



EUROPEAN COMMISSION

Brussels, 5.8.2021
C(2021) 5966 final

PUBLIC VERSION

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**Subject: State Aid SA.64273 (2021/N) – Greece
COVID-19: Amendment of the Repayable Advance Schemes for
enterprises affected by the Covid-19 outbreak - Rounds 1-5
(amendments to SA.56815 as amended)**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 26 July 2021, Greece notified amendments (the “notified amendments”) to State aid measure SA.56815 “Repayable Advance Scheme (RAS) for undertakings under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak” (the “initial decision”), as amended by SA.58047 (the “first amendment decision”), SA.59069 (the “second amendment decision”), SA.59900 (“the third amendment decision”) and SA.62081 (the “fourth amendment decision”) (collectively, the “existing aid scheme”)¹ under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “Temporary Framework”).²

¹ Commission Decision C (2020) 2281 final of 7 April 2020 - SA.56815 (2020/N) – initial decision; Commission Decision C (2020) 5404 final of 31 July 2020 - SA.58047 (2020/N) – first amendment decision; Commission Decision C (2020) 8571 final of 27 November 2020 – SA.59069 (2020/N) – second amendment decision; Commission Decision C (2020) 9583 final of 21 December 2020 – SA.59900 (2020/N) – third amendment decision and Commission Decision C (2021) 4754 final of 1 July 2021 – SA. 62081 (2021/NN) – fourth amendment decision

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

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- (2) Greece 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 1/1958³ and to have this Decision adopted and notified in English.

2. DESCRIPTION OF THE NOTIFIED AMENDMENTS

- (3) Greece wishes to introduce some technical amendments to the existing aid scheme with regards to the conditions and possibilities for the repayment of repayable advance, as follows:
- (a) Number of instalments and interest: Under the existing aid scheme, the advance should be repaid in 40 instalments with interest, after a grace period, which ends on 31 December 2021, as described in recital (18) of the first amendment decision. With the notified amendments, the Greek authorities would like to increase the number of instalments to 60 and to make the repayment interest-free, subject to the same grace period. The proposed amendment will apply to aid granted under any of the rounds of the existing aid scheme.
- (b) Conditions for partial waiver for the repayment of the advance: Under the existing aid scheme, eligible beneficiaries can benefit from a partial waiver for the repayment of the advance, under certain conditions related to the decrease in turnover recorded one year after the granting of the aid or to the maintenance of the same level of employment in the undertaking during the reference period applicable for the specific round of the scheme. With the notified amendments, the Greek authorities aim to amend the conditions for partial repayment of aid granted under Rounds 1, 2 and 3 of the existing aid scheme (see recital (19) of the first amendment decision and recital (18) of the second amendment decision) and replace them with the following conditions:
- repayment of only 60% of the aid – in case of undertakings with more than 20 employees on 31 March 2020, provided that they have kept the same level of employment until 31 March 2021.
 - repayment of only 70% of the aid, provided that the reduction of the annual gross income of the company in 2020 is at least 15% compared to the annual gross income of 2019 and provided that they maintain / have maintained the same level of employment in the undertaking during the reference period applicable for the specific round;
 - repayment of only 50% of the aid, provided that the reduction of the annual gross income of the company in 2020 is at least 30% compared to the annual gross income of 2019 and provided that

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.

they maintain / have maintained the same level of employment in the undertaking during the reference period applicable for the specific round;

- a repayment of only 50% of the aid, regardless of the reduction of the annual gross income of 2020, if the companies have started business activities after 1 January 2018 or opened a branch from 1 October 2019 to 31 December 2020 and provided that they maintain / have maintained the same level of employment in the undertaking during the reference period applicable for the specific round.

The Greek authorities have clarified that in case a beneficiary meets several of the conditions for partial repayment, the most favourable of them will apply.

