EUROPEAN COMMISSION

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Subject: **State Aid SA.62256 (2021/N) – *Slovakia***
COVID-19: Support to the tourism sector

Excellency,

1. PROCEDURE

(1) By electronic notification of 9 March 2021[1], Slovakia notified aid in the form of support for uncovered fixed costs (*SCHÉMA ŠTÁTNEJ POMOCI na podporu podnikov v odvetví cestovného ruchu v súvislosti s vypuknutím ochorenia COVID-19*, the "measure") under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the "Temporary Framework").[2]

(2) Slovakia 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[3] and to have this Decision adopted and notified in English.

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[1] Followed by clarifications provided on 16, 19 and 20 March 2021 as well as on 12 and 21 April 2021.

[2] 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).

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

Ivan KORČOK
minister zahraničných vecí a európskych záležitostí Slovenskej republiky
Hlboká cesta 2
SK-833 36 Bratislava
SLOVENSKÁ REPUBLIKA

2. DESCRIPTION OF THE MEASURE

(3) Slovakia considers that the COVID-19 outbreak affects the real economy. 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.

(4) The Slovakian authorities consider that the COVID-19 pandemic has brought with it the need for tough measures to reduce virus transmission. Those measures had and still have a serious impact on the operation of companies in the tourism sector (for an overview of those measures, see recital (6). The obligation to close certain establishments or otherwise restrict their activities has led to a loss of income for many of those companies. For example, in the Slovak accommodation sector there was a drop in revenues of 84.7% in April 2020 (year-on-year). In that year, the drop in revenues was 81.6% in May, 61.2% in June and 29% in July.

(5) Representatives of the Slovak tourism industry pointed out the fact that even the lifting of measures starting in May/June 2020 did not have a sufficient positive impact on the activity. To make matters even worse, in the second half of August 2020, the development of the epidemic situation in Slovakia deteriorated when a 'second wave' of infections emerged. The liquidity problems of companies active in the tourism sector, especially SMEs, became even more prominent. Less bookings were made and companies had to repay customers for cancelled bookings. In parallel to the liquidity problems, many jobs were threatened, even after the opening of several services in the tourism sector during summer 2020.

(6) The following measures to reduce virus transmission were taken since 10 March 2020:

(a) On 10 March 2020, the organization of sport, cultural and public events were banned for a 14-day period and people returning from Italy, China, Iran, China and South Korea were forced to a 14-days quarantine.

(b) On 12 March 2020, schools and leisure facilities were closed and international traffic was stopped. A day later, border checks were installed and all international flights were cancelled.

(c) On 15 March 2020, a state of emergency was declared in Slovakia. Only residents who had a permanent or temporary residence in Slovakia, or a valid passport, could enter Slovakia. Fines were imposed on citizens for non-compliance with e.g. the mandatory quarantine. Moreover, retail sale and sale of services in all establishments except food stores, pharmacies, and drugstores were prohibited.

(d) On 22 April 2020, the first measures were lifted, leading to the reopening of certain shops and the possibility to do outdoor sports. From 6 May 2020 onwards short-term, accommodation (without opened restaurants or food services in the common areas), pedicure and manicure, hiking, taxi services, masses and weddings, massages, museums, galleries, libraries and exhibition halls could resume their activities. From 20 May 2020 onwards, more people were allowed in shops and shopping malls, pools, gyms theatres and cinemas reopened. In addition, public events with less than 100 participants were allowed again.

(e) On 1 October 2020, many measures previously lifted were reinstalled. A new State of emergency was declared for a period of 45 days. At the same time, new measures concerning traveling, wearing facemasks, and hygiene entered into force. These measures were complemented with a curfew on 24 October 2020. On 28 October 2020, the curfew was prolonged until 8 November 2020.

(f) On 16 November 2020, art performances, fitness centres, swimming pools, and churches were reopened under the condition to strictly adhere to hygiene rules.

