



EUROPEAN COMMISSION

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PUBLIC VERSION

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Subject: State Aid SA.58124 (2020/N) – Greece
Amendment to SA.57165 Wage subsidies to self-employed under the
Temporary Framework to support the economy in the current
COVID-19 outbreak

Excellency,

1. PROCEDURE

- (1) By electronic notification of 22 July 2020, Greece notified amendments (“the notified amendments”) to the aid scheme (“the existing aid scheme”) previously approved by Decision of 11 May 2020 in case SA.57165 (“the initial Decision”)¹ under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (“the Temporary Framework”)².
- (2) Greece exceptionally agrees to waive its rights deriving from Article 342 of the Treaty on the Functioning of the European Union (“TFEU”), in conjunction with

¹ Commission Decision C (2020) 2281 final of 11 May 2020 - SA.57165 (2020/N)

² Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak, 19 March 2020, OJ C 91I, 20.3.2020, p. 1-9, as amended by Communication from the Commission C(2020) 2215 final of 3 April 2020 on the Amendment of the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, OJ C 112I, 4.4.2020, p. 1–9, by Communication from the Commission (2020/C 164/03) of 8 May 2020 on the Amendment to the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, OJ C 164, 13.5.2020, p. 3–15, and by Communication from the Commission (2020/C 218/03) of 29 June 2020 on the Third amendment to the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, OJ C 218, 2.7.2020, p. 3–8.

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Article 3 of Regulation 1/1958³, and to have this Decision adopted and notified in English.

2. DESCRIPTION OF THE MEASURE

2.1. Main elements of the notified amendment

- (3) The notified amendments extend the scope of beneficiaries under the existing aid scheme to more types of companies, amend the conditions for compliance with the publicity obligation, extend by one month the reference period for which aid is granted, and alter the sectoral scope of the existing aid scheme for that additional period.
- (4) The overall objective of the existing aid scheme is to partially compensate self-employed individuals active in sectors that have suffered a significant loss of business due to the COVID-19 outbreak. The notified amendments pursue the same objective.

2.2. Legal basis

- (5) The legal bases of the existing aid scheme, as amended, are the Joint Ministerial Decision No 57856 of the Ministers of Finance and Development and Investment of 11 June 2020 (Government Gazette 2250/11.06.2020), the Joint Ministerial Decision No 132 of the Ministers of Finance and Development and Investment of 15 June 2020 (Government Gazette 2371/15.06.2020) as well as the Joint Ministerial Decision No 134 of the Ministers of Finance and Development and Investment of 16 June 2020 (Government Gazette 2377/16.06.2020).

2.3. Description of the notified amendments

2.3.1. Beneficiaries

- (6) The beneficiaries of the existing aid scheme are self-employed individuals and self-employed managers of small undertakings of up to 20 employees active in Greece which were negatively affected by the COVID-19 outbreak and fulfil the criteria described in Section 2.5 of the initial Decision.
- (7) The notified amendments aim at extending the scope of beneficiaries by allowing co-ownership of vessels and profit societies of civil or succession law (except for societies of limited companies successors) to benefit from the scheme.

2.3.2. Publicity obligation

- (8) The notified amendments modify the existing aid scheme by transferring the obligation of keeping detailed records from the beneficiaries to the competent Authority regarding the grant of aid for 10 years upon that grant.

³ Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.

2.3.3. Duration and reference period

- (9) The notified amendments extend the reference period of the existing aid scheme to cover also the month of May 2020.

2.3.4. Sectoral scope

- (10) Section 2.6 of the initial Decision identified two categories of sectors that could benefit from the existing aid scheme for the period 17 March 2020 to 30 April 2020. The notified amendments modify the description of eligible sectors with reference to the period of May 2020, to cover those sectors that suffered a significant loss of business in May 2020.
- (11) In sectors of the economy where on 18 May 2020 the activity was still suspended, banned or subject to other restrictions imposed by the State, the wage compensation for the month of May is determined at EUR 534. In sectors of the economy where on 18 May 2020 the activity was not subject to restrictions, but was severely affected by the restrictions of movements imposed by the State, the wage compensation for the month of May is determined at EUR 300.
- (12) For beneficiaries eligible to receive aid for the month of May 2020, the notified amendments remove the requirement to maintain the same number of employees for the period during which they receive the aid.
- (13) No further changes to the existing aid scheme are envisaged.

3. ASSESSMENT

3.1. Lawfulness of the measure

- (14) The Commission observes that Greece started to grant aid under the existing aid scheme as amended before notifying the amendments to the Commission. The Commission regrets that Greece implemented the amendments to the existing aid scheme before the Commission adopted its decision, in breach of Article 108(3) of the TFEU.

3.2. Existence of State aid

- (15) For a measure to be categorised as aid within the meaning of Article 107(1) TFEU, all the conditions set out in that provision must be fulfilled. First, the measure must be imputable to the State and financed through State resources. Second, it must confer an advantage on its recipients. Third, that advantage must be selective in nature. Fourth, the measure must distort or threaten to distort competition and affect trade between Member States.
- (16) The qualification of the existing aid scheme as State aid was established in the initial decision. The notified amendments do not affect that qualification. The Commission therefore refers, for this analysis, to recitals (40) to (45) of the initial Decision.

3.3. Compatibility

- (17) The Commission has examined the notified amendments pursuant to Article 107(3)(b) TFEU.

- (18) In the initial Decision, the Commission concluded that the existing aid scheme fulfilled the conditions set out in Section 3.10 of the Temporary Framework and was therefore compatible with the internal market on the basis of Article 107(3)(b) TFEU. The Commission refers to its compatibility analysis as set out in recitals (46) to (54) of the initial decision.
- (19) The amendment to the eligibility criteria for beneficiaries (see recitals (6) and (7) above), the amendment of the publicity obligation (see recital (8) above), the amendment to the reference period (see recital (9)), and the amendments to the sectoral scope of the measure (see recitals (10) and (11) above) have no impact on the compatibility of the scheme, in particular with Section 3.10 (and most notably with points 42 and 43(a) to 43(e)) of the Temporary Framework. As this is a scheme providing subsidies to self-employed individuals, including managers of small undertakings, the elimination of the requirement for beneficiaries eligible to receive aid for the month of May 2020 to ensure that employment is maintained during that month (see recital 12) has no impact on the compatibility of the scheme with Section 3.10, points 42 and 43(a) to 43(e)) of the Temporary Framework.
- (20) Apart from the amendments referred to in recitals (6) to (12) above, the Commission notes that there are no other alterations to the existing aid scheme (recital (13)). Nor do the notified amendments affect the compliance of the scheme with the provisions on cumulation or those on monitoring and reporting, as laid down in point 20 and Section 4 of the Temporary Framework, which Greece has committed to observe. The Commission therefore considers that the notified amendments do not affect the compatibility analysis of the existing aid scheme as set out in the initial Decision.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the amendments of the scheme approved by Decision of 11 May 2020 in case SA.57165 on the grounds that they are compatible with the internal market pursuant to Article 107(3)(b) of the TFEU.

The decision is based on non-confidential information and is therefore published in full on the Internet site: <http://ec.europa.eu/competition/elojade/isef/index.cfm>.

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President