- (c) Possibility for early repayment: With the notified amendments, the Greek authorities would introduce an opportunity for beneficiaries under any of the rounds to repay the advance before the end of the grace period and enjoy a 15% discount on the amount to be repaid. Since the repayment would happen before 31 December 2021, the repaid amount of aid will be deducted from the amount of the applicable ceiling under Section 3.1 of the Temporary Framework for cumulation purposes.
- (4) With the notified amendments, the Greek authorities would also aim to extend the applicable deadline for the submission of objections concerning decisions to grant individual aid. In addition, the deadline for the submission of supporting documents that the beneficiaries need to present will be extended until the end of September 2021. In this respect, the Greek authorities have confirmed that the final date of granting the aid also in cases where objections have been submitted would be no later than 31 December 2021.
- (5) Apart from the notified amendments, Greece confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered. In particular, the Greek authorities have confirmed that the notified amendments will not lead to an increase in the envisaged budget under the existing scheme.
- (6) The legal bases for the notified amendments are draft Joint Ministerial Decree of the Ministers for Finance, Development and Investments for the amendments concerning the changes to the conditions for repayment of the advances and Joint Ministerial Decisions of the Ministers for Finance, Development and Investment GDOY 737/2021, GDOY 738/2021, GDOY 739/2021, GDOY 740/2021 and GDOY 741/2021 (Government Gazette 3122/16.07.2021) with respect to the amendments of the procedural deadlines for submission of objections and supporting documents.
- (7) Aid may be granted under the existing aid scheme, as amended, as from the notification of the Commission's decision approving the notified amendments.

3. ASSESSMENT

3.1. Lawfulness of the measure

- (8) By notifying the measure before putting it into effect, the Greek 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 be liable to affect trade between Member States.
- (10) The existing aid scheme constitutes State aid within the meaning of Article 107(1) TFEU for the reasons set out in recitals (30) to (35) of the initial decision, recitals (22) to (24) of the first amendment decision, recitals (25) to (26) of the second amendment decision, recitals (25) to (26) of the third amendment decision and recitals (38) and (39) of the fourth amendment decision. The notified amendments do not affect that conclusion. The Commission therefore refers to the respective assessment of the initial and previous amendment decisions and concludes that the existing aid scheme, as amended, constitutes State aid within the meaning of Article 107(1) TFEU.

3.3. Compatibility

- (11) The existing aid scheme is compatible with the internal market pursuant to Article 107(3)(b) TFEU, since it meets the conditions of section 2 and section 3.1 of the Temporary Framework for the reasons set out in recitals (36) to (41) of the initial decision, recitals (25) to (29) of the first amendment decision, recitals (27) to (32) of the second amendment decision, recitals (27) to (32) of the third amendment decision and recitals (40) to (53) of the fourth amendment decision. The Commission therefore refers to the respective assessment of the initial and previous amendment decisions.
- (12) The notified amendments do not affect that conclusion. In particular, the envisaged modifications to the conditions and possibilities for repayment of the repayable advance comply with the conditions set in section 3.1 of the Temporary Framework to the same extent as the conditions of the existing aid scheme. As in the initial decision, the measure takes the form of repayable advance, and complies with the maximum amounts set in the initial and previous amendment decisions, it is granted on the basis of a scheme with an estimated budget, and in observance of the latest date by which aid can be granted in line with points 22 and 23 of the Temporary Framework. Indeed, the changes in the number of instalments, the absence of interest and the possibility to repay the advance only partially do not affect the conclusions reached in the initial decision, to the extent that for repayable advances granted in accordance with section 3.1 of the Temporary Framework, it is the nominal amount of the advance, which is taken into consideration for the purposes of ensuring compliance with the allowed maximum amounts of aid. As the conditions for repayment do not influence the

parameters taken into account for the compliance check (nominal amount of the advance), they are therefore not liable to affect the measure's compliance with the allowed maximum amounts of aid.

- (13) In addition, with respect to the newly envisaged possibility for early repayment of the advance before the end of the grace period (i.e. before 31 December 2021), the intention of the Greek authorities to deduct the repaid amount from the amount of the applicable ceiling under section 3.1 for cumulation purposes complies with footnote 27 of the Temporary Framework.
- (14) Apart from the notified amendments, Greece confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered.
- (15) 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 pursuant to Article 107(3)(b) TFEU, since they meet all the relevant conditions of the Temporary Framework. The Commission therefore considers that the notified amendments do not alter the Commission's conclusion on the compatibility of the existing aid scheme in the initial decision.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the scheme, as amended, 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