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Subject: State Aid SA.56791 (2020/N) – Denmark – Temporary wage-compensation scheme for self-employed financially affected by the COVID-19

Excellency,

1. PROCEDURE

- (1) By electronic notification of 21 March 2020, registered by the Commission on 23 March 2020, Denmark notified a wage-compensation aid scheme for self-employed undertakings financially affected by the COVID-19, in compliance with Article 108(3) TFEU.
- (2) Denmark exceptionally agrees to waive its rights deriving from Article 342 TFEU, in conjunction with Article 3 of Regulation 1/1958¹, and to have this Decision adopted and notified in English.

2. DETAILED DESCRIPTION OF THE MEASURE

COVID-19 outbreak in Denmark and the official reaction of Denmark authorities

- (3) Denmark informed that since 9 March 2020, the Danish government has gradually introduced a number of measures in order to reduce spread of COVID-19.
- (4) Some measures had been taken by the Danish authorities on 11 March 2020, including:
 - (a) recommendation to not carry out events with more than 1000 participants;
 - (b) closure of Danish borders from 14 March at 12:00;

¹ Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385

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- (c) recommendation by the Ministry of Foreign Affairs to avoid all unnecessary travel;
 - (d) closure of all schools, educational institutions and day care services as of 16 March, for at least two weeks;
 - (e) closure of all indoor cultural institutions, libraries and leisure facilities;
 - (f) obligation for all public servants not performing critical functions to telework;
 - (g) recommendation to comply with social distancing measures, e.g. teleworking in private sector, reduced use of public transportation etc.
- (5) As of 17 March a temporary prohibition was issued, which concerned:
- (a) gatherings of more than 10 people;
 - (b) closure of nightclubs, pubs etc.;
 - (c) consumption in restaurants and cafes, etc. (only take-away allowed);
 - (d) closure of malls;
 - (e) sports and leisure activities;
 - (f) Closure of business to consumers where contact with customers cannot be avoided (hairdresser, tattooist, massage therapists etc.);
 - (g) Special conditions for retail.
- (6) As a consequence of the exceptional circumstances related to COVID-19, and the official recommendations and prohibitions as listed in recitals (4) and (5) above, business activities are seriously affected and income losses are expected to grow.

Objective of the scheme

- (7) The objective of the notified scheme is to partially compensate self-employed² undertakings, for losses of revenues caused by temporary prohibitions and recommendations from the Danish Government due to the COVID 19.
- (8) As described in recitals (3) to (5), the Danish authorities have made official recommendations and prohibitions since 9 March 2020 in order to limit the spread of the COVID-19 outbreak, and in particular, on 11 and 17 March 2020.
- (9) According to Denmark, the COVID-19 outbreak has created a general uncertainty in the markets and makes it difficult for many self-employed to make a living.
- (10) Furthermore, as a consequence of the exceptional circumstances and the official recommendations from the Danish Government to close down a large part of the Danish social and economic life, large revenue losses for self-employed are expected.

² The definition of self-employer provided by Denmark is “a person who is working for oneself rather than an employer, i.e. runs his own business whether it is a single person company or a company with few employees”.

Legal basis

- (11) The notified scheme will be issued through a direct act on the Danish Budget Law, and elaborated in an administrative order issued under the Danish Business Promotion Act.

Budget

- (12) The estimated budget is of DKK 10 billion (around EUR 1,33 billion³).

Form of aid and financing mechanism

- (13) The aid takes the form of a grant financed directly by the national budget and is not co-financed by structural funds.

Granting authority or Administrator of the scheme

- (14) The notified aid scheme will be administrated by the Danish Business Authority.

Beneficiaries

- (15) The scheme applies to self-employed undertakings registered in Denmark, which incur a loss of turnover or of B-income⁴ as a result of the temporary prohibitions and recommendations from the Danish Government due to the COVID-19, of at least 30 %, in the period from 9 March 2020 to 9 June 2020, compared to the average turnover/B-income in the last accounting year.
- (16) A first category of beneficiaries is composed of all self-employed in all sectors who have at least 25 % ownership and carry out a substantial amount of labor in the daily operation of an undertaking.
- (17) According to Denmark these beneficiaries must:
- (a) Have experienced a turnover decrease caused by COVID-19 of at least 30 %;
 - (b) Be registered in the Danish Central Business Register (“CVR” register)⁵, as of no later than 1 February 2020. Denmark confirmed that the registration is open for all undertakings and is legally required if an undertaking has a yearly revenue above DKK 50,000 (EUR 6,650);
 - (c) Be registered in the Danish Civil Registration System (CPR)⁶;
 - (d) Have a maximum of 10 full-time employees;
 - (e) Have had an average monthly turnover of at least DKK 15,000 (EUR 1,995) in the last accounting year.

