



EUROPEAN COMMISSION

Brussels, 16.12.2019
C (2019) 8921 final

PUBLIC VERSION

This document is made available for information purposes only.

**Subject: State aid – SA.52069 (2019/N) – Denmark
Prolongation of the reimbursement scheme for dredgers**

Sir,

1. PROCEDURE

- (1) By electronic notification of 15 October 2019, following pre-notification contacts, the Danish authorities notified the Commission, in accordance with Article 108(3) of the Treaty on the Functioning of the European Union (hereinafter ‘TFEU’), of their intention to prolong the existing reimbursement scheme for dredgers (“the Seafarer scheme”), a scheme with limited duration which expired on 13 January 2019.
- (2) The Danish authorities attached to this notification a document containing commitments (“the commitments”) to amend the existing reimbursement scheme (with regard to the EEA flag link and the reimbursement to be granted only in relation to eligible activities) to ensure compliance with the Community Guidelines on State aid to Maritime Transport¹ (the “Maritime Guidelines”) and the decisional practice of the Commission.
- (3) By letter of 24 October 2019, after a preliminary analysis of the notification documents, the Commission requested the Danish authorities to provide further information on the notified measure. The Danish authorities provided the requested information on 4 November 2019.

¹ Commission Communication C (2004) 43 – Community Guidelines on State aid to maritime transport, OJ C 13, 17.01.2004, p. 3.

Udenrigsminister Jeppe KOFOED
Asiatisk Plads 2
DK-1448 København K

- (4) For reasons of urgency, the Danish authorities have exceptionally accepted that the decision be adopted and notified in English.

2. DESCRIPTION OF THE MEASURE

2.1. The scope and objectives of the reimbursement scheme for dredgers

- (5) The Danish reimbursement scheme for dredgers was approved by the Commission in its decision of 13 January 2009 in case C 22/07 (ex N43/07)², after having opened a formal investigation procedure.³
- (6) According to the explanations provided by the Danish authorities, the scheme consists of a refund for ship owners on the income taxes paid by ship owners with regard to their seafarers working on board eligible dredgers.
- (7) Pursuant to Section 10 of the Danish Act on the Taxation of Seafarers, seafarers working on board eligible dredgers are taxed according to the general rules of taxation and, subsequently, ship owners are refunded the income taxes paid for their seafarers if the conditions for applying the reimbursement scheme are met. The tax refund is taken into account when the wages are set. Pursuant to Section 10(3) and (4) of the Danish Act on the taxation of seafarers, the refund to the ship owner is paid monthly or annually in an amount which, for each individual seafarer, is calculated as the 40% of the part of the contribution base that is calculated in accordance with Section 2 of the Act on labour market contributions and is attributable to work carried out on board eligible vessels.
- (8) This way, ship-owners applying the reimbursement scheme for dredgers are put on equal footing, in economic terms, with ship-owners of vessels who may apply the Danish International Registry of Shipping Regime (the so-called “DIS regime”).⁴ The Danish authorities explained that when the refund scheme for dredgers was introduced it was administratively difficult to apply to dredgers the net wages principle upon which the DIS regime is based. Therefore, the solution chosen was to tax seafarers according to the standard rules for taxation and then set up a refund scheme for ship owners; the refund of 40% of the basis for employer contributions generally corresponded to the average savings in wage costs to shipping companies which result from the application of the DIS regime⁵.

² Commission Decision of 13 January 2009 on State aid C 22/07 (ex N 43/07) as regards the extension to dredging and cable-laying activities of the regime exempting maritime transport companies from the payment of the income tax and social contributions of seafarers in Denmark, OJ L 119, 14.5.2009, p. 23–31.

³ State aid case No C 22/2007, Letter from the Commission of 10 July 2007 – C(2007)3219 final.

⁴ The DIS regime is another seafarer scheme that is applicable in Denmark. For a description of the scheme see OJ C 101, 15 March 2019, State aid – SA.51325 (2018/N-2) – Denmark Extension of the Danish International Register of Shipping regime.

⁵ The Danish authorities noted that despite the fact that the present prolongation concerns the scheme for dredgers that was approved in the 2009 Commission decision, the factual description of the scheme as included in the 2009 decision may not be fully clear to the extent that it does not distinguish between the DIS regime and the reimbursement scheme for dredgers. This seems to be partly linked to the similarities between the two schemes as well as the at that time contextual extension of the DIS regime to cable-laying vessels.

