



EUROPEAN COMMISSION

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PUBLIC VERSION

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**Subject: State Aid SA.62484 (2021/N) - Lithuania  
COVID-19: Modifications to SA.57514, SA.57529, SA.57823 and  
SA.58856 (2020/N)**

Excellency,

**1. PROCEDURE**

- (1) By electronic notification of 25 March 2021, Lithuania notified modifications concerning the following existing aid schemes (“the existing aid schemes”):
- (a) SA.57514 (2020/N) “Temporary State Aid to bovine animal producers and milk producers facing economic difficulties caused by the outbreak of Covid-19”, as modified by SA.58344 (2020/N);
  - (b) SA.57529 (2020/N) COVID-19: “Individual guarantees and interest and guarantee premium compensation during the COVID-19 outbreak to undertakings active in the agriculture, food, forestry, rural development and fisheries sectors”;
  - (c) SA.57823 (2020/N) “COVID-19: Amendment to temporary State aid to economic entities active in agriculture and aquaculture facing economic difficulties during the outbreak of Covid-19”, as modified by SA.58903 (2020/N);
  - (d) SA.58856 (2020/N) “COVID-19: Aid in favor of poultry producers and poultry processing undertakings facing economic difficulties caused by the outbreak of COVID-19”.

Mr. Gabrielius LANDSBERGIS  
Užsienio Reikalų Ministerija  
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- (2) The existing aid schemes were approved by the following Commission decisions (all together referred to as "the initial decisions") in light of the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak ("the Temporary Framework")<sup>1</sup>:
- (a) as regards SA.57514 (2020/N), Decision C(2020) 3896 final of 5.6.2020, as amended by Decision C(2020) 5828 final of 20.8.2020;
  - (b) as regards SA.57529 (2020/N), Decision C(2020) 4128 final of 16.6.2020;
  - (c) as regards SA.57823 (2020/N), Decision C(2020) 4941 final of 14.7.2020; as amended by Decision C(2020) 7174 final of 14.10.2020;
  - (d) as regards SA.58856 (2020/N), Decision C(2020) 7242 final of 16.10.2020.
- (3) The initial decisions were modified by Decision C(2020) 9406 final of 17.12.2020.
- (4) Lithuania 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 1/1958<sup>2</sup> and to have this Decision adopted and notified in English.

## **2. DESCRIPTION OF THE MEASURE**

### **2.1. Objective of the measure**

- (5) On 28 January 2021, the Commission adopted a Communication amending the Temporary Framework<sup>3</sup>. This modification notably prolongs until 31 December 2021 the validity of the Temporary Framework, and increases the maximum amount of aid allowed for aids under Section 3.1.
- (6) Accordingly, Lithuania plans to modify the existing aids schemes increasing the maximum amount of direct grants under Section 3.1 of the Temporary Framework to EUR 225 000 per undertaking active in the primary production of agricultural products. Where an entity operates in several sectors, the total amount of temporary State aid may not exceed EUR 1 800 000 per undertaking.

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<sup>1</sup> 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).

<sup>2</sup> Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.

<sup>3</sup> Communication from the Commission C(2021) 564 final of 28 January 2021 on the Fifth Amendment to the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak and amendment to the Annex to the Communication from the Commission to the Member States on the application of Articles 107 and 108 of the TFEU to short-term export-credit insurance, OJ C 34, 1.2.2021, p. 6.

- (7) The Lithuanian authorities confirmed that all other conditions of the existing aid schemes remain unchanged.
- (8) The Lithuanian authorities committed not to grant any aid under the notified amendment before the Commission's approval.

### **3. ASSESSMENT**

#### **3.1. Lawfulness of the measure**

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

#### **3.2. Existence of State aid**

- (10) 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.
- (11) The existing aid schemes constitute State aid within the meaning of Article 107 (1) TFEU for the reasons set out in the initial decisions<sup>4</sup>. The proposed modifications do not affect that conclusion. The Commission therefore refers to the respective assessment of the aforementioned decisions and concludes that the schemes as modified constitute State aid in the meaning of Article 107 (1) of the TFEU.

#### **3.3. Compatibility**

- (12) The Commission assessed the existing aid schemes on the basis of Article 107 (3)(b) of the TFEU in light of the Temporary Framework and concluded that they were compliant with the compatibility conditions set out in that Framework.
- (13) The Commission refers to its analysis of compatibility as set out in the initial decisions<sup>5</sup>.
- (14) As the increase of the maximum amounts of aid is in conformity with the Temporary Framework as amended, the Commission considers that the notified increase of the maximum amount of aid do not affect the evaluation of the compatibility of the existing aid scheme with the internal market, as carried out in the initial decisions.

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<sup>4</sup> See recitals (33) to (38) of Commission Decision C(2020)3896 final of 5.6.2020 (for SA.57514); see recitals (50) to (55) of Commission Decision C(2020)4128 final of 16.6.2020 (for SA.57529); see recitals (52) to (57) of Commission Decision C(2020)4941 of 14.7.2020 (for SA.57823); see recitals (39) to (44) of Commission Decision C(2020)7242 final of 16.10.2020 (for SA.58856).

<sup>5</sup> See recitals (39) to (49) of Commission Decision C(2020)3896 final of 5.6.2020 (for SA.57514); see recitals (56) to (69) of Commission Decision C(2020)4128 final of 16.6.2020 (for SA.57529); see recitals (58) to (69) of Commission Decision C(2020)4941 of 14.7.2020 (for SA.57823); see recitals (45) to (52) of Commission Decision C(2020)7242 final of 16.10.2020 (for SA.58856).

- (15) The Commission therefore considers that the measures, as modified, are necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of a Member State (Lithuania) pursuant to Article 107 (3)(b) TFEU.

#### **4. CONCLUSION**

The Commission has accordingly decided not to raise objections to the notified modifications to aid schemes SA.57514 (2020/N), SA.57529 (2020/N), SA.57823 (2020/N) and SA.58856 (2020/N) on the ground that they are compatible with the internal market pursuant to Article 107(3)(b) 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