Subject: State Aid SA.62597 (2021/N) – Poland
COVID-19: Modification to SA.59566 (2020/N)

Excellency,

1. PROCEDURE

(1) By electronic notification of 7 April 2021, registered on the same day, Poland notified a modification concerning the existing aid scheme SA.59566 (2020/N) ("the existing aid scheme").

(2) The existing aid scheme was approved by the Commission decision C(2020) 8453 final on 25.11.2020. That scheme extended the duration until 30 June 2021 of the aid scheme SA.57569 (2020/N), approved by the Commission decision C(2020) 4062 final of 12.6.2020 (referred to as "the initial decision") in light of the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak ("the Temporary Framework") 1:

(3) Poland 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 2 and to have this Decision adopted and notified in English.


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

Sz.P. Zbigniew RAU
Minister Spraw zagranicznych
Al. J. Ch. Szucha 23
Warszawa
2. DESCRIPTION OF THE MEASURE

(4) On 1 February 2021, the Commission adopted a Communication amending the Temporary Framework, prolonging until 31 December 2021 the validity of the Temporary Framework, which would otherwise have expired on 30 June 2021.

(5) Poland wishes to modify the duration of the existing aid scheme in line with this amendment and to extend its duration until 31 December 2021.

(6) The Polish authorities confirmed that all other conditions of the existing aid scheme remain unchanged.

(7) The modification will only be put into effect after the Commission’s approval.

3. ASSESSMENT

3.1. Lawfulness of the measure

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

3.2. Existence of State aid

(9) 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.

(10) The presence of State aid within the meaning of Article 107 (1) TFEU was already established in the initial decision. The proposed modification does not alter that conclusion. The Commission therefore refers to the respective assessment of the aforementioned decision and concludes that the scheme as modified constitutes State aid in the meaning of Article 107 (1) of the TFEU.

3.3. Compatibility

(11) The Commission assessed the compatibility with the internal market of the existing aid scheme on the basis of Article 107 (3)(b) of the TFEU in light of the Temporary Framework and concluded that it complied with the compatibility conditions set out in that Framework.

(12) The Commission refers to its analysis of compatibility as set out in the initial decision.

(13) The notification concerns the prolongation of the existing aid scheme until 31 December 2021. As this extended duration is in conformity with the Temporary Framework, the Commission considers that the notified prolongation does not

---

3 Recitals 35 – 39 of the initial decision.

4 Recitals 42 - 52 of the initial decision.
affect the compatibility assessment of the existing aid scheme with the internal market, as carried out in the initial decision.

(14) Apart from the modification of the duration of the existing aid scheme, the Commission notes that there are no other alterations to the existing aid scheme (recital (6)). The Commission therefore considers that the notified modification meets the conditions of the Temporary Framework, as set out in the initial decision.

(15) The Commission therefore considers that the measure, as modified, is necessary, appropriate, and proportionate to remedy a serious disturbance in the economy of Poland pursuant to Article 107 (3)(b) TFEU.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the notified modification to aid scheme SA.59566 (2020/N) on the ground 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