- (9) For a ship-owner to apply the reimbursement scheme for dredgers, the dredgers in question must have a tonnage of 20 tons or more, they must be registered in Denmark or, in the alternative, in another EU/EEA Member State when a Danish ship owner by agreement has chartered or hired the dredger without crew. In addition, the scheme at issue applies to dredgers with activities within the EU/EEA, whereas dredgers eligible under the DIS regime only carry out activities outside the geographical area of the EU/EEA Member States.
- (10) Every dredger must be designed specifically for extracting raw materials from the seabed for industrial use and must be equipped with means of propulsion and integrated with a hold to transport extracted materials. According to the Danish authorities, the following activities of dredgers may be regarded as maritime transport:
- Sailing between the port and the extraction site;
 - Sailing between the place of extraction and the place where the extracted materials are to be unloaded;
 - Sailing between the place of unloading and the port;
 - Sailing between places of extraction;
 - Sailing to provide assistance at the request of public authorities for reasons of cleaning up of oil spills.
- (11) Activities carried out at inland waterways, fjords or ports are referred to as “limited maritime traffic” and cannot qualify as maritime transport.
- (12) With regard to maritime transport activities not related to dredging, maritime transport refers to the commercial transport of goods and persons by sea carried out by a dredger. This includes the commercial transport of the dredger’s own equipment and its crew. In this sense, the transport of goods and persons by a dredger may be carried out between a port and a fixed or non-fixed destination at sea. This is different from the notion of maritime transport applicable to the DIS regime and to the Danish tonnage tax scheme, which is only limited to transport carried out between a port and a fixed destination at sea. Finally, for dredgers to be eligible under the scheme, at least 50% of the activities carried out by the dredgers must constitute maritime transport activities.
- (13) The Danish authorities submitted that dredging vessels are necessary for the Danish maritime industry. Dredging vessels extract raw materials for industrial use, they help maintaining most of the Danish shoreline, they keep the water depths in fairways, they ensure access to a number of ports in Denmark which are characterized by shallow waters. In addition, a considerable amount of Danish offshore activities taking place off the west coast of Jutland depend to a large extent on the supply of services from dredgers. In fact, in Denmark as in other EU Member States, dredging vessels play an important role in the maritime supply chain and are essential for ensuring a well-functioning maritime infrastructure to the benefit of maritime growth in accordance with the objectives of the Maritime Guidelines.

- (14) The Danish dredgers' fleet has as a result a high level of expertise and know-how and provides services supporting the strengthening and advancement of other segments of the European maritime cluster, therefore contributing to the consolidation and improvement of the EU as a leading maritime region with a high level of know-how.
- (15) In this regard, the Danish authorities submitted that the reimbursement scheme is crucial for the supply of specialized services and for ensuring a high level of safety of navigation and for contributing to the advancement of other segments of the maritime sector. In addition, the scheme is important for the competitiveness of the Danish and European maritime sector, which face a fierce competition from other seafaring nations from outside the EU/EEA, which often offer more attractive economic environments.
- (16) Finally, the Danish authorities noted that the increased global competition within the shipping sector makes it more difficult to obtain a share of current and future growth within all segments of the shipping industry, including dredging. Therefore, the fleet's ability to continue its contribution to the realization of the objectives of the Maritime Guidelines depends on the fleet's opportunity to operate within competitive framework conditions. The reimbursement scheme for dredgers is in this regard deemed essential.

2.2. The prolongation of the reimbursement scheme for dredgers: aid impact

- (17) With the notified extension, the Danish authorities intend to prolong the scheme as approved by Commission decision of 13 January 2009 in case State aid C22/07 (ex N 43/07) (see footnote 3 above).
- (18) The envisaged prolongation has the objective of maintaining competitive conditions for the Danish and the European shipping sector in the global market.
- (19) On the basis of the reimbursements paid in previous five years, the Danish authorities concluded that aid under the notified scheme is estimated to be between DKK 35-45 million per year throughout the duration of the scheme. This reasoning is based on the assumption that under general tax rules seafarers will have an annual income slightly below DKK 575,000 in 2020, with a corresponding tax payment of DKK 200,000. Considering around 200 full-time seafarers who carry out dredging activities covered by the scheme, the amounts should be on average of DKK 40 million per year, DKK 400 million (approximately 54 million EUR) over 10 years.
- (20) The Danish authorities also submitted that income after tax for seafarers working on board dredgers is estimated to be at the level of the remuneration of employees with an equivalent level of qualification in other sectors. Without the prolongation of the aid scheme, the costs to the employer of recruiting a seafarer for dredging activities would be increased by over 50%. In light of this scenario, the Danish authorities submitted that an increase in price of labour costs would not be a good basis for maintaining the jobs. This means that a significant proportion of the approximately 200 full-time seafarers performing dredging activities would cease to exist.

