

EUROPEAN COMMISSION

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Subject: State aid case no. SA.46230 (2016/N) – Greece - Amendment to the regional aid map for Greece (2014-2020) for the period 2017-2020

Sir,

1. **PROCEDURE**

- (1) On 28 June 2013 the Commission adopted the Guidelines on Regional State Aid for 2014-2020 (hereinafter "RAG")¹. On the basis of the RAG the Greek authorities notified their regional aid map, which was approved by the Commission on 7 May 2014 for the period from 1 July 2014 until 31 December 2020² (hereinafter "regional aid map approved in 2014").
- (2) Pursuant to section 5.6.2 of the RAG, Member States may notify amendments to their regional aid map in the context of the mid-term review in 2016. The amended regional aid maps will be in force from 1 January 2017 until 31 December 2020.
- (3) The Commission published on 25 June 2016 a Communication amending Annex I to the RAG (hereinafter, the "Communication")³. In this Communication, the

¹ OJ C 209, 23.07.2013, p.1

² Decision for State aid case SA.38450 - *Regional aid map for Greece (2014-2020)*, OJ C 233, 18.7.2014, p. 25.

³ Communication from the Commission (2016/C 231/01) amending Annex I to the Guidelines on regional aid for 2014-2020 (Mid-term review of the regional aid maps), OJ C 231, 25.6.2016, p.1

Commission presented up-to-date statistical data to be used as a basis for the mid-term review of the list of regions qualifying for regional aid status pursuant to Article 107(3)(a) TFEU (hereinafter referred to as "'a' areas"). The annex to this Communication identified those NUTS 2 regions for which the per capita GDP for the period 2012-2014 had fallen to 75% or less of the EU-28 average and that could therefore qualify as 'a' areas from 1 January 2017 until 31 December 2020. The annex to this Communication identified also those NUTS 2 regions which are 'a' areas in the national regional aid map, but for which the per capita GDP for the period 2012-2014 had fallen to 60% or less of the EU-28 average and that could therefore qualify for a higher level of aid intensity from 1 January 2017 until 31 December 2020. The Commission invited the Member States concerned to notify the amendments to their regional aid map before 1 September 2016 at the latest.

(4) By electronic communication dated 12 August 2016, Greece duly notified a proposal for amendments to its regional aid map in the context of the mid-term review. By letter of 19 September 2016, the Commission requested supplementary information which was submitted by letter registered at the Commission on 25 October 2016.

2. DESCRIPTION OF THE PROPOSED AMENDMENT

- (5) In its notification, Greece proposes to amend the Greek regional aid map 2014-2020 in line with the provisions of the RAG and the Communication.
- (6) In particular Greece proposes to include the following NUTS 2 regions as 'a' areas with a standard aid intensity ceiling of 25% for large enterprises for the period from 1 January 2017 until 31 December 2020:
 - EL43 Kriti,
 - EL53 Dytiki Makedonia,
 - EL62 Ionia Nisia
 - EL64 Sterea Ellada.
- (7) Under the regional aid map approved in 2014, these regions were designated as predefined Article 107(3)(c) areas (former 'a' areas).
- (8) Further, Greece proposes to increase the standard aid intensity ceiling to 35% for large enterprises for the following NUTS 2 regions for the period from 1 January 2017 until 31 December 2020, as their GDP per capita is now below 60% of the EU-28 average:
 - EL41 Voreio Aigaio,
 - EL51 Anatoliki Makedonia, Thraki,
 - EL52 Kentriki Makedonia,
 - EL54 Ipeiros,
 - EL61 Thessalia,
 - EL63 Dytiki Ellada
 - EL65 Peloponnisos.
- (9) Under the regional aid map approved in 2014, these regions were designated as 'a' areas with an aid intensity of 25% for large enterprises as their GDP per capita was between 60% and 75% of the EU-27 average.

(10) Finally, for the two remaining NUTS 2 regions (EL30 Attiki and EL42 Notio Aegaio), Greece proposes to increase the standard aid intensity ceiling for large enterprises to 20% from 1 January 2017 until 31 December 2020 for the following four NUTS 3 regions as they will be bordering 'a' areas with an aid intensity ceiling of 35% for large enterprises in that same period:

EL30 Attiki:

- EL306 Dytiki Attiki,
- EL307 Peiraias, Nisoi,

EL42 Notio Aegaio:

- EL421 Kalymnos, Karpathos, Kos, Rodos,
- EL422 Andros, Thira, Kea, Milos, Mykonos, Naxos, Paros, Syros, Tinos.
- (11) Greece proposes no other modifications to its regional aid map as approved by Commission decision of 7 May 2014.

