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Subject: State Aid SA.61574 (2021/N) – Greece
COVID-19: Aid scheme for uncovered fixed costs under the Temporary Framework

Excellency,

1. Procedure

(1) By electronic notification of 26 July 2021, Greece notified a scheme for aid in the form of support for uncovered fixed costs (“Joint Ministerial Decision regarding the procedure and conditions for granting aid in the form of support for fixed costs for the period from April until December 2020 to undertakings affected by the COVID-19 outbreak”, the “measure”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “Temporary Framework”).

(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

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2. DESCRIPTION OF THE MEASURE

(3) Greece 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) Greece 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.

(5) The compatibility assessment of the measure is based on Article 107(3)(b) TFEU, in light of sections 2, 3.1 and 3.12 of the Temporary Framework.

2.1. The nature and form of aid

(6) The measure provides aid in the form of a credit that the beneficiaries will be able to use for the payment of tax and/or social security obligations for the year 2021 and in particular the liabilities due from 1 July 2021 to 31 December 2021. The credit conveys a right on the beneficiary to deduct the aid amount under the measure from its obligations towards the State and it can be used until 31 December 2021. If the beneficiaries do not use it by that date, the credit will be automatically cancelled.

2.2. Legal basis

(7) The legal bases for the measure are the following:

a) Art. 29 of Law 4772/2021 (GG A’ 17/05-02-2021) regarding State aid in the form of fixed cost subsidy;

b) Joint Ministerial Decision no GDOY504/16-6-2021 (GG B’2236/21), as amended by GDOY 568 (GG B 2551/21) regarding the call for expressions of interest for aid in the form of support for uncovered fixed costs for the period from April until December 2020 to undertakings affected by the COVID-19 outbreak (Phase A); and

c) Joint Ministerial Decision no GDOY 808/27-7-21 (GG B’ 3354/21) regarding the procedure and conditions for granting aid in the form of support for fixed costs for the period from April until December 2020 to

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2 Regulation No 1 determining the languages to be used by the European Economic Community, OJ 17, 6.10.1958, p. 385.
undertakings affected by the COVID-19 outbreak (Phase B) (the “Joint Ministerial Decision”).

2.3. Administration of the measure

(8) The General Directorate of Financial Services and the General Accounting Office of the Ministry of Finance and the Unified Social Security Fund (EFKA) of the Ministry of Labour and Social Affairs are responsible for administering the measure. The Independent Authority of Public Revenues will also support these authorities.

2.4. Budget and duration of the measure

(9) The estimated budget of the measure is EUR 500 million.

(10) Aid may be granted under the measure as from the notification of the Commission’s approval until 31 December 2021.\(^3\) The beneficiaries will be able to use the aid in the form of a credit until 31 December 2021.\(^4\) In case the credit or part of the credit is not used until that date, the remaining amount will be automatically cancelled.

2.5. Beneficiaries

(11) The final beneficiaries of the measure are enterprises of all sizes. However, financial institutions are excluded as eligible final beneficiaries.

(12) The estimated number of beneficiaries is 31,000. These beneficiaries may include:\(^5\) (a) the municipal enterprises for water supply and sewerage, port organisations and enterprises of regional and local authorities active in the ‘ski resort services’ and ‘thermal baths and hot springs services’ sectors; and (b) private undertakings of any legal form, including personal as well as non-profit undertakings subject to VAT, which have their registered office or permanent business establishment and function legally in Greece, with the exception of i) public, regional or municipal legal entities, building management associations, fund raising committees, European economic interest groupings, consortia, international organisations, and political parties and ii) companies established after 31 December 2020.

(13) 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”), the Agricultural Block Exemption Regulation (“ABER”)

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\(^3\) See article 7.1 of the Joint Ministerial Decision.

\(^4\) The tax liability in relation to which the aid is granted must have arisen no later than 31 December 2021, in line with footnote 23 of the Temporary Framework. See also Article 7 of the Joint Ministerial Decision.