- (21) Finally, the Danish authorities estimated the number of beneficiary shipping companies between 10 and 50.

2.3. Legal basis, commitments

- (22) The existing scheme is based on Section 10 of the Danish Act on the Taxation of Seafarers⁶. Prior to this Act, dredging vessels were covered by the Danish DIS regime⁷. In 2005, the Act on the Taxation of Seafarers was introduced with a view to ensuring compliance with the Maritime Guidelines. In this context, the reimbursement scheme for dredgers was established to provide an alternative to ship-owners for seafarers on board dredging vessels subject to the DIS regime.
- (23) In the context of the pre-notification discussions, the Commission expressed concerns with regard to certain elements of the scheme, which were prima facie not in line with the objectives of the Maritime Guidelines and the decisional practice of the Commission. In particular, the Commission underlined that national flagging restrictions according to which the benefits of a seafarer scheme are conditional on a certain level of national (and not EEA) flagging, infringe internal market rules in a manner indissolubly linked to the compatibility assessment of the aid measure. In this regard, a provision like the one included at Section 10(1) of the Act on the Taxation of Seafarers that may limit the benefits of the scheme to Danish-flagged vessels or, in the alternative, to EU/EEA flagged vessels only for the case that they are chartered or hired without a crew by a Danish ship-owner is prima facie problematic from an internal market perspective, since it would discriminate against EU/EEA vessels. Likewise, the Commission raised concerns about the fact that seafarers on board eligible dredgers qualified for refunds also for the non-maritime related part of the activities carried out by the dredgers.
- (24) By letter of 8 October 2019, annexed to the notification documents, the Danish authorities agreed to bring the reimbursement scheme for dredgers fully in line with the Maritime Guidelines and the Commission's decisional practice with regard to the issues raised by the Commission in the course of the pre-notification discussions. The Danish authorities confirmed that the law amendments to the relevant provisions will be adopted by December 2019 and will enter into force on 1 January 2020.
- (25) In particular, the Danish authorities committed to amend their law to extend the reimbursement scheme to all qualifying vessels flying any EU/EEA flag. In addition, the Danish authorities committed to amend the scheme to ensure that only maritime transport activities as set out in the Maritime Guidelines qualify for refunds, with the result that refunds will only be granted if maritime activities will be carried out for more than 50 per cent of the annual operational time of any dredger and only in respect of such transport activities. In the same context, the Danish authorities explained that they will also amend the law to make sure that there is no element of overcompensation for ship-owners applying the reimbursement scheme. In particular, the Danish authorities explained that the law will be amended in order to decrease the 40% amount of the refund of the basis for

⁶ The Act on the Taxation of Seafarers, Law no. 386 of 27 May 2005 as amended and published in Danish at the following website: www.retsinformation.dk/Forms/R0710.aspx?id=16789

⁷ See footnote 3.

employer contributions to 35%. This is because since the 40% reimbursement rate was originally estimated income taxes in Denmark have decreased. Therefore, decreasing the reimbursement to 35% will ensure that ship owners will not obtain a higher benefit than the full exemption from income taxes and social security contributions.

2.4. Duration

- (26) The reimbursement scheme for dredgers was approved by the Commission on 13 January 2009 for ten years, and thus expired on 13 January 2019.
- (27) In the context of the present notification, the Danish Ministry of Taxation requested an extension for another 10 years to ensure legal certainty for shipping companies, individual seafarers and other maritime operators. In this regard, the Danish authorities submitted that the maritime industry in Denmark is subject to significant investments and therefore transparency and predictability of the financial framework are crucial to maintain and attract shipping companies to Denmark and other EU/EEA Member States as well as to promote and protect employment of Community seafarers and improve maritime know-how in line with the objectives of the MG.
- (28) The notified scheme, following the law amendments that the Danish authorities planned to introduce by December 2019 to bring the scheme in line with the Commission's decisional practice and the Maritime Guidelines, is expected to enter into force on 1 January 2020. The scheme will last for ten years, therefore expiring on 1 January 2030. The Danish authorities confirmed that they will re-notify the scheme before the expiration of the period in question.

