



Brussels,  
C (2013)

**Subject: State aid/ Italy (Autonomous Province Bozen)  
Aid N° SA.37572 (2013/N)  
Aid for animal welfare measures**

Madam,

The European Commission (hereinafter the Commission) wishes to inform Italy that, having examined the information supplied by your authorities on the prolongation of the State aid measure referred to above, it has decided not to raise any objections to the relevant measure as it is compatible with the Treaty on the Functioning of the European Union (hereinafter: the TFEU).

*The Commission has taken this decision on the basis of the following considerations:*

#### **1. PROCEDURE**

1. In accordance with Article 108(3) TFEU, by e-mail of 12 November 2013, registered as received on the same day, Italy notified the Commission on a simplified notification form the planned prolongation of the existing aid scheme existing State aid SA.25375 (N 140/2008), which was approved by Commission decision C (2008) 7592, of 28<sup>th</sup> November 2008, under the current Community guidelines for State aid in the agriculture and forestry sector 2007-2013<sup>1</sup> ("the Guidelines").

#### **2. DESCRIPTION OF THE EXISTING AID SCHEME**

2. The aid scheme SA.25375 (N 140/2008), approved until 31.12.2013, relates to a decision to provide payments for additional costs and income foregone resulting from animal welfare commitments made on a voluntary basis in the bovine and equine sector.

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<sup>1</sup> OJ C 319 of 27.12.2006, p 1

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3. The animal holders eligible for the aid are small and medium-sized enterprises. They can be of single or associated agricultural enterprises holding animals. Their number is over 1000. The overall budget for the period 2008 – 2013 amounts to: 25,8 million EUR.

### **3. DESCRIPTION OF THE MODIFICATION**

4. The Italian authorities notified the planned prolongation of the Commission approved SA.25375 (N 140/2008) until 31.12.2014.
5. The Italian authorities undertake a commitment that they adapt the aid scheme subject to the current procedure to any amendments of the State aid rules after 2013.
6. The Italian authorities have confirmed that, with the exception of prolonging the duration of the SA.25375 (N 140/2008) aid scheme, the conditions of the original approval decision of the European Commission will not be modified.
7. Furthermore the Italian authorities committed to suspend the payment of the aid if the beneficiary still has at its disposal an earlier unlawful aid that was declared incompatible by a Commission Decision (either concerning an individual aid or an aid scheme), until that beneficiary has reimbursed or paid into a blocked account the total amount of the unlawful and incompatible aid including the corresponding recovery interest.
8. Firms in difficulty within the meaning of Community guidelines on state aid for rescuing and restructuring firms in difficulty<sup>2</sup> will not be eligible for aid under the notified measure.

### **4. ASSESSMENT UNDER COMPETITION RULES**

9. Article 4(2)(b) of 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<sup>3</sup> states that a simplified notification form can be used when the proposed alteration to an existing aid concerns prolongation by up to six years, with or without an increase in the budget. In the case at hand, the modification concerns the prolongation of the scheme (see recital (4) above). Therefore the simplified procedure can apply.
10. In its decision SA.25375 (N 140/2008), the Commission has established that the measure constitutes State aid and has assessed the scheme in conformity with Chapter IV.C.2 of the Guidelines, and the principles of Article 40 of the Council Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) (hereinafter: the Rural

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<sup>2</sup> OJ C 244 of 1.10.2004, p. 2

<sup>3</sup> OJ L 140, 30.4.2004, p.1

Development Regulation)<sup>4</sup> and of the relevant implementing rules adopted by the Commission.

11. The Commission considered such aid compatible with the internal market since the Italian authorities guaranteed that the requirements set out in Article 40 of the Rural Development Regulation and Article 27 of the Implementing Regulation were satisfied.
12. Based on these considerations, the aid scheme SA.25375 (N 140/2008), was considered fulfilling all requirements set out by Chapter IV.C.2 of the Guidelines, and considered compatible with art. 107 (3) c) of the TFEU. As the only amendment to the scheme concerns its duration, the Commission has no reason to change the position adopted in its previous decision.
13. In accordance with the Deggendorf ruling<sup>5</sup>, the Commission takes account of the commitment made by Italian authorities to suspend the payment of the notified aid if the beneficiary still has at its disposal an earlier unlawful aid that was declared incompatible by a Commission Decision (either concerning an individual aid or an aid scheme), until that beneficiary has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid including the corresponding recovery interest(see recital (7)).

## 5. CONCLUSION

14. In view of the foregoing, the Commission has accordingly decided to consider the modified aid scheme to continue to be compatible with the internal market under Article 107(3)(c) of the TFEU.
15. If this letter contains confidential information which should not be published, 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 publication of the full text of this letter in the authentic language on the Internet site:

<http://ec.europa.eu/competition/elojade/isef/index.cfm>.

Your request specifying the relevant information should be sent by registered letter to:

European Commission  
Directorate-General for Agriculture and Rural Development  
Directorate for Agricultural Legislation  
Rue de la Loi 200  
B-1049 Brussels

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<sup>4</sup> OJ L 277, 21.10.2005

<sup>5</sup> See Judgment of the General Court of 13 September 1995, joined cases T-244/93 and T-486/93, *Textilwerke Deggendorf GmbH v Commission*, p. II-2288, paras 51 and 56 et seq.; confirmed by the judgment of the Court of Justice of 15 May 1997, case C-355/95 P, p. I-2575, paras 22 and 26 et seq.

Yours faithfully,

For the Commission

Dacian CIOLOȘ  
Member of the Commission