³ Exchange rate DKK 1= EUR 0.133, 20/03/2020
https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eur_ofxref-graph-dkk.en.html

⁴ B-income is income on which tax and labour market contributions have not been withheld by an employer. It is then the responsibility of the taxpayer to pay taxes and labour market contributions on such income.

⁵ <https://datacvr.virk.dk/data/index.php?q=forside&language=en-gb>

⁶ All persons living in Denmark shall be registered in the Danish Civil Registration System (CPR). It does not require Danish citizenship.

- (18) The second category of beneficiaries is composed of self-employed persons without CVR number⁷ (e.g. freelancers). Self-employed without CVR number have to:
- (a) Experience a decrease in B-income caused by COVID-19 of at least 30 %,
 - (b) Be registered in the Danish Civil Registration System (CPR)
 - (c) Have had an average monthly B-income of at least DKK 15,000 (EUR 1,995) in the last accounting year.
- (19) Denmark indicates that undertakings in difficulty, fulfilling the beneficiaries' requirement established in the notified scheme, can also benefit from the notified aid scheme.
- (20) Denmark confirms that the notified scheme excludes any undertaking that has benefited from earlier unlawful aid declared incompatible by a Commission Decision, until that undertaking has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest.

Duration

- (21) The notified measure provides compensation for loss of turnover/B-income in the period from 9 March 2020 to 9 June 2020 compared to the average turnover/B-income in the last accounting year.
- (22) In order to benefit from the aid granted by the notified scheme, aid applicants must introduce their request until 9 September 2020.

Aid intensity and modalities for compensation

- (23) Compensation will represent 75 % of the loss of turnover/B-income in the period from 9 March 2020 to 9 June 2020 compared to the average turnover in the last accounting year.
- (24) The compensation can be no more than DKK 23,000 (EUR 3,059) per month⁸ per CPR-number which corresponds to a single person.
- (25) If the self-employed have an assisting spouse⁹, the maximum compensation limit is raised to DKK 46,000 (EUR 6,118).
- (26) In order to receive compensation, the self-employed are required to fill out a solemn declaration where they declare the estimated turnover/B-income¹⁰ loss they

⁷ Many self-employed within the cultural sector are not obligated to pay VAT for their services. Therefore, they are not necessarily registered in the CVR.

⁸ The Danish average monthly wage is approximately DKK 28,000 (EUR 3,724) and the usual unemployment benefit is DKK 19,100 (EUR 2,540).

⁹ Denmark explained that the term "assisting spouse" refers to spouses who take part in the day to day operations of a firm without being employed in the firm. Instead of receiving a wage, the assisting spouse is eligible to a tax deduction.

¹⁰ Denmark argued that, even though loss of profit would be a more precise measure of the actual loss experienced by the self-employed, the turnover loss is considered to constitute a satisfactory proxy. Compensating only 75 % of the loss of turnover reduces the risk of overcompensation considering that it is presumed that sudden and big loss in turnover would not reduce fixed costs and would result in a comparable loss in profit.

expect, and provide a justification concerning how the temporary prohibitions and recommendations from the Danish Government due to the COVID-19 is the cause of their revenue loss.