2.5. Existence of aid under Article 107(1) of the TFEU

- (29) According to Article 107(1) TFEU *"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, be incompatible with the internal market"*.
- (30) It follows that, in order for a measure to be qualified as State aid within the meaning of Article 107(1) TFEU, the following four cumulative conditions have to be met:
- It has to be imputable to the Member State and granted out of State resources.
 - It has to confer an economic advantage on undertakings.
 - The advantage has to be selective.
 - The measure has to distort or threaten to distort competition and affect trade between Member States.
- (31) In this respect, the Commission first of all notes that Denmark accepts the State aid qualification under Article 107(1) TFEU of the notified measure.

- (32) The exemption from income taxation in respect of qualifying seafarers constitutes foregone State revenue and thus involves State resources. Moreover, since the measure is implemented through national legislation, it is imputable to Denmark. The measure also grants a selective advantage to the shipping companies hiring these seafarers as they benefit from lower labour costs in comparison to companies not benefiting from the scheme in other sectors of the economy, which are in a comparable situation. Finally, in view of other possible means of transport and the global scale of maritime transport, the seafarers' exemptions are liable to distort competition and affect trade within the liberalised European shipping market.
- (33) It follows that the measure involves State aid in the sense of Article 107(1) TFEU.

2.6. Legality of the aid

- (34) The scheme approved by the Commission for ten years on 13 January 2009 expired on 13 January 2019. The Danish authorities informed the Commission services that no standstill provision which makes the granting of the aid subject to the Commission's approval pursuant to Article 108(3) TFEU has been included in the law. Therefore, with respect to the scheme as applied between 14 January 2019 and 31 December 2019, the Danish authorities have not complied with the requirement of Article 108(3) TFEU. Nevertheless, the notification in the present case, and therefore also the present decision, covers only the scheme as it will be modified by the commitments that are planned to enter into force on 1 January 2020.

2.7. Compatibility of the aid

- (35) Pursuant to Article 107(3)(c) TFEU aid to facilitate the development of certain economic activities or of certain economic areas may be considered compatible with the common market, where such aid does not adversely affect trading conditions to an extent contrary to the common interest.
- (36) The Commission has issued Guidelines for the application of Article 107(3)(c) TFEU with regard to State aid to maritime transport (the Maritime Guidelines). Aid in favour of the maritime sector must therefore be examined in the light of these Guidelines.
- (37) The existing scheme was approved in 2009. The objectives and scope of the scheme, as described in Section 2.2 above, remain unchanged.
- (38) The Maritime Guidelines are still in force. Hence, the compatibility of the prolongation of the scheme with the internal market has to be assessed on the basis of those guidelines.
- (39) In general, the Commission positively notes the commitment of the Danish authorities concerning the extension of the benefits of the scheme to all qualifying vessels flying any EU/EEA flag from any eligible shipping company. In addition, the Commission positively notes the commitment from the Danish authorities to make sure that only seafarers on board eligible dredgers carrying out maritime transport activities, provided that such dredgers carry out maritime transport activities for at least 50% of their operational time and only with respect to such maritime transport activities, can benefit from the scheme. Finally, the Commission welcomes the commitment from the Danish authorities to ensure that there is no element of overcompensation to ship owners applying the

reimbursement scheme and that ship owners will not obtain a higher benefit than the full exemption from income taxes and social security contributions for seafarers⁸.

2.7.1. Objectives in the common interest

- (40) The Maritime Guidelines provide that State aid schemes in relation to labour-related costs for seafarers may be introduced in order to support the Community maritime interest, in particular with the aim of:
- reducing fiscal and other costs and burdens borne by Community ship-owners and Community seafarers towards levels in line with world norms, directly stimulating the development of the maritime transport sector and employment, rather than providing general financial assistance;
 - encouraging the flagging or re-flagging to Member States' registers;
 - contributing to the consolidation of the maritime cluster established in the Member States while maintaining an overall competitive fleet on world markets; and
 - maintaining and improving maritime know-how and protecting and promoting employment for European seafarers.
- (41) The Commission notes that the objectives of the notified scheme as described in section 2.1 above as well as in the 2009 decision are in line with the objectives set out by the Maritime Guidelines. The scheme aims at guaranteeing economic conditions in order to maintain the competitiveness of the European shipping sector, attract investments and achieve economic growth, increase the EEA's maritime fleet and create skilled maritime employment in the EEA.
- (42) The prolongation of the Seafarer scheme, thus, is in line with the Maritime Guidelines and the Commission's decisional practice in this respect.