\(^5\) See article 3.2 of the Joint Ministerial Decision.

or the Fisheries Block Exemption Regulation ("FIBER")\(^7\) respectively on 31 December 2019.\(^8\) 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\(^9\) or restructuring aid.\(^10\)

### 2.6. Sectoral and regional scope of the measure

(14) The measure is open to all sectors except the financial sector. It applies to the whole territory of Greece.

### 2.7. Basic elements of the measure

(15) The measure provides aid in the form of a credit that the beneficiaries will be able to use for the payment of tax and/or social security obligations for the year 2021 and in particular the liabilities due from 1 July 2021 to 31 December 2021.

(16) The measure also contributes to cover part of the uncovered fixed costs of those undertakings for which the COVID-19 outbreak resulted in the suspension or reduction of their business activity.

(17) In addition, further eligibility criteria under the measure are: (i) an establishment or presence of the beneficiary in Greece, (ii) a minimum number of employees of at least one full-time employee or two part-time employees on 1 August 2020 or on 28 October 2020 or on 1 May 2021, and (iii) a requirement to have submitted the income tax and VAT returns for the tax year 2019 and to have finalised the statement of financial data from business activity for the tax year 2020 in the tax form E3, if the undertaking is legally obliged to submit these returns.\(^11\)

(18) It is up to the eligible undertakings to choose whether they apply for aid under section 3.1 or section 3.12 of the Temporary Framework\(^12\) (and they can only receive aid under the measure under one of those sections). Beneficiaries will have to submit an application in the electronic platform ‘myBusinessSupport’ indicating whether the application concerns aid under section 3.1 or section 3.12

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\(^8\) See article 3.1 of the Joint Ministerial Decision.

\(^9\) 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.

\(^10\) 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.

\(^11\) See article 3.1 of the Joint Ministerial Decision.

\(^12\) With the exception of the types of undertakings mentioned in recital (22) which may only benefit from aid under section 3.1 of the Temporary Framework.
of the Temporary Framework, the data and information required to meet the eligibility conditions, as well as the amount of aid requested.13

(19) Beneficiaries are also required to maintain from 1 May 2021 until 31 December 2021 the level of employment they had on 1 May 2021. If the level of employment which the undertaking had on 1 May 2021 is lower than the level it had on 1 August 2020, the undertaking is required to maintain its employment level on 1 August 2020 for at least three months in 2021. If the level of employment which the undertaking had on 1 May 2021 and 1 August 2020 is lower than the one it had on 28 October 2020, the undertaking is required to maintain the level of employment it had on 28 October for at least two months in 2021. An audit will be carried out electronically for compliance with this requirement.14

(20) The maximum amount of aid that is granted under the measure will not exceed EUR 1.5 million per company, except where a lower ceiling applies as described in recital (26)15. All figures used must be gross, that is, before any deduction of tax or other charge.

Aid under section 3.1 of the Temporary Framework

(21) The aid will be paid to all beneficiaries that were affected financially by the COVID-19 outbreak over a period of nine months from 1 April 2020 until 31 December 2020 (the “eligible period”).

(22) The aid under the measure may only be granted to undertakings that have suffered a decline in turnover16 during the eligible period of at least 30% compared to the same period in 2019, a comparison made for a period in 2020 with the respective period in 2019, with the exception for undertakings that commenced their activities after 1 January 2019 or established new branches from 1 April 2019 to 31 December 202017 and KTEL18 companies providing bus services.