- (27) Denmark confirmed that the Danish Business Authorities will assess the solemn declaration before awarding the aid.
- (28) The undertaking must *ex post* document a turnover/B-income loss of more than 30% for the compensation period compared to average monthly turnover in the last accounting year. If the undertaking has not yet had a full financial year, the monthly average is calculated using the months available.
- (29) The loss of turnover or B-income must be calculated on basis of the submissions to the Danish Taxation authorities. The Danish Business authorities will require all undertakings to use auditor assistance. This will have to be documented to the Danish Business Authorities. Denmark confirmed that the principle of *ex post* documentation and potential recovery of overcompensation is in line with the Danish taxation system where the tax rates are set by the taxpayers for the year. *Ex post*, tax is then respectively recovered or redeemed depending on whether the taxpayers over - or underestimated their incomes for the year.
- (30) If turnover/B-income losses in the compensation period (9 March 2020-9 June 2020) turn out to be less than 30% compared to the reference period, the compensation has to be recovered in full (“Claw-Back mechanism”).
- (31) The compensation of each beneficiary will be adjusted by the Danish Business authorities depending on the actual turnover/B-income result during the compensation period (9 March 2020-9 June 2020); in any event, no beneficiary can be compensated of more than the maximum compensation per month of DKK 23,000 (EUR 3,059), even if its actual damage exceeds this cap.
- (32) If the annual income of the self-employed in 2020 turns out to exceed DKK 800,000 (EUR 106,400) the compensation will be recovered.
- (33) Denmark confirmed that:
 - (a) The compensation is subject to taxation.
 - (b) Compensation under the notified scheme cannot be cumulated with other aid covering the same eligible costs;
 - (c) Payments made to beneficiaries will be net of any amount recovered by insurance, litigation, arbitration or other source for the same damage. If the aid is paid before the insurance, Denmark will recover the insurance amount from the beneficiary.
 - (d) The benefit of the aid is excluded for any applicant who is responsible for the damage suffered and/or did not conduct his activities with due diligence or in compliance with applicable legislation or did not take any measure to mitigate its damage;
 - (e) The *ex post* documentation with auditor assistance ensure that any overestimations in loss of turnover/B-income result in recovery of the overcompensations if the actual losses exceed 30% and, of the full compensation if the actual losses are below 30%.

- (34) The overall budget for the scheme will depend on the actual impact of COVID-19 on self-employed and on the extent to which the scheme will be used by the self-employed.
- (35) Denmark committed to provide a report no later than one year after the date of the Commission Decision, specifying the amount of compensation and recoverable advances granted.

3. ASSESSMENT OF THE AID MEASURE

3.1 Legality of the aid measure

- (36) By notifying the measure before putting it into effect, the Danish authorities have respected their obligations under Article 108(3) TFEU. The measure enters into effect after its approval by the European Commission and will apply until 9 June 2020.

3.2 Existence of aid within the meaning of Article 107(1) TFEU

- (37) Article 107(1) TFEU defines State aid as ‘any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States’.
- (38) The qualification of a measure as aid within the meaning of this provision therefore requires that the following cumulative conditions be met: (i) the measure must be imputable to the State and financed through State resources; (ii) it must confer an advantage on its recipient; (iii) that advantage must be selective; and (iv) the measure must distort or threaten to distort competition and affect trade between Member States.
- (39) The compensation envisaged by Denmark will be paid from the State budget and is therefore provided through State resources within the meaning of Article 107(1) TFEU. As the conditions to award the compensation are issued through a direct act on the Danish Budget Law and elaborated in an administrative order issued under the Danish Business Promotion Act, the measure is imputable to the State.
- (40) The measure confers an advantage on its beneficiaries in the form of a grant as described in recital (13) of this Decision. The advantage corresponds to the amount of compensation paid under the scheme. The measure thus relieves those beneficiaries of costs, which they would have had to bear under normal market conditions.
- (41) Since the measure, as described in paragraph 17(d) and (e) of this Decision is granted only to the self-employed companies which have a maximum of 10 employees in full time equivalent (FTE) and an average monthly turnover of at least DKK 15,000 (EUR 1 995) in the last accounting year, it is selective.
- (42) The measure is liable to distort competition, since it strengthens the competitive position of its beneficiaries. It also affects trade between Member States, since those beneficiaries are active in sectors in which intra-Union trade exists.
- (43) The proposed aid measure therefore constitutes State aid within the meaning of Article 107(1) TFEU.

