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**Subject: State Aid SA.62171 (2021/N) – Greece
COVID-19: Aid to operators of tourist buses and trains**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 2 March 2021, Greece notified aid in the form of limited amounts of aid (Compensation to travel agencies and Tourism Road Transport Companies which own public service tourist buses, open type urban city tourist buses and tourist trains, the “measure”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “Temporary Framework”).¹
- (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 Article 3 of Regulation 1/1958² and to have this Decision adopted and notified in English.

¹ Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak (OJ C 91I, 20.3.2020, p. 1), as amended by Commission Communications C(2020) 2215 (OJ C 112I, 4.4.2020, p. 1), C(2020) 3156 (OJ C 164, 13.5.2020, p. 3), C(2020) 4509 (OJ C 218, 2.7.2020, p. 3), C(2020) 7127 (OJ C 340I, 13.10.2020, p. 1) and C(2021) 564 (OJ C 34, 1.2.2021, p. 6).

² 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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2. DESCRIPTION OF THE MEASURE

- (3) Greece considers that the COVID-19 outbreak affects the real economy. The outbreak of the COVID-19 pandemic and the urgent need to adopt measures to protect the public health has seriously impacted the tourism sector. Several restrictions were imposed as regards excursions, tours and package holidays in tourist buses, open type urban city tourist buses and tourist trains³, including occupancy rate ceilings, resulting in a sharp decline in the number of tourists.
- (4) The measure forms part of an overall package of measures and aims to ensure that sufficient liquidity remains available in the market, to counter the liquidity shortage faced by undertakings because of the outbreak, to ensure that the disruptions caused by the outbreak do not undermine the viability of the undertakings and thereby to preserve the continuity of economic activity during and after the outbreak.
- (5) Greece confirms that the aid under the measure 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.
- (6) The compatibility assessment of the measure is based on Article 107(3)(b) TFEU, in light of sections 2 and 3.1 of the Temporary Framework.

2.1. The nature and form of aid

- (7) The measure provides aid in the form of direct grants.

2.2. Legal basis

- (8) The legal basis for the measure is article 139 of the Law no. 4764/2020⁴. The implementing provision is the Joint Ministerial Decision no. 20065⁵ determining compensation to travel agencies and tourism road transport companies, which own service tourist buses, open type urban city tourist buses and tourist trains, provided for in article 30 of Law 2636/1998.

2.3. Administration of the measure

- (9) The Ministry of Tourism is responsible for administering the measure.

2.4. Budget and duration of the measure

- (10) The estimated budget of the measure is EUR 21 million.
- (11) Aid may be granted under the measure as from the notification of the Commission's approval until no later than 31 December 2021.

³ In particular through several Joint Ministerial Decisions imposing a 35% vacancy rate floor.

⁴ Government Gazette A-256.

⁵ Government Gazette B-5771.

2.5. Beneficiaries

- (12) The final beneficiaries of the measure are small and medium-sized enterprises (“SMEs”)⁶. The estimated number of beneficiaries is above 1000.
- (13) Aid may not be granted under the measure to medium enterprises that were already in difficulty within the meaning of the GBER⁷ on 31 December 2019. Aid may be granted to micro and small enterprises that were in difficulty within the meaning of the GBER on 31 December 2019, if those enterprises, at the moment of granting the aid, are not subject to collective insolvency procedure under national law and they have not received rescue aid⁸ or restructuring aid.⁹

2.6. Sectoral and regional scope of the measure

- (14) The measure is open to the tourism and other passenger land transport sectors¹⁰. Financial institutions are excluded as eligible final beneficiaries. It applies to the whole territory of Greece.

2.7. Basic elements of the measure

- (15) The aid is granted to operators¹¹ of public service tourist buses¹², open type urban city buses¹³ and tourist trains¹⁴.

⁶ As defined in Annex I to Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187, 26.6.2014, p. 1 (“GBER”).

⁷ As defined in Article 2(18) of the GBER.

⁸ Alternatively, if they have received rescue aid, they have reimbursed the loan or terminated the guarantee at the moment of granting of the aid under the notified measure.