2.7.2. Scope of the scheme

- (43) Seafarer schemes in the sense of the Maritime Guidelines may concern either:
- reduced rates (or a (partial) reimbursement) of income tax for Community seafarers on board vessels registered in a Member State, and/or
 - reduced rates (or a (partial) reimbursement) of contributions for the social protection of Community seafarers employed on board vessels registered in a Member State.
- (44) As described in section 2.1 above, the Seafarer scheme concerns a reimbursement for ship-owners of the income taxes paid by their seafarers. This type of exemption is foreseen in the Maritime Guidelines (first bullet-point of the previous recital).

⁸ In the context of the notification, the Danish authorities informed the Commission that since the reimbursement rate for ship-owners was originally estimated, income taxes in Denmark have decreased. As a result, with the adjustment the Danish authorities will ensure that the refund granted to ship-owners will have no element of overcompensation.

- (45) The Seafarer scheme, thus, is in line with the Maritime Guidelines and the Commission's decisional practice in this respect.

2.7.3. Eligible seafarers

- (46) Only Community seafarers, employed on board vessels registered in a Member State, are eligible to benefit from the Seafarer scheme. Under the Maritime Guidelines, Community seafarers are defined as:

- *"Community / EEA citizens, in the case of seafarers working on board vessels (including ro-ro ferries) providing scheduled passenger services between ports of the Community,*
- *all seafarers liable to taxation and/or social security contributions in a Member State, in all other cases."*

- (47) The reimbursement scheme at issue applies to seafarers who work on board eligible dredgers registered in Denmark or another EU or EEA State and who are liable to pay tax in Denmark, regardless of whether they are subject to full or limited tax liability. Since those seafarers do not work on board vessels providing scheduled passenger services, they do not need to be EU or EEA citizens in order to be considered Community seafarers.

- (48) As such, the Commission accepts the definition of eligible seafarers under the envisaged prolongation, which can be deemed to apply to Community seafarers in the sense of the Maritime Guidelines (second bullet-point of recital (46) above).

2.7.4. Eligible seafarers – Towage and dredging vessels / activities

- (49) For the maritime part of towage and dredging (maritime transport of materials), Community seafarers are eligible to benefit from the Seafarer scheme only if they are working on board seagoing self-propelled tugboats and dredgers, which are registered in a Member State, carrying out maritime transport at sea for at least 50% of their operational time

- (50) The reimbursement scheme for dredgers only concerns dredgers registered in the EU/EEA and does not cover any towage activity. The Danish authorities confirmed that eligible dredgers under the scheme carry out maritime transport activities for at least 50% of their operational time. In addition, the Danish authorities committed amend their law, by December 2019, to ensure that eligible seafarers working on board dredgers will qualify for the refunds only in respect of eligible transport activities. For dredgers, maritime transport activities essentially consist in *"the transport at deep sea of extracted materials"*.⁹ In that sense, for example, the mere transport of the dredger's own equipment and its crew cannot qualify as maritime transport.

- (51) Therefore, in light of the commitment submitted by the Danish authorities and its related law amendments, the Seafarer scheme can be deemed in line with the Maritime Guidelines and the Commission's decisional practice.

⁹ See section 3.1, para 16 of the Maritime Guidelines.

2.7.5. Eligible vessels

- (52) Only genuine maritime transport activities are eligible for aid under the Maritime Guidelines. Maritime transport activities are defined in Regulation (EEC) No 4055/86¹⁰ and in Regulation (EEC) No 3577/92¹¹ as the "*transport of goods and persons by sea*" between ports or between ports and an off-shore installation.
- (53) Eligible vessels must therefore be engaged in transport of passengers or freight (shipping activities) between various destinations by sea-going vessels and other activities directly related thereto.
- (54) The activities carried out by the dredgers, as detailed in section 2.1 above, have to be regarded as maritime transport activities under the Maritime Guidelines. This is also laid down under Danish law in Section 13 of Order No 361 of 7 May 2009. In addition, the Danish authorities confirmed that activities carried out at inland waterways, fjords or ports, generally referred to as "limited maritime traffic", cannot qualify as maritime transport subject to the Seafarer scheme. In this regard, separate accounts shall be kept to clearly separate between eligible maritime transport and non-eligible activities.

