Subject: State aid/Spain
"Aid towards the payment of agricultural insurance premiums"

Sir,

The European Commission (hereinafter "the Commission") wishes to inform Spain that, having examined the information supplied by your authorities on the State aid scheme referred to above, it has decided not to raise any objections to the relevant scheme as it is compatible with the internal market pursuant to Article 107(3)(c) of the Treaty on the Functioning of the European Union (hereinafter "TFEU").

The Commission has based its decision on the following considerations:

1. PROCEDURE

(1) By letter of 28 July 2015, registered by the Commission on 4 August 2015, Spain notified, according to Article 108(3) TFEU, the above mentioned aid scheme. The Spanish authorities submitted additional information by letter of 4 August 2015, registered by the Commission on the same date.


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

(*) Ce timbre porte sur l'ensemble des documents qui composent le dossier.
2. **DESCRIPTION**

2.1. **Title**

(3) Prolongation of the scheme SA.40313 (2014/N) "Aid towards the payment of agricultural insurance premiums"

2.2. **Objective**

(4) With the present notification the Spanish authorities wish to amend the aid scheme SA.40313 (2014/N) approved by the Commission decision C(2015) 2296 of 9 April 2015, currently in force until 31 December 2015.

2.3. **Legal basis**

(5) The legal basis is the "Ley 87/1978, de 28 de diciembre, de Seguros Agrarios Combinados".

2.4. **Description of the aid scheme**

(6) The aid scheme SA.40313 (2014/N), in force until 31 December 2015, consists of aid towards the payment of insurance premiums. Aid is granted to cover the risk of damages on Annex I of the TFEU vegetable products (crops in general, cereals, nuts, fruits, vegetables, trees, plants, flowers, etc.) and livestock species (cattle, horses, sheep, goats, swine, rabbits, poultry, birds, bees, etc.). The overall budget approved for the year 2015 was €274,54 million.

(7) The present modification relates to the extension of the scheme until 31 December 2020 and a budget increase of €1.372,7 million.

(8) The Spanish authorities confirmed that there would be no other modifications of the aid scheme SA.40313 (2014/N).

(9) Spain has committed to submit the annual reports on the approved aid scheme SA.40313 (2014/N) in respect of each calendar year during which the scheme would be applied.

3. **ASSESSMENT**

(10) Regulation (EC) No 794/2004 provides in Article 4 for a simplified notification procedure for certain alterations to existing aid. Such alterations shall mean any change which cannot affect the evaluation of the compatibility of the aid measure with the internal market. The simplified procedure applies in respect of alteration types listed in Article 4 (2) of Regulation (EC) No 794/2004.

(11) The present modification relates to the extension of the scheme SA.40313 (2014/N) until 31 December 2020 and a budget increase of €1.372,7 million. Therefore, it falls under Article 4 (2) (b) of Regulation (EC) No 794/2004 which states that a prolongation of an existing authorised aid scheme by up to six years,

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2 BOE Núm. 11, of 12 January 1979.
with or without an increase in the budget, shall be notified on the simplified notification form.

3.1. Existence of aid - Application of Article 107(1) TFEU

(12) As already set out in the Commission decision in case SA.40313 (2014/N), the scheme constitutes State aid within the meaning of Article 107(1) of the TFEU.

3.2. Compatibility of the aid

(13) As regards the assessment of the content of the notified scheme, reference is made to the decision taken on State aid scheme SA.40313 (2014/N), which was approved under Section 1.2.1.6 of Part II of European Union Guidelines for State aid in the agricultural and forestry sectors and in rural areas 2014 to 2020 (hereinafter: "Guidelines")³.

(14) The Spanish authorities confirmed that, other than the extended duration and budget increase (cf. recital (7)), there are no other alterations to the scheme (cf. recital (8)). Therefore, this modification does not affect the evaluation of the compatibility of the aid scheme with the internal market, as carried out in the Commission decision in case SA.40313 (2014/N).

(15) Regulation (EC) No 794/2004 stipulates in Article 4 (3) that the simplified notification procedure should not be used to notify alterations of schemes in respect of which Member States have not submitted the annual reports in accordance with Articles 5 to 7 of this Regulation, or together with the notification. As said in recital (9) above, Spain will comply with the reporting requirement in due time.

(16) Based on the above considerations, the notified aid scheme complies with the relevant provisions of the Guidelines and as a result is compatible with the internal market.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the prolongation of the aid scheme in question on the grounds that it is compatible with the internal market pursuant to Article 107(3)(c) TFEU.

If any parts of this letter are covered by the obligation of professional secrecy according to the Commission communication on professional secrecy and should not be published, please inform the Commission within fifteen working days of notification of this letter. If the Commission does not receive a reasoned request by that deadline Spain will be deemed to agree to the publication of the full text of this letter. If Spain wishes certain information to be covered by the obligation of professional secrecy please indicate the parts and provide a justification in respect of each part for which non-disclosure is requested.

Your request should be sent electronically via the secured e-mail system Public Key Infrastructure (PKI) in accordance with Article 3(4) of Commission Regulation (EC) No 794/2004, to the following address: agri-state-aids-notifications@ec.europa.eu.

For the Commission

Phil HOGAN

Member of the Commission