⁹ Alternatively, if they have received restructuring aid, they are no longer subject to a restructuring plan at the moment of granting of the aid under the notified measure.

¹⁰ NACE N.79.11 and H.49.39, if they operate activities described in recital (15).

¹¹ Travel agencies and tourism road transport companies.

¹² Law no. 711/1977 (Government Gazette A 284) lays out, article 1.1 that “the transport service carried out exclusively by special tourist buses of public service consists in carrying a predefined group of people and luggage, including, inter alia: a. Transportation of persons in the framework of conferences, exhibitions, seminars, sports-cultural and social activities; b. Transportation of persons in organised excursions [...]; c. Transportation to and from airports, ports, railway stations and border stations.”

¹³ As regulated by Joint Ministerial Decision 22212/29-10-2008 (Government Gazette B 2267). Article 1.1. lays out that “the transport service of the open type (double-decker) urban city special tourist buses of public service consists in the operation of special regular bus lines with a predefined frequency, on a predefined circular tour, with predefined bus stops.”

¹⁴ As regulated by Law 2636/1998 (Government Gazette 198). Article 30.2 lays out that “tourist trains are allowed to operate on special routes, carrying passengers to areas of tourist or cultural interest, who can embark and disembark on predefined train stops along the route.”

- (16) The aid to operators of public service tourist buses and open type urban city buses depends on the seating capacity of each while the aid for tourist trains is fixed, regardless of their seating capacity. The grant is allocated as follows:

	Tourist buses		Tourist trains
Seating capacity	Up to 30 seats	Over 30 seats	/
Support in euros per bus / train	2,400	3,600	2,000

- (17) The maximum of aid per beneficiary is EUR 1.8 million gross, that is, before any deduction of tax or other charges.
- (18) Beneficiaries have to submit their application for aid within a 30-day period from the date the Joint Ministerial Decision no. 20065 is published.
- (19) The aid will be paid to the beneficiaries only after verification of the supporting documents¹⁵ and of potential aid cumulation by the Financial Services of the Ministry of Tourism.
- (20) The Joint Ministerial Decision no. 20065 contains a standstill clause whereby the aid can be granted only after the Commission has authorised it.

2.8. Cumulation

- (21) The Greek authorities confirm that aid granted under the measure may be cumulated with aid under de minimis Regulations¹⁶ or the GBER provided the provisions and cumulation rules of those Regulations are respected.
- (22) The Greek authorities confirm that aid granted under the measure may be cumulated with aid granted under other measures approved by the Commission under other sections of the Temporary Framework provided the provisions in those specific sections are respected.
- (23) The Greek authorities confirm that if the beneficiary receives aid on several occasions or in several forms under the measure or aid under other measures approved by the Commission under section 3.1 of the Temporary Framework, the overall maximum cap per undertaking, as set out in point 22(a) of that framework, will be respected.

¹⁵ Including the detailed application form, with data regarding aid already received (if any) and the vehicles registration certificates.

¹⁶ Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24.12.2013, p. 1) and Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest (OJ L 114, 26.4.2012, p. 8).

2.9. Monitoring and reporting

- (24) The Greek authorities confirm that they will respect the monitoring and reporting obligations laid down in section 4 of the Temporary Framework (including the obligation to publish relevant information on each individual aid above EUR 100 000 granted under the measure on the comprehensive national State aid website or Commission's IT tool within 12 months from the moment of granting¹⁷).

3. ASSESSMENT

3.1. Lawfulness of the measure

- (25) By notifying the measure before putting it into effect, the Greek authorities have respected their obligations under Article 108(3) TFEU.

3.2. Existence of State aid

- (26) 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.
- (27) The measure is imputable to the State, since it is administered by the Ministry of Tourism (recital (9)) and it is based on Law no. 4764/2020 (recital (8)). It is financed through State resources, since it is financed by public funds.
- (28) The measure confers an advantage on its beneficiaries in the form of direct grants (recital (7)). The measure thus confers an advantage on those beneficiaries which they would not have had under normal market conditions.
- (29) The advantage granted by the measure is selective, since it is awarded only to certain undertakings, i.e. operators of public service tourist buses, open type urban city buses and tourist trains, excluding the financial sector (recitals (14) and (15)).
- (30) 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.
- (31) In view of the above, the Commission concludes that the measure constitutes aid within the meaning of Article 107(1) TFEU. The Greek authorities do not contest that conclusion.