(g) On 19 December 2020, a new curfew entered into force in Slovakia, with several exceptions during e.g. the Christmas holidays. On 1 January 2021, more stringent measures came into force, the curfew was tightened and several exceptions that applied during the Christmas holidays were removed. In addition, visits to other households were forbidden, food could only be consumed outside, all ski resorts and churches were closed and hotels could not accept new guests. At the same time, the government ordered work from home for all who can work from home. Those measures were extended until 8 February 2021. Measures can now only be lifted when the number of hospitalisations in the country is reduced to less than 3,000 people.

(7) Slovakia 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.

(8) The compatibility assessment of the measure is based on Article 107(3)(b) TFEU, in light of sections 2 and 3.12 of the Temporary Framework.

2.1. The nature and form of aid

(9) The measure is a scheme that provides aid in the form of direct grants.

2.2. Legal basis

(10) The legal basis for the measure is the State aid scheme to support companies in the tourism sector in the context of the COVID-19 outbreak [SCHÉMA ŠTÁTNEJ POMOCI na podporu podnikov v odvetví cestovného ruchu v súvislosti s vypuknutím ochorenia COVID-19]. This scheme is based on the following Acts: Act No. 91/2010 Coll. on Support of Tourism, as amended (the "Tourism Support Act"), Act No. 357/2015 Coll. on Financial Control and Audit and on Amendments to Certain Acts, as amended, Act No. 358/2015 Coll. on Regulation of Certain Relations in State Aid and De Minimis Aid and on Amendments to Certain Acts (the "State Aid Act"), Act No. 431/2002 Coll. on Accounting, as amended (the "Act No. 431/2002 Coll."), Act No. 523/2004 Coll. on Budgetary Rules of Public Administrations and on Amendments to Certain Acts, as amended (the "Act No. 523/2004 Coll.").

(11) State aid under the measure may only be granted and paid after notification to the Commission and as from the notification of the Commission's approval decision.[4]

2.3. Administration of the measure

(12) The Ministry of Transport and Construction of the Slovak Republic is responsible for administering the measure.

2.4. Budget and duration of the measure

(13) The estimated budget of the measure is EUR 90 million.

(14) Aid may be granted until no later than 31 December 2021. The aid covers uncovered fixed costs incurred in the period from 1 April 2020 to 31 December 2021, including such costs only incurred in part of that period.

2.5. Beneficiaries

(15) The beneficiaries of the measure are SMEs and large enterprises[5] active in Slovakia in the sectors listed in recital (17). The estimated number of beneficiaries is 500. Financial institutions are excluded as eligible beneficiaries.

(16) Aid may not be granted under the measure to medium[6] and large enterprises that were already in difficulty within the meaning of the General Block Exemption Regulation ("GBER")[7] 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 aid[8] or restructuring aid.[9]

2.6. Sectoral and regional scope of the measure

(17) The measure is open to undertakings active in the tourism sector. This includes certain types of land and inland waterway passenger transport, accommodation, restaurants and hospitality, renting and leasing of recreational sports equipment, travel agencies, travel offices, reservation services, organisation of congresses and

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4 Section 16.1 of the legal basis.

5 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.

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.

7 As defined in Article 2(18) of 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.

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.

business exhibitions, sport and recreation education, museums, services of historical monuments, buildings and similar tourist activities, botanical and zoological gardens and nature reserves, sport facilities, fun park amusement activities, other entertainment and free-time activities and physical wellbeing activities.

(18) The measure applies to the whole territory of Slovakia.

2.7. Basic elements of the measure

(19) Beneficiaries can apply for aid from the moment that the call for applications is published on https://www.mindop.sk/. The application needs to be submitted in the Slovak language and needs to be accompanied by the following elements:

(a) Personal and company details of the applicant;

(b) An IBAN account number to which the State aid needs to be transferred;

(c) A description of the purpose of the State aid applied for;

(d) A calculation of the State aid applied for, in line with what is described in the following recitals;

(e) A written declaration that the applicant complies with the conditions set out in Section 5.7 of the legal basis (e.g. requirements as regards being in difficulty (see recital (16)), not being subject to bankruptcy proceedings, complying with employment rules etc.);

(f) Documents proving that the conditions set out in Section 5.7 of the legal basis are fulfilled;

(g) A draft agreement as specified in the call for applications fulfilling the conditions of Section 12.7 of the legal basis; and

(h) An overview of EU funds, funds provided by other public administrative bodies or another person managing state budget funds received in the last three years.