3.3. Compatibility assessment

- (44) The Commission has examined the notified scheme pursuant to Article 107(2)(b) TFEU. This assessment has led to the following observations:

The notion of exceptional occurrences with the meaning of Article 107(2)(b) TFEU

- (45) Article 107(2)(b) TFEU stipulates that aid to make good damage caused by natural disasters or exceptional occurrences shall be compatible with the internal market. Neither the TFEU, nor other Union legislation contains a precise definition of the notion of exceptional occurrence. As they constitute exceptions to the general prohibition of State aid within the internal market laid down in Article 107(1) TFEU, the Commission, in line with the consolidated Union case-law¹¹ has consistently held that the notions of ‘natural disaster’ and ‘exceptional occurrence’ referred to in Article 107(2)(b) TFEU must be interpreted restrictively.
- (46) The characterization of an event as being an exceptional occurrence is made by the Commission on a case-by-case basis, having regard to its previous practice in the field¹². In this regard, the following indicators relating to the event concerned must be cumulatively met: (i) unforeseeable or difficult to foresee¹³; (ii) significant scale/economic impact¹⁴, and (iii) extraordinary¹⁵, i.e. differ sharply from the conditions under which the market normally operates.

COVID-19 as an exceptional occurrence

- (47) Following the first reports of cases of acute respiratory syndrome (COVID-19) in the Chinese Wuhan municipality at the end of December 2019, the Chinese authorities have identified a novel coronavirus (SARS-CoV-2) as the main

¹¹ Judgement of the Court of Justice of 11 November 2004, *Spain v. Commission*, C-73/03, ECLI:EU:C:2004:711, paragraph 37 and judgment of the Court of Justice of 23 February 2006, *Giuseppe Atzeni and others*, in joined cases C-346/03 and C-529/03, ECLI:EU:C:2006:130 paragraph 79.

¹² Exceptional occurrences which have been accepted in the past by the Commission include war, internal disturbances and strikes, and, with certain reservations and depending on their extent, major industrial accidents which result in widespread economic loss, see *Guidelines for State aid in the agricultural and forestry sectors and in rural areas 2014 to 2020*, paragraph 330 (OJ C 204, 1.07.2014, p. 53)

¹³ Commission Decision of 1 August 2008, case SA.32163, *Remediation of damage to airlines and airports caused by seismic activity in Iceland and the volcanic ash in April 2010, Slovenia*, paragraph 31

¹⁴ Elements taken into account by the Commission to consider that the occurrence reached a significant scale: negative consequences cannot be contained (Commission Decision of 4 October 2000 on case NN 62/2000, *Régime temporaire d'aides aux entreprises victimes des intempéries et de la marée noire –France*), or because of the number of dead or injured people (Commission Decision of 11 April 2012 on case SA.33487, *Agricultural and fisheries aid to compensate for damage due to exceptional occurrence (red mud "Aluminium accident")*, Hungary, paragraph 35; Commission Decision of 2 May 2002 on case N241/2002, *Régime en faveur des entreprises victimes de la catastrophe industrielle de Toulouse, France*, paragraph 19), the immense ecological and economic damage (Commission Decision of 11 April 2012 on case SA.33487, paragraph 36), the amount of material damage despite the local character of the industrial accident (Commission Decision of 2 May 2002 on case N 241/2002, paragraph 19).

¹⁵ In its Decision of 19 May 2004 in case C-59/2001 (OJ L 62, 2007, p. 14), the Commission considered that the (alleged) fall in sales of poultry meat in a Member State not directly affected by the dioxin contamination, did not constitute in itself an exceptional occurrence. It was yet an unforeseeable event, but formed part of the normal commercial risks to which an undertaking is exposed.

causative agent, which had not been previously identified in humans. The outbreak has rapidly evolved affecting not only other parts of China but has also spread to the majority of countries worldwide, including all EU Member States. The COVID-19 outbreak is a severe public health emergency for citizens, societies and economies. Specific sectors and areas are particularly affected by the outbreak, be it because of national outbreak control measures, travel restrictions or supply chain disruptions.

- (48) The World Health Organization ('WHO') has declared the risk that COVID-19 will spread and have a global impact to be very high. According to WHO reports and derived from the observation of the situation, the spread of COVID-19 can result in far-reaching disruption of various economic sectors. This disruption is thus clearly outside the normal functioning of the market. In order to avoid an exponential increase in the number of infected people with the coronavirus, accompanied by social alarm and severe economic consequences, containment measures need to be adopted.
- (49) The WHO declaration of a pandemic¹⁶, associated with the public health risk deriving from the absence of therapeutics or vaccines for the novel COVID-19 determine the exceptionality of the circumstances. The rapidity of the spread can cause enormous consequences both in terms of fatal outcomes in high-risk groups and in terms of economic and societal disruption¹⁷. The necessity for the Danish authorities to adopt and encourage the respect of measures aimed at interrupting transmission chains stems from this acknowledgement.
- (50) In view of the above, the COVID-19 pandemic qualifies as an exceptional occurrence as it was not foreseeable, as it clearly distinguishes itself from ordinary events by its character and by its effects on the affected undertakings and the economy in general and therefore lays outside of the normal functioning of the market.
- (51) In this context, the COVID-19 can be considered as an exceptional occurrence within the meaning of Article 107(2)(b) TFEU¹⁸.