3. ASSESSMENT

- (12) Eurostat data show that the average GDP per capita of the following NUTS 2 regions for the period 2012-2014 has fallen below 75.00% of the EU-28 average:
 - EL43 Kriti (62.00%),
 - EL53 Dytiki Makedonia (69.00%),
 - EL62 Ionia Nisia (66.67%),
 - EL64 Sterea Ellada (64.67%).
- (13) This is why these regions are listed in Annex I of the Communication as regions that could qualify for regional aid pursuant to Article 107(3)(a) TFEU from 1 January 2017 until 31 December 2020 with an aid intensity of 25% for large enterprises.
- (14) Eurostat data show further that the average GDP per capita of the following NUTS 2 regions for the period 2012-2014 has fallen below 60.00% of the EU-28 average:
 - EL41 Voreio Aigaio (57.33%),
 - EL51 Anatoliki Makedonia, Thraki (51.67%),
 - EL52 Kentriki Makedonia (57.33%),
 - EL54 Ipeiros (51.67%),
 - EL61 Thessalia (55.33%),
 - EL63 Dytiki Ellada (55.00%),
 - EL65 Peloponnisos (59.67%).
- (15) This is why these regions are listed in Annex I of the Communication as regions that could qualify for an aid intensity of 35% for large enterprises for the period 1 January 2017 until 31 December 2020.
- (16) The two remaining NUTS 2 regions EL30 Attiki and EL42 Notio Aigaio continue to be entirely designated as non-predefined areas eligible for regional aid under the derogation of Article 107(3)(c) TFEU in accordance with the criteria set out in

paragraph 163 and 165(a) of the RAG. These two NUTS 2 regions were eligible to a maximal aid intensity of 10% for large enterprises.

- (17) In accordance with paragraph 176 of the RAG, if a 'c' area is adjacent to an 'a' area, the maximum aid intensity in the NUTS 3 regions within that 'c' area which are adjacent to the 'a' area may be increased as necessary to limit the difference in the aid intensity between the two areas to 15 percentage points. Also for the assessment of this criterion, the Commission uses the NUTS2013 nomenclature⁴ in force at the time of the review in accordance with footnote 79⁵ of the RAG.
- (18) The following NUTS 3 regions are bordering the following NUTS 2 regions with an aid intensity of 35% for large enterprises: EL41 Voreio Aigaio and EL65 Peloponnisos:
 - EL306 Dytiki Attiki, (bordering EL65)
 - EL307 Peiraias, Nisoi, (bordering EL65)
 - EL421 Kalymnos, Karpathos, Kos, Rodos, (bordering EL41)
 - EL422 Andros, Thira, Kea, Milos, Mykonos, Naxos, Paros, Syros, Tinos (bordering EL41)
- (19) This is why these NUTS 3 regions can qualify for an aid intensity of 20% for large enterprises for the period 1 January 2017 until 31 December 2020.
- (20) The NUTS 3 regions of EL301 Voreios Tomeas Athinon, EL302 Dytikos Tomeas Athinon, EL303 Kentrikos Tomeas Athinon, EL 304 Notios Tomeas Athinon and EL305 Anatoliki Attiki either border other NUTS 3 regions within the NUTS 2 of Attiki, or border EL64 Sterea Ellada that has an aid intensity of 25%. Thus these NUTS 3 regions remain eligible to a maximal aid intensity of 10% for large enterprises.
- (21) In accordance with paragraph 177 of the RAG, the maximum aid intensities applicable to large enterprises can be increased by up to 20 percentage points for small enterprises or by up to 10 percentage points for medium-sized enterprises.
- (22) The Commission notes that all other conditions set out in the Decision of 7 May 2014 on the Greek regional aid map remain unchanged.

