Subject: State Aid SA.58867 (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 (as amended by SA.58124)

Excellency,

1. Procedure

(1) By electronic notification of 5 October 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.571651 (“the initial Decision”) as amended by Decision of 30 July 2020 in case SA.581242 (“the first amendment Decision”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (“the Temporary Framework”)3.

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Κύριος Νίκος Δένδιας
Υπουργός Εξωτερικών
Βασιλίσσης Σοφίας 5
 Грèce - 10671 Αθήνα
2. DESCRIPTION OF THE MEASURE

2.1. Main elements of the notified amendments

(3) The notified amendments extend 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 measures adopted at national level to respond to the COVID-19 outbreak. That income support is equivalent to wage subsidies and is granted subject to the condition that the relevant business activity of the self-employed individual is maintained for the entire period for which the aid is granted. The notified amendments pursue the same objective.

(5) Aid under the existing aid scheme and under the notified amendments is not conditioned on the relocation of a production activity or of another activity of the beneficiary from another country within the EEA to the territory of the Member State granting the aid. This is irrespective of the number of job losses actually occurred in the initial establishment of the beneficiary in the EEA.

2.2. Legal bases

(6) The legal bases of the existing aid scheme, as amended, are the Joint Ministerial Decision No 198 of the Ministers of Finance; Development and Investment; Labour and Social Affairs of 19 August 2020 (Government Gazette 3460/19.08.2020), the Joint Ministerial Decision No 217 of the Ministers of Finance; Development and Investment; Labour and Social Affairs of 15 September 2020 (Government Gazette 3948/15.09.2020) as well as the Joint Ministerial Decision No 223 of the Ministers of Finance; Development and Investment, Labour and Social Affairs of 22 September 2020 (Government Gazette 4077/22.09.2020).

2.3. Description of the notified amendments

2.3.1. Duration and budget

(7) The notified amendments extend the reference period of the existing aid scheme to cover also the months of June and July 2020 as well as any months between August 2020 and December 2020, during which there are sectors of the economy, whose activity is suspended or banned by the State.

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Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.
(8) Recital (11) of the initial Decision stated an estimated budget for the existing scheme of EUR 500 million. The notified amendments ascertain that any outstanding amounts of this budget will be used for granting aid during the months of June and July 2020. In addition, the Greek authorities estimate an additional budget of EUR 50 million to cover any aid granted for the months between August and December 2020. Therefore, the total budget of the scheme as amended is estimated at EUR 550 million.

(9) Greece confirms that aid under the scheme may be granted no later than 31 December 2020.

2.3.2. 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 first amendment Decision modified 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) The notified amendments modify the sectoral scope for the period between June 2020 and December 2020, to include the sectors of the economy, whose activity is suspended or banned by the State during the respective month for which aid is granted.

(12) In sectors of the economy where, during the period June – December 2020, the activity is suspended or banned by the State for the full duration of the respective month, the wage compensation is determined at EUR 534 per month. In sectors of the economy where, during the period June – December 2020, the activity is suspended or banned by the State for a duration of half or less of the respective month, the wage compensation is determined at EUR 300 per month.

(13) No further changes to the existing aid scheme are envisaged. In particular, the notified amendments do not envisage changes to the cumulation rules and to the monitoring and reporting obligations that the Greek authorities have committed to observe with regard to the existing aid scheme.

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 first amendment Decision did not affect that qualification. The notified amendments do not affect that qualification either. The Commission therefore refers, for this analysis, to recitals (40) to (45) of the initial Decision. The Greek authorities also do not contest that the notified amendments involve aid.

3.3. Compatibility

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

(18) The existing aid scheme as amended, aims at ensuring the continuation of business activities of self-employed individuals during the COVID-19 outbreak, which is affecting the wider economy and leading to severe disturbances of the real economy of the Member States (see recital 4).

(19) In the initial Decision and in the first amendment 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 and in recitals (19) to (20) of the first amendment Decision.

(20) The notified amendments to the duration and budget of the scheme (see recitals (7) to (9)), and the amendments to the sectoral scope of the measure (see recitals (10) to (12)) 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.

(21) Apart from the amendments referred to in recitals (7) 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, as amended by Decision of 30 July 2020 (SA.58124), 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](http://ec.europa.eu/competition/elojade/isef/index.cfm).

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President