Causal link between COVID-19 outbreak and damage

- (52) As a result of the latest developments of COVID-19 outbreak in Denmark, as of 9 March 2020, and in particular on 11 and 17 March 2020, Denmark issued State decisions aiming at avoiding the dissemination of the virus and including the close down of a large part of the Danish society (see recitals (4) and (8) of this Decision). As an economic consequence of this recommendation it is expected a major loss of turnover for the self-employed companies as described in recitals (6) and (10) of this Decision, which make it difficult for them to make a living and creates a general uncertainty in the markets.

¹⁶ WHO Director-General's opening remarks at the media briefing on COVID-19 on 11 March 2020, <https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020>

¹⁷ ECDC's Rapid Risk Assessment, Outbreak of novel Coronavirus disease 2019 (COVID-19): increase transmission globally – fifth update, 2 March 2020

¹⁸ Commission Decision of 13 March 2020 (C(2020) 1698 final on case SA. 56685 (2020/N) – Denmark – Compensation scheme for cancellation of events related to COVID-19

Causal link between damage and the notified aid scheme

- (53) As a consequence of the economic implications of COVID-19 outbreak for the businesses concerned and the recommendation to close down businesses, Denmark has considered the notified scheme as an appropriate action to tackle and mitigate the socio-economic consequences of the pandemic to the Danish business (i.e. to ensure that self-employed companies are partially protected against income losses caused by COVID-19). Therefore, the notified measure is directly linked to the COVID-19, which qualifies as an exceptional occurrence.
- (54) As described in recital 17(a) of this Decision, only applicants establishing a direct link between the loss of turnover or B-income¹⁹ suffered and the COVID-19 shall be entitled to compensation. Although the turnover loss is in general not an appropriate reference for the damage suffered (as opposed to net losses), the Commission considers that under the current exceptional circumstances and considering the wide ranging activities of the aid recipients, turnover is a good proxy for the damage which has a direct causal link to the Covid-19 outbreak. The damage is a direct consequence of the sudden turnover loss or B-income linked to the Danish State decisions to avoid the spreading of the virus. Furthermore, as described in recitals (24) and (25) of this Decision, the aid is capped at a maximum of DKK 23,000 (EUR 3,059) or DKK 46,000 (EUR 6,118) if the self-employed has an assisting spouse²⁰ per month and per CPR-number and the compensation is limited to 75 % of the expected loss of turnover or B-income in a short period of time (i.e. 9 March 2020 to 9 June 2020), which represents the real damage, i.e. loss of income in the period concerned. Furthermore, the measure concerns exclusively self-employed who have at least 25 % ownership and carry out a substantial amount of labour in the daily operation of an undertaking (see recital (16) of this Decision), (ii) have a maximum of 10 full-time employees (see recital 17(d) of this Decision) and (iii) if the annual income of the self-employed in 2020 turns out to exceed DKK 800,000 (EUR 106,400) the compensation will be recovered (see recital (32) of this Decision);
- (55) At company's level, as a consequence of the exceptional circumstances, the losses of turnover or in B-income for a short-term period is a direct consequence of COVID-19. To limit the benefit of the scheme to beneficiaries effectively affected by the outbreak of the virus, compensation scheme for self-employed financially affected by the COVID-19 will be granted only based on the company's information on turnover loss or B-income expected and on evidence that COVID-19 is the cause of their turnover loss or B-income. This information shall contain solemn declarations and auditors' declaration on the large loss of turnover or in B-income (including the use of proxies to determine economic loss in line with EU State aid rules)²¹. It will then be checked ex post and recovery will take place against actual figures with a "claw-back mechanism".
- (56) The direct link between the damage caused by the exceptional occurrence and the aid is therefore established.

¹⁹ See footnote 2 above.

²⁰ See footnote 9 above.