4. COMPATIBILITY

- (23) In view of the above, the Commission concludes that the amendments of the Greek regional aid map for the period from 1 January 2017 until 31 December 2020, as notified by Greece, are in line with the RAG. The revised list of regions eligible for regional aid under article 107(3) (a) and (c) from 1 January 2017 until 31 December 2020 and their maximal aid intensities are presented in annex.
- (24) The Commission recalls that the maximum aid intensities specified in the regional aid map apply only to investments carried out in sectors that fall within the scope of the

⁴ http://ec.europa.eu/eurostat/documents/3859598/6948381/KS-GQ-14-006-EN-N.pdf

⁵ Defined on the basis of the NUTS nomenclature in force at the time of the review.

RAG, as defined in paragraph 10 thereof. In particular, these aid ceilings apply to the processing and marketing of agricultural products only to the extent laid down in the Community guidelines for State aid in the agriculture and forestry sector⁶, or in any guidelines replacing them.

5. CONCLUSION

- (25) The Commission has accordingly decided:
 - to approve the amendments of the Greek regional aid map for the period from 1 January 2017 until 31 December 2020 as set out in the Annex, as they fulfil the conditions laid down in the Guidelines on regional State aid for 2014-2020 and the Communication amending Annex I to the Guidelines on regional State aid for 2014-2020.
- (26) Any request concerning this letter should be sent by registered letter or fax to:

European Commission Directorate-General for Competition State Aid Registry B-1049 Brussels Belgium

Fax No: +32 2 29 61242

Yours faithfully For the Commission

Margrethe VESTAGER Member of the Commission

⁶ OJ C319, 27.12.2006, p.1., as amended by the notice published in OJ C390, 24.11.2015, p.4.

ANNEX to the decision on case SA.46230 (amending decision on case SA.38450)

Guidelines on regional State aid for 2014-2020

(OJ C 209, 23.07.2013, p. 1)

Greece – Regional aid map applicable from 1.1.2017 to 31.12.2020

(Approved by the Commission on ...)

NUTS2 Regions NUTS 3 Regions	Maximum aid intensities ¹⁾ (for large enterprises)	
	1.1.2017- 31.12.2017	1.1.2018- 31.12.2020
1. Regions eligible for aid under Article 107(3)(a) TFEU	I	
EL41 Voreio Aigaio	35%	35%
EL43 Kriti	25%	25%
EL51 Anatoliki Makedonia, Thraki	35%	35%
EL52 Kentriki Makedonia	35%	35%
EL53 Dytiki Makedonia	25%	25%
EL54 Ipeiros	35%	35%
EL61 Thessalia	35%	35%
EL62 Ionia Nisia	25%	25%
EL63 Dytiki Ellada	35%	35%
EL64 Sterea Ellada	25%	25%
EL65 Peleponnisos	35%	35%
2. Regions eligible for aid under Article 107(3)(c	,	
2.a. Non predefined 'c' areas EL30 ATTIKI	1	
	10%	10%
EL30 ATTIKI	10%	10% 10%
EL30 ATTIKI EL301 Voreios Tomeas Athinon		
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon	10%	10%
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon EL303 Kentrikos Tomeas Athinon	10% 10%	10% 10%
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon EL303 Kentrikos Tomeas Athinon EL304 Notios Tomeas Athinon	10% 10% 10%	10% 10% 10%
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon EL303 Kentrikos Tomeas Athinon EL304 Notios Tomeas Athinon EL305 Anatoliki Attiki	10% 10% 10% 10%	10% 10% 10% 10%
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon EL303 Kentrikos Tomeas Athinon EL304 Notios Tomeas Athinon EL305 Anatoliki Attiki EL306 Dytiki Attiki	10% 10% 10% 10% 20%	10% 10% 10% 10% 20%
EL30 ATTIKI EL301 Voreios Tomeas Athinon EL302 Dytikos Tomeas Athinon EL303 Kentrikos Tomeas Athinon EL304 Notios Tomeas Athinon EL305 Anatoliki Attiki EL306 Dytiki Attiki EL307 Peiraias, Nisoi	10% 10% 10% 10% 20%	10% 10% 10% 10% 20%

¹ For investment projects with eligible expenditure not exceeding EUR 50 million this ceiling is increased by 10 percentage points for medium sized companies and 20 percentage points for small companies as defined in the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36). For large investment projects with eligible expenditure exceeding EUR 50 million, this ceiling is subject to adjustment in accordance with paragraph 20(c) of the Guidelines on national regional aid for 2014-2020.