on the application of the aid measure. The Commission moreover reminds Spain to inform the Commission pursuant to Art 108(3) TFEU on all plans to approve a new or to modify this aid measure.

If this letter contains confidential information which should not be disclosed to third parties, please inform the Commission within fifteen working days of the date of receipt. If the Commission does not receive a reasoned request by that deadline, you will be deemed to agree to the disclosure to third parties and to the publication of the full text of the letter in the authentic language on the Internet site:

<http://ec.europa.eu/competition/elojade/isef/index.cfm>. Your request should be sent by registered letter or fax to:

European Commission  
Directorate-General for Competition  
State Aid Greffe  
SPA 3 6/5  
BE - 1049 Brussels

Fax No: +32 2 296 12 42

Yours faithfully,  
For the Commission

Joaquín ALMUNIA  
Vice-president of the Commission