Registration in a Member State

- (55) Section 3.2 of the Maritime Guidelines provides that employment costs should be allowed for Community shipping provided they apply to Community seafarers employed on board ships registered in a Member State.
- (56) The Danish authorities confirmed that the prolongation of the reimbursement scheme, in view of the commitment letter dated 8 October 2019 (see recital 23 above), will apply to any eligible vessels registered in other EU registers.
- (57) For these reasons, Section 3.2 of the Maritime Guidelines is also complied with in that respect.

2.7.6. National flagging restrictions

- (58) National flagging restrictions, according to which the benefits of the seafarer scheme are conditional on a certain level of national (and not EEA) flagging, infringe internal market rules in a manner indissolubly linked to the assessment of the compatibility of those aid measures.¹²
- (59) The Danish authorities committed to amend the law by extending, by December 2019, the benefits of the Seafarer scheme to shipping companies with qualifying vessels registered in any other EU/EEA registers. The law amendments will enter into force on 1 January 2020. For this reason, in light of the commitment submitted

¹⁰ Regulation (EEC) No 4055/86 of 22.12.1986 applying the principle of freedom to provide services to maritime transport between Member States and between Member States and third countries, OJ L 378 of 31.12.1986, p. 1.

¹¹ Regulation (EEC) No 3577/92 of 7.12.1992 applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage), OJ L 364 of 12.12.1992, p.7.

¹² See judgment in Case C-598/17 *A-Fonds* EU:C:2019:352.

by the Danish authorities and its related law amendment, the Commission considers that the conditions of the Maritime Guidelines on EEA flagging are complied with.

2.7.7. Aid cumulation / aid ceiling

- (60) In line with Chapter 11 of the Maritime aid Guidelines, the total aid for the benefit of shipping companies, independently of the form of the aid, should not provide a higher benefit than the full exemption from taxes and social contributions of shipping activities and seafarers.
- (61) The Danish authorities confirmed that they will ensure that companies opting for the scheme will not obtain a higher benefit than the full exemption from income taxes and social contributions. In this regard, the Danish authorities explained that they will amend the law, by December 2019, to decrease the amounts of the refund from 40 to 35%.
- (62) Furthermore, the Danish authorities added that the aid granted is recorded by the tax administration. If it appears that a higher reimbursement will be granted or if reimbursement conditions appear to not be fulfilled, the benefitting shipping companies will have to repay the reimbursements unduly received. The reduction in the refund and monitoring by the tax administration will ensure that the total amount of aid granted will not exceed the total amount of taxes and social security contributions levied from shipping activities and seafarers.
- (63) Therefore, in light of the commitment submitted by the Danish authorities and its related law amendment, the Commission concludes that the requirements relating to aid cumulation / aid ceiling are fulfilled.

2.7.8. Duration

- (64) According to the case-law, aid schemes cannot be approved as compatible under Article 107(3) TFEU for an unlimited duration¹³. Schemes must be subject to a regular review of their effectiveness and impact.
- (65) The Danish authorities have taken note that, in line with the case-law, the duration of the scheme cannot be open-ended and must be limited to a maximum 10-year period, for the reasons set out above in Section 2.4.
- (66) The Seafarer scheme will therefore remain in force for ten years from its entering into force, which is set for 1 January 2020 subject to Denmark's implementation of the law amendments detailed in section 2.3 above. The Danish authorities committed to re-notify the measure at the end of the ten-year period, should they wish to prolong the validity of the scheme.
- (67) The Commission notes that such duration is in line with previously approved State aid schemes in the maritime sector.

¹³ Case C-67/09 P *Nuova Agricast* EU:C:2010:607, para. 80.

3. CONCLUSION

(68) Based on the foregoing, the Commission considers that the Seafarer scheme fulfils all the necessary criteria under the Maritime Guidelines and its decisional practice. The Commission concludes that the Seafarer scheme, as assessed above, constitute State aid pursuant to Article 107(1) TFEU which is compatible with the internal market pursuant to Article 107(3)(c) TFEU.

4. DECISION

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(3)(c) of the Treaty on the Functioning of the European Union.

The Commission notes that for reasons of urgency, Denmark exceptionally accepts the adoption and notification of the decision in English.

Yours faithfully
For the Commission

Margrethe VESTAGER
Executive Vice-President