



State aid: Commission approves €23 million Dutch scheme to support the economy in the current coronavirus outbreak

Brussels, 3 April 2020

The European Commission has approved a €23 million Dutch scheme to support certain providers of social support and health care in offering services at home during the coronavirus outbreak. The scheme was approved under the [State aid Temporary Framework](#) adopted by the Commission on 19 March 2020, as [amended on 3 April 2020](#).

Executive Vice-President Margrethe **Vestager**, in charge of competition policy, said: " *The current coronavirus pandemic is putting a strain on our health care systems. There is a significant risk of overloading our hospitals. The €23 million Dutch scheme approved today allows aid for providers of social support services, health care service and youth care by facilitating remote care via internet applications. This will contribute to making sure that hospital services can continue being offered to all those in need.*"

The Dutch support measures

The Netherlands notified to the Commission under the [Temporary Framework](#) a €23 million scheme to support Dutch providers of social support services, health care and youth care in offering services at home during the coronavirus pandemic.

The support, in the form of direct grants, will allow providers to purchase, lease, licence and implement e-health applications. E-health applications contribute to the continuity of support and remote care for patients that are now staying at home during the coronavirus outbreak. The measure aims at avoiding that social support, health care and youth care providers are confronted with liquidity problems due to a significant increase in demand of services at home, requiring investments in e-health applications, without a corresponding increase in financial support. With the measure, the providers are able to continue supporting those in need, incentivising health care services at home and replacing the non-coronavirus related health care treatments that are usually provided from hospitals to home care, as requested by the Dutch government.

The Commission found that the scheme notified by the Netherlands is in line with the conditions set out in the Temporary Framework. In particular, the maximum aid amount does not exceed €100,000 per undertaking.

The Commission therefore concluded that the Dutch measure will contribute to managing the economic impact of the coronavirus in the Netherlands. It is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State, in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework.

On this basis, the Commission approved the measures under EU State aid rules.

Background

The Commission has adopted a Temporary Framework to enable Member States to use the full flexibility foreseen under State aid rules to support the economy in the context of the coronavirus outbreak. The Temporary Framework, as [amended on 3 April 2020](#), provides for the following types of aid, which can be granted by Member States:

- (i) **Direct grants, equity injections, selective tax advantages and advance payments** of up to €800,000 to a company to address its urgent liquidity needs.
- (ii) **State guarantees for loans taken by companies** to ensure banks keep providing loans to the customers who need them. These state guarantees can cover up to 90% of risk on loans to help businesses cover immediate working capital and investment needs. For loans up to the nominal value of €800,000, the guarantees can cover 100% of the risk.
- (iii) **Subsidised public loans to companies** with favourable interest rates to companies. These loans can help businesses cover immediate working capital and investment needs. Zero-interest

rates are possible for loans with a nominal amount up to €800,000.

(iv) **Safeguards for banks that channel State aid to the real economy** that such aid is considered as direct aid to the banks' customers, not to the banks themselves, and gives guidance on how to ensure minimal distortion of competition between banks.

(v) **Public short-term export credit insurance** for all countries, without the need for the Member State in question to demonstrate that the respective country is temporarily "non-marketable".

(vi) **Support for coronavirus related research and development (R&D)** to address the current health crisis in the form of direct grants, repayable advances or tax advantages. A bonus may be granted for cross-border cooperation projects between Member States.

(vii) **Support for the construction and upscaling of testing facilities** to develop and test products (including vaccines, ventilators and protective clothing) useful to tackle the coronavirus outbreak, up to first industrial deployment. : This can take the form of direct grants, tax advantages, repayable advances and no-loss guarantees. Companies may benefit from a bonus when their investment is supported by more than one Member State and when the investment is concluded within two months after the granting of the aid.

(viii) **Support for the production of products relevant to tackle the coronavirus outbreak** in the form of direct grants, tax advantages, repayable advances and no-loss guarantees. Companies may benefit from a bonus when their investment is supported by more than one Member State and when the investment is concluded within two months after the granting of the aid.

(ix) **Targeted support in the form of deferral of tax payments and/or suspensions of social security contributions** for those sectors, regions or for types of companies that are hit the hardest by the outbreak.

(x) **Targeted support in the form of wage subsidies for employees** for those companies in sectors or regions that have suffered most from the coronavirus outbreak, and would otherwise have had to lay off personnel.

The Temporary Framework enables Member States to combine all support measures with each other, except for loans and guarantees for the same loan and exceeding the thresholds foreseen by the Temporary Framework. It also enables Member States to combine all support measures granted under the Temporary Framework with existing possibilities to grant de minimis aid company up to €200,000 over three fiscal years. At the same time, Member States have to commit to avoid undue cumulation of support measures for the same companies to limit support to meet their actual needs.

Furthermore, the Temporary Framework complements the many other possibilities already available to Member States to mitigate the socio-economic impact of the coronavirus outbreak, in line with EU State aid rules. On 13 March 2020, the Commission adopted a [Communication on a Coordinated economic response to the COVID-19 outbreak](#) setting out these possibilities. For example, Member States can make generally applicable changes in favour of businesses (e.g. deferring taxes, or subsidising short-time work across all sectors), which fall outside State Aid rules. They can also grant compensation to companies for damage suffered due to and directly caused by the coronavirus outbreak.

The Temporary Framework will be in place until the end of December 2020. With a view to ensuring legal certainty, the Commission will assess before that date if it needs to be extended.

The non-confidential version of the decision will be made available under the case number SA.56915 in the [State aid register](#) on the Commission's [competition](#) website once any confidentiality issues have been resolved. New publications of State aid decisions on the internet and in the Official Journal are listed in the [State Aid Weekly e-News](#).

More information on the temporary framework and other action the Commission has taken to address the economic impact of the coronavirus pandemic can be found [here](#).

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