(20) The amount of aid under the measure will not exceed 10% of the nominal decrease in net turnover. To establish the nominal decrease in net turnover, at the moment of application the applicant calculates the net turnover for the specific month of the eligible period for which the applicant is applying and the net turnover for the reference month in 2019. If data is not yet available or if the period for which aid is requested lies in the future, the beneficiaries may apply for aid under the measure on the basis of a self-assessment using estimated data, subject to an ex-post verification (see recital (24) below). The percentage decrease in net turnover is then multiplied by the amount of net turnover in the reference month. According to the Slovak authorities, this calculation method significantly decreases the risk of granting aid exceeding the intensity levels stipulated in recital (21)(b) below.

(21) The Slovak authorities provided the following commitments:

(a) The aid under the measure will be granted to undertakings that suffer a decrease in turnover during the eligible period of at least 40% compared to the same period in 2019. The reference period is a period in 2019, regardless of whether the eligible period is in 2020 or in 2021. In the event that the applicant did not achieve any turnover during certain months of 2019 because it was not yet established or because it had ceased operations, its turnover for the relevant months of the reference period will be extrapolated for the purposes of calculating the decrease in net turnover, on the basis of data for those months of the reference period in 2019 for which turnover was achieved. Applicants with no turnover in 2019 since they had not yet been established or they had ceased their operations for the entire period of 2019 will not be eligible for aid under the measure. The option to use an alternative reference period (and the option of extrapolation) will not be available to companies where the unavailability of a reference period in 2019 is due to seasonality of its activities.

(b) The aid covers uncovered fixed costs defined in accordance with point 87(c) of the Temporary Framework as the fixed costs incurred by undertakings during the eligible period which are not covered by the profit contribution (i.e. revenues minus variable costs) during the same period and which are not covered by other sources, such as insurance, temporary aid measures covered by the Temporary Framework or support from other sources.[10] The aid intensity shall not exceed 70% of the uncovered fixed costs, except for micro and small enterprises, where the aid intensity will not exceed 90% of the uncovered fixed costs.

(c) As regards the calculation of the aid:

– the losses of undertakings from their profit and loss statements during the eligible period[11] are considered to constitute uncovered fixed costs;

– the aid under the measure may be granted based on forecasted losses;

– the final amount of aid under the measure shall be determined after realisation of the losses on the basis of audited accounts[12]. In case those are not available, nor required by Article 19 of the Slovakian Act on Accounting, the beneficiary will buy the services from an auditor if the aid amount to be granted under the measure exceeds EUR 200 000 per undertaking. For undertakings for which audited accounts are not available, nor required by Article 19 of the Slovakian Act on Accounting, where the aid amount stays below EUR 200 000, the final amount of aid will be determined on the basis of the tax accounts that the applicant has submitted to the competent tax authority. Since the tax accounts are yearly and the

[10] For the purpose of this definition, costs refer to fixed and variable costs: the former are incurred independently of the level of output, while the latter are incurred depending on the level of output.

[11] One-off impairment losses are not included in the calculation of the losses.

[12] The wording used in the English version of the legal basis is "audited financial statements".

compensation can cover a period of a different duration, the applicant shall, in addition, submit monthly profit and loss accounts verified by the statutory body of the legal entity[13] and a regular accountant[14]. If there is a discrepancy between the tax accounts and the monthly profit and loss statement concerning the uncovered fixed costs during a part of the year, this discrepancy will need to be convincingly explained and justified.

– any payment exceeding the final amount of the aid shall be recovered.

(d) The maximum amount of State aid that can be granted under the measure may not exceed EUR 10 million per undertaking (all figures used must be gross, that is, before any deduction of tax or other charge).