²¹ Communication from de Commission to the European Parliament, the European Council, the European Central Bank, the European Investment Bank and the Eurogroup on coordinated economic response to the COVID-19 outbreak of 13 March 2020, COM (2020) 112 final, Annex 3, p. 7

Proportionality of the aid measure

- (57) In order to be compatible with Article 107(2)(b) TFEU, the aid must be proportional to the damage caused by the exceptional occurrence. Aid must not result in overcompensation of damage; it should only make good the damage caused by the exceptional occurrence.
- (58) The compensation will constitute 75 % of the actual loss of turnover or B-income in the period of 9 March 2020 to 9 June 2020 concerned by the measure compared to the average monthly turnover in the last accounting year. The wage compensation cannot be more than DKK 23,000 (EUR 3,059) per month per Danish Civil Registration number ('CPR' number. For self-employed having an assisting spouse, the maximum compensation limit is raised to DKK 46,000 (EUR 6,118) per month. The compensation is subject to taxation.
- (59) Moreover, the notified measure foresees compensation that does not exceed what is necessary to make good the damage. Although the turnover loss is in general not an appropriate reference for the damage suffered (as opposed to net losses), the Commission considers that there is no risk of overcompensation in the present case. The compensation scheme is eligible for self-employed whose business expected a turnover loss or B-income of minimum 30 % compared to the average turnover or B-income in the last financial year due to the COVID-19 outbreak. The average monthly turnover or B-income must be at least DKK 15,000 (EUR 1,995) in the preceding period in order to be covered by the scheme. The compensation will not exceed DKK 23,000 (EUR 3,059) which is the maximum aid per beneficiary and constitutes a reasonable monthly amount as the Danish average monthly wage is approximately DKK 28,000 ((EUR 3,750) and the usual unemployment benefit is DKK 19,000 (EUR 2,544). The compensation of the turnover loss or B-income is for a short-term period as indicated above, where fixed costs can hardly be reduced²². It also states that the compensation has to be recovered ('claw-back mechanism'), either partially (where the turnover losses or B-income exceed 30% but had been overestimated) or in full (in case the turnover losses or B-income turn out to be less than 30 %). The compensation will also be recovered when the annual income of the self-employed or the business owner in 2020 turns out to exceed DKK 800,000 (EUR 106,400).
- (60) Furthermore, as described in recital (33(c)) of this Decision, payments made to beneficiaries are net of any amount recovered by insurance, litigation, arbitration or other source for the same damage. If the aid is paid before the insurance, Denmark will recover the insurance amount from the beneficiary. Additionally, as described in recital (33(d)) of this Decision, the benefit of the aid is excluded for any applicant who is responsible for the damage suffered and/or did not conduct its activities with due diligence or in compliance with applicable legislation or did not take any measure to mitigate its damages.
- (61) As described in recital (29) of this Decision, the loss of turnover or B-income must be calculated based on the applications to the Danish Taxation authorities. The principle of ex post documentation and potential recovery of overcompensation is in line with the Danish taxation system where the tax due are set by the taxpayers for the year concerned. Applications need to be accompanied by the relevant evidence and all concerned applicant's companies will be assisted by an auditor.

²² See footnote 10 above.

The information submitted will be verified and approved by the Danish Business Authority.

- (62) Denmark has therefore ensured that the compensation under the scheme will not exceed the damage directly suffered by each beneficiary from the loss of revenue caused by the COVID-19. Overcompensation is therefore ruled out.

Cumulation

- (63) Denmark confirmed that the aid provided for under this scheme cannot be cumulated with other State aid granted for the same costs.
- (64) In view of the above, the Commission considers that the notified aid scheme is compatible with the internal market in accordance with Article 107(2)(b) TFEU.

Reporting

- (65) Denmark committed to provide a report on the implementation of the notified scheme no later than one year after the date of the approval Commission Decision, specifying the amount of compensation and amount of compensations granted to the aid recipients and amounts recovered on the basis of the ex post claw-back mechanism .

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the aid on the grounds that it is compatible with the internal market pursuant to Article 107(2)(b) of the Treaty on the Functioning of the European Union. 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 electronically to the following address:

European Commission,
Directorate-General Competition
State Aid Greffe
B-1049 Brussels
Stateaidgreffe@ec.europa.eu

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President