



EUROPEAN COMMISSION

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PUBLIC VERSION

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**Subject: State Aid SA.62627 (2021/N) – Lithuania**  
**COVID-19: Grants to tour operators for the repatriation of travellers – Amendments to SA.58476 (2020/N)**

Excellency,

## 1. PROCEDURE

- (1) By electronic notification of 9 April 2021, Lithuania notified amendments of the aid scheme SA.58476 designed to give grants to tour operators for the repatriation of travellers (“the existing measure”). The Commission had approved the existing measure by Decision C(2020) 6340 final of 11 September 2020 (“the decision of 11 September 2020”)<sup>1</sup> under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “Temporary Framework”).<sup>2</sup>
- (2) 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

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<sup>1</sup> Commission Decision C(2020) 6340 final of 11 September 2020 on State aid SA.58476 (2020/N) – Lithuania – COVID-19: Grants to tour operators for the repatriation of travellers (OJ C 326, 02.10.2020, p. 14)

<sup>2</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).

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Article 3 of Regulation 1/1958<sup>3</sup> and to have this Decision adopted and notified in English.

## **2. DESCRIPTION OF THE NOTIFIED AMENDMENTS**

- (3) Lithuania 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 objective of the existing measure is to reduce the losses and thereby to counter the liquidity shortage faced by tour operators that had to incur costs to repatriate clients that were on holidays outside Lithuania as part of a package deal in the relevant period. The notified amendments pursue the same objective.
- (5) The existing measure provides that the tour operators which brought tourist back between 26 February 2020 and 31 March 2020 are eligible for a grant that amounts to 75% of the repatriation costs incurred. The measure targeted unforeseen repatriation due to the COVID outbreak.
- (6) With the notified amendments, the Lithuanian authorities wish to allow compensation to tour operators for planned trips between 13 March 2020 and 31 March 2020 to bring travellers back to Lithuania as foreseen by their package travel contract but which involved additional costs because the tour operators had to fly empty planes on one way. For these trips, the beneficiaries receive 50% of the incurred costs.

### **2.1. Legal basis**

- (7) The legal basis for the notified amendments is the Draft Order on the Amendment of the Order of the Minister of Economy and Innovation of the Republic of Lithuania “Compensation for the tour operators of the Republic of Lithuania for bringing the tourists back after announcement of the emergency situation” of 11 November 2020 by the Minister of the Economy and Innovation of the Republic of Lithuania (“the Order”), a draft of which was enclosed in the notification, and the Strategic Action Plan for 2021-2023 of the Ministry of the Economy and Innovation approved by Order No. 4-217 of the Minister of Economy and Innovation of the Republic of Lithuania of 23 March 2021.

### **2.2. Budget and duration of the measure**

- (8) With the notified amendments, the Lithuanian authorities also wish to increase the estimated budget by EUR 350 000. As a result, the total estimated budget of the measure is EUR 1,35 million.
- (9) Aid may be granted under the existing measure, as amended, from 1 May 2021 until no later than 31 December 2021.

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<sup>3</sup> Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.

- (10) The Lithuanian 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.
- (11) The Lithuanian 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.

### **2.3. Beneficiaries**

- (12) The beneficiaries of the existing measure are tour operators that are licensed in Lithuania that incurred costs for the unplanned repatriation (from 26 February 2020 until 31 March 2020) to Lithuania of clients that were on holidays outside Lithuania.
- (13) The beneficiaries of the amendments are tour operators that are licensed in Lithuania that incurred costs for the planned flights back to Lithuania (from 13 March 2020 until 31 March 2020), of clients that were on holidays outside Lithuania.
- (14) The Lithuanian authorities estimate that the notified amendments will allow 5 to 10 undertakings to benefit from the scheme, in addition to the beneficiaries of the existing measure.
- (15) The Lithuanian authorities confirm that all the other conditions of the existing measure remain unchanged.
- (16) The compatibility assessment of the notified amendments is based on Article 107(3)(b) TFEU, in light of sections 2 and 3.1 of the Temporary Framework.

## **3. ASSESSMENT**

### **3.1. Existence of State aid**

- (17) 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.
- (18) In the decision of 11 September 2020, the Commission concluded that the existing measure constitutes State aid within the meaning of Article 107(1) TFEU. The notified amendments do not affect that conclusion. The Commission therefore refers to the assessment contained in recitals (26) to (31) of the aforementioned decision and concludes that the existing measure, as amended, constitutes State aid in the meaning of Article 107(1) TFEU.

### **3.2. Compatibility**

- (19) In the decision of 11 September 2020, the Commission concluded that the existing measure fulfilled the conditions set out in section 3.1 of the Temporary Framework and was therefore compatible with the internal market on the basis of Article 107(3)(b) TFEU (see recitals (32) to (39) of the decision of 11 September 2020). The Commission considers that the notified amendments do not alter the Commission's conclusions on the compatibility of the existing measure in the decision of 11 September 2020.
- (20) In particular, the Commission notes that the prolongation of that measure until 31 December 2021 (recital (9)) comply with point (d) of the Temporary Framework. Furthermore, the notified amendments described in recitals (6), (8)(8) and (9) do not alter the Commission's conclusions on the compatibility of the existing measure as set out in the decision of 11 September 2020.
- (21) The Lithuanian 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 (recital (8) to (11)).
- (22) Apart from the amendments referred to in recitals (6)(6), (8), (9), (13), (14), the Commission notes that there are no other amendments to the existing measure.
- (23) The Commission therefore considers that the notified amendments are necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State, since they meet the relevant conditions of the Temporary Framework, and that they do not alter the Commission's conclusion on the compatibility of the existing measure in the decision of 11 September 2020.

#### 4. CONCLUSION

The Commission has accordingly decided not to raise objections to the notified amendments on the grounds that they are 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