(e) When doing an ex post verification, the Slovak authorities will recover the excess aid in any of the following four situations: to the extent that the aid granted (1) exceeds the outcome of the calculation in recital (20), (2) exceeds the aid intensities described in recital (21)(b), (3) exceeds EUR 10 million as described in recital (21)(d) or (4) exceeds the final amount of aid determined by ex post verification (see recital (21)(c) third indent above).

(22) As regards the calculation method in recital (21)(c) third indent, Slovakia has explained that only undertakings meeting certain criteria[15] are obliged to produce audited financial statements. Slovakia does not consider it to be proportionate to require all companies that are not obliged to produce audited accounts under Slovak law, to provide audited accounts solely for the purpose of the measure. Doing this would oblige the beneficiaries to enter into a time-consuming and costly procedure, by seeking professional assistance from certified auditors, even for smaller amounts of aid (i.e. below EUR 200 000, as indicated in recital (21)(21)(c) above). The mechanism laid down in recital (21)(c) would therefore be proportionate, in the sense that, for undertakings for which audited accounts are not available, nor required by Article 19 of the Slovakian Act on Accounting, audited accounts would only be required for higher aid amounts, i.e. above EUR 200 000.

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13 The statutory body of the legal entity takes criminal liability for its acting in terms of accounting.

14 Under the Slovak legal system, the monthly profit and loss accounts cannot be approved nor verified by other parties such as lawyers, tax advisors or chartered accountants. The Slovak authorities have explained that lawyers have no professional nor legal capacity to verify the correctness of profit and loss accounts, tax advisors are not authorized to verify profit and loss accounts and chartered (nor certified) accountants do not exist under Slovak law.

15 These criteria are laid down in Article 19 of the Slovakian Act on Accounting (431/2002 Coll.). In short, Article 19 states that audited accounts are required for companies: (1) that meet two out of the following conditions: (i) total assets exceed EUR 2 million, (ii) net turnover exceeds EUR 4 million, (iii) average calculated number of employees exceeds 30 in a single accounting period; (2) the securities of which have been admitted to trading on a regulated market; (3) that are subject to provide audited accounts under separate legislation (e.g. article 40 of Act no. 483/2001 Coll., article 34(3) of Act no. 34/2002 Coll); or (4) that should prepare their financial statements in line with article 17a of the same act (e.g. banks and insurance companies).

(23) For companies that are not obliged to produce audited financial statements, the final amount of the aid shall be determined using ex post verification in line with section 9.4.2 of the legal basis (on the basis of tax accounts, see recital (21)(c) third indent above).

(24) The undertakings that have received aid are obliged to cooperate with the authorities for the purposes of the ex post verification. The ex post verification will cover the calculation as described in recital (20) and the conditions set in recitals (21)(a), (21)(b), (21)(c) and (21)(d). The undertaking will need to submit documents requested by the authorities for these purposes, including audited accounts or tax accounts.

2.8. Cumulation

(25) The Slovak authorities confirm that aid granted under the measure may be cumulated with aid under de minimis Regulations[16] or the GBER provided the provisions and cumulation rules of those Regulations are respected.

(26) The Slovak 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.

(27) The Slovak 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 3.12 of the Temporary Framework, the overall maximum cap per undertaking, as set out in point 87(d) of that framework, will be respected.

(28) The Slovak authorities confirm that aid granted under the measure shall not be cumulated with other aid for the same eligible costs.

2.9. Monitoring and reporting

(29) The Slovak 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 granting[17]).

3. ASSESSMENT

3.1. Lawfulness of the measure

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

[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).

[17] Referring to information required in Annex III to Commission Regulation (EU) No 651/2014.

3.2. Existence of State aid

(31) 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.

(32) The measure is imputable to the State, since it is administered by the Ministry of Transport and Construction (recital (12)) and it is based on the State aid scheme to support companies in the tourism sector in the context of the COVID-19 outbreak (recital (10)). It is financed through State resources, since it is financed by public funds.

(33) The measure confers an advantage on its beneficiaries in the form of direct grants (recital (9)). The measure thus confers an advantage on those beneficiaries, which they would not have had under normal market conditions.