3.3. Compatibility

- (32) Since the measure involves aid within the meaning of Article 107(1) TFEU, it is necessary to consider whether that measure is compatible with the internal market.

¹⁷ Referring to information required in Annex III to the GBER.

- (33) Pursuant to Article 107(3)(b) TFEU the Commission may declare compatible with the internal market aid “*to remedy a serious disturbance in the economy of a Member State*”.
- (34) By adopting the Temporary Framework on 19 March 2020, the Commission acknowledged (in section 2) that “*the COVID-19 outbreak affects all Member States and that the containment measures taken by Member States impact undertakings*”. The Commission concluded that “*State aid is justified and can be declared compatible with the internal market on the basis of Article 107(3)(b) TFEU, for a limited period, to remedy the liquidity shortage faced by undertakings and ensure that the disruptions caused by the COVID-19 outbreak do not undermine their viability, especially of SMEs*”.
- (35) The measure aims at providing liquidity support to operators of public service tourist buses, open type urban city tourist buses and tourist trains at a time when the normal functioning of markets is severely disturbed by the COVID-19 outbreak and that outbreak is affecting the wider economy and leading to severe disturbances of the real economy of Member States.
- (36) The measure is one of a series of measures conceived at national level by the Greek authorities to remedy a serious disturbance in their economy. It is restricted to undertakings providing tourism transportation, which have experience a reduction in their activities. Furthermore, the measure has been designed to meet the requirements of a specific category of aid (“Limited amounts of aid”) described in section 3.1 of the Temporary Framework.
- (37) The Commission accordingly considers that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State and meets all the conditions of the Temporary Framework. In particular:
- The aid takes the form of direct grants (recital (7)).
 - The overall nominal value of the grants shall not exceed EUR 1.8 million per undertaking; all figures used must be gross, that is, before any deduction of tax or other charges (recital (17)). The measure therefore complies with point 22(a) of the Temporary Framework.
 - Aid is granted under the measure on the basis of a scheme with an estimated budget as indicated in recital (10). The measure therefore complies with point 22(b) of the Temporary Framework.
 - Aid may not be granted under the measure to medium¹⁸ enterprises that were already in difficulty on 31 December 2019 (recital (13)). The measure therefore complies with point 22(c) of the Temporary Framework. Aid may be granted to micro and small enterprises that were in difficulty on 31 December 2019, if those enterprises, at the moment of granting the aid, are not subject to collective insolvency procedure under national law and they have not received rescue aid¹⁹ or restructuring aid²⁰

¹⁸ As defined in Annex I to the GBER.

¹⁹ Alternatively, if they have received rescue aid, they have reimbursed the loan or terminated the guarantee at the moment of granting of the aid under the notified measure.

(recital (13)). The measure therefore complies with point 22(c)bis of the Temporary Framework.

- Aid will be granted under the measure no later than 31 December 2021 (recital (11)). The measure therefore complies with point 22(d) of the Temporary Framework.

- (38) The Greek authorities confirm that the aid under the measure 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 (recital (5)).
- (39) The Greek authorities confirm that the monitoring and reporting rules laid down in section 4 of the Temporary Framework will be respected (recital (24)). The Greek authorities further confirm that the aid under the measure may only be cumulated with other aid, provided the specific provisions in the sections of the Temporary Framework and the cumulation rules of the relevant Regulations are respected (recitals (21) to (23)).
- (40) The Commission therefore considers that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State pursuant to Article 107(3)(b) TFEU since it meets all the relevant conditions of the Temporary Framework.

²⁰ Alternatively, if they have received restructuring aid, they are no longer subject to a restructuring plan at the moment of granting of the aid under the notified measure.

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

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

