



EUROPEAN COMMISSION

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PUBLIC VERSION

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**Subject: State Aid SA.63040 (2021/N) – Romania
COVID-19: Second prolongation of the existing aid scheme SA.57408**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 11 May 2021, Romania notified an amendment to the existing aid scheme SA.57408 - *COVID-19: Framework scheme for State aid in the form of subsidised loans and guarantees on loans*, which the Commission approved by Decision C(2020) 4565 final of 1 July 2020 (“the initial decision”) as amended by Decision C(2020) 8917 final, SA.59798, of 8 December 2020 in light of the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (“the Temporary Framework”)¹.
- (2) Romania 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 NOTIFIED AMENDMENT

- (3) On 28 January 2021, the Commission adopted a Communication prolonging until 31 December 2021 the validity of the Temporary Framework, which would otherwise expire at the end of June 2021.
- (4) Following the prolongation of the Temporary Framework, the Romanian authorities wish to extend the duration of the existing aid scheme until 31 December 2021. The scheme will be available to beneficiaries filing an application until 30 November 2021 at the latest. Aid under the scheme in the form of loans and guarantees will be granted until 31 December 2021 at the latest.
- (5) The Romanian authorities confirm that all the other conditions of the existing aid scheme remain unchanged.

3. ASSESSMENT

3.1. Lawfulness of the measure

- (6) By notifying the amendment of the existing aid scheme before putting it into effect³, the Romanian authorities have respected their obligation under Article 108(3) TFEU.

3.2. Existence of State aid

- (7) 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.
- (8) The existing aid measure concerned constitutes State aid in the meaning of Article 107(1) TFEU for the reasons set out in the initial decision⁴ referred to in recital (1). The proposed amendments do not alter that conclusion. The Commission therefore refers to the respective assessment of the aforementioned decision and concludes that the existing aid scheme as modified by the notified amendment constitutes State aid in the meaning of Article 107(1) TFEU. The Romanian authorities do not contest that conclusion.

3.3. Compatibility

- (9) The Commission assessed the existing aid scheme on the basis of Article 107(3)(b) TFEU in light of the Temporary Framework and concluded that it met the relevant conditions set out in that Framework.

³ With the notification, the Romanian authorities submitted the draft ordinance to be then taken and published by the Interministerial Committee for Financing, Guarantees and Insurance as the legal basis for the amendment.

⁴ Recitals 43-48 of the initial decision.

- (10) The Commission therefore refers to its analysis of compatibility as set out in the initial decision⁵ described in recital (1).
- (11) The Commission has examined the notified amendment and considers that the prolongation of the duration of the existing aid scheme until 31 December 2021 is in line with points 25c and 27c of the Temporary Framework (recital (4)).
- (12) Apart from the amendment notified in recital (4), the Commission notes that there are no other alterations to the existing aid scheme.
- (13) In view of the above, the Commission concludes that the notified amendment meets the conditions of the Temporary Framework and does not alter its conclusions on the compatibility of the existing aid scheme.

4. CONCLUSION

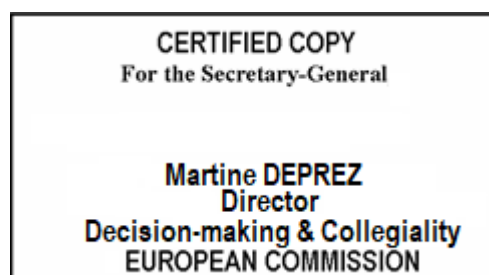
The Commission has accordingly decided not to raise objections to the notified amendment on the grounds that it is compatible with the internal market pursuant to Article 107(3)(b) TFEU.

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



⁵ Recitals 49-56 of the initial decision.