(34) The advantage granted by the measure is selective, since it is awarded only to certain undertakings, in particular undertakings active in the tourism sector (recital (17)), excluding the financial sector.

(35) 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.

(36) In view of the above, the Commission concludes that the measure constitutes aid within the meaning of Article 107(1) TFEU. The Slovak authorities do not contest that conclusion.

3.3. Compatibility

(37) 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.

(38) 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*".

(39) 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*".

(40) The measure aims at covering part of the uncovered fixed costs of undertakings active in the tourism sector 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.

(41) The measure is one of a series of measures conceived at national level by the Slovak authorities to remedy a serious disturbance in their economy. The importance of the measure to preserve employment and economic continuity is widely accepted by economic commentators and the measure is of a scale which can be reasonably anticipated to produce effects across the entire Slovak economy. Furthermore, the measure has been designed to meet the requirements of a specific category of aid ("Aid in the form of support for uncovered fixed costs") described in section 3.12 of the Temporary Framework.

(42) 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:

- Aid is granted under the measure no later than 31 December 2021 and covers uncovered fixed costs incurred during the period between 1 April 2020 and 31 December 2021 (recital (14)). The measure therefore complies with point 87(a) of the Temporary Framework.

- Aid is granted under the measure on the basis of a scheme to undertakings that suffer a decline in turnover during the eligible period of at least 40% compared to the same period in 2019 (recital (21)(a)). The use of an alternative reference period in exceptional cases where there is no relevant turnover in the standard reference period is acceptable as it concerns a limited number of cases and the reference period used remains as close as possible to the standard reference period. The measure therefore complies with point 87(b) of the Temporary Framework.

- Uncovered fixed costs are defined under the measure in accordance with point 87(c) of the Temporary Framework and the aid intensity will not exceed 70% of the uncovered fixed costs, except for micro and small companies, where the aid intensity will not exceed 90% of the uncovered fixed costs (recital (21)(b)). The losses of undertakings from their profit and loss statements during the eligible period[18] are considered to constitute uncovered fixed costs. The aid under this measure may be granted based on forecasted losses, while the final amount of aid will be determined after realisation of the losses on the basis of audited financial statements. For undertakings for which audited accounts are not available, nor required by Article 19 of the Slovakian Act on Accounting, where the aid amount stays below EUR 200 000, the final amount of aid will be determined on the basis of the tax accounts that the applicant has submitted to the competent tax authority and on the basis of monthly profit and loss statements approved by the statutory body of the undertaking and a (regular) accountant (recital (21)(c)). The Commission considers that not requiring audited financial statements for (often smaller) companies that are not obliged to produce audited accounts is justified because otherwise those companies would be obliged to enter into a time-consuming and costly procedure, by seeking professional

[18] One-off impairment losses are not included in the calculation of the losses.

assistance from certified auditors (recital (22)). Any payment exceeding the final amount of the aid must be recovered (recital (21)(c)). The measure therefore complies with point 87(c) of the Temporary Framework.

- The aid takes the form of direct grants (recital (9)). The overall nominal value of the direct grants will not exceed EUR 10 million per undertaking; all figures used must be gross, that is, before any deduction of tax or other charges (recital (21)(d)). The measure therefore complies with point 87(d) of the Temporary Framework.

- The aid under the measure shall not be cumulated with other aid for the same eligible costs (recital (28)). The measure therefore complies with point 87(e) of the Temporary Framework.

- Aid may not be granted under the measure to medium[19] and large enterprises that were already in difficulty on 31 December 2019 (recital (16)). 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 aid[20] or restructuring aid[21] (recital (16)). The measure therefore complies with point 87(f) of the Temporary Framework.

(43) The Slovak 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 (7)).

(44) The Slovak authorities confirm that the monitoring and reporting rules laid down in section 4 of the Temporary Framework will be respected (recital (29)). The Slovak 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 (25) to (27)).

(45) 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.

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[19] 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.

[20] 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.

[21] 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

CERTIFIED COPY
For the Secretary-General

Martine DEPREZ
Director
Decision-making & Collegiality
EUROPEAN COMMISSION