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13 See article 6 of the Joint Ministerial Decision. A template of the application is included as Annex II.A to the Joint Ministerial Decision.
14 See article 8.1 of the Joint Ministerial Decision.
15 See article 4.4 of the Joint Ministerial Decision.
16 See article 3.2 of the Joint Ministerial Decision. For small and medium undertakings which are not subject to an obligation to submit VAT declarations (in contrast to large enterprises and those subject to submit VAT declarations), the 30% of turnover decline for the eligible period will be calculated based on the annual turnover reduction (since it is a percentage, the annual percentage and the percentage for the relevant period is the same).
17 Pursuant to article 3.2 of the Joint Ministerial Decision these undertakings must demonstrate that the revenue from sale of goods and services for the year 2020 (E3 return form code 500) must be at least 30% lower than the total expenses, including the cost of sales (sum of codes 520 and 580 E3 return form) and must show a pre-tax loss. These undertakings and KTEL companies, which are not required to meet this pre-tax loss criterion, will be eligible only for aid under section 3.1 of the Temporary Framework.
18 KTEL and KTEL S.A. bus companies (hereinafter referred to both as “KTEL companies”) have been assigned the exclusive right of providing both local/urban (namely, in urban areas of provincial towns) and long-distance (namely, inter and intra-regional per Regional Unit) regular bus services, abiding by a minimum set of prerequisites established by the Heads of Regional Units within the Greek territory. A KTEL bus company is a type of company established under the national law and may operate in the legal status of a joint-stock company (S.A.) or under another form. There are 34 urban and 62 long-
The Greek authorities will ensure that the overall aid granted under section 3.1 of the Temporary Framework does not exceed EUR 1.8 million per undertaking; all figures used must be gross, that is, before any deduction of tax or other charge.19

The amount of aid under the measure will be equal to 20% of specific fixed costs declared in the annual tax returns of 202020 adjusted for the eligible period (as 9/12 of the annual fixed costs) excluding one-off impairments and after deducting aid received by the applicant for the eligible period.21 The aid amount will not exceed 70% of the net losses of the undertakings, except for micro and small undertakings, where the aid intensity will not exceed 90% of the losses.22

The Greek authorities confirm that aid granted to undertakings active in the processing and marketing of agricultural products23 is conditional on not being partly or entirely passed on to primary producers and is not fixed on the basis of the price or quantity of products put on the market by the undertakings concerned or purchased from primary producers, unless, in the latter case, the products were either not put on the market or were used for non-food purposes such as distillation, methanization or composting by the undertakings concerned.

Finally, the following specific conditions apply for aid granted to undertakings active in the primary production of agricultural products, fishery and aquaculture sector:

- the overall aid does not exceed EUR 270 000 per undertaking active in the fishery and aquaculture sector24 or EUR 225 000 per undertaking active in the primary production of agricultural products.25

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19 See article 5.1 of the Joint Ministerial Decision.

20 According to article 1.9 of the Joint Ministerial Decision, the fixed costs to be taken into account include: wage costs, social security contribution, electricity and water costs, rent and other operating costs etc.

21 See article 4.1 of the Joint Ministerial Decision.

22 The aid ceilings of 70% and 90% do not apply to the KTEL bus companies. The specific rules governing KTEL bus companies’ economic statements prevent those statements from reflecting the actual profits and losses of KTEL bus companies, rendering the application of the ceiling discussed in the recital impracticable.


aid to undertakings active in the primary production of agricultural products will not be fixed on the basis of the price or quantity of products put on the market;

aid to undertakings active in the fishery and aquaculture sector will not concern any of the categories of aid referred to in Article 1, paragraph (1)(a) to (k) of Commission Regulation (EU) No 717/20149;

where an undertaking is active in several sectors to which different maximum amounts apply in accordance with points 22 (a) and 23 (a) of the Temporary Framework, it will be ensured, by appropriate means, such as separation of accounts, that for each of these activities the relevant ceiling is respected and that the overall maximum amount of EUR 1.8 million is not exceeded per undertaking. Where an undertaking is active in the sectors covered by point 23 (a) of the Temporary Framework, the overall maximum amount of EUR 270 000 will not be exceeded per undertaking.

Aid under section 3.12 of the Temporary Framework

(27) The objective of the measure is that the Greek authorities contribute partially to the uncovered fixed costs of undertakings that were affected financially by the COVID-19 outbreak over a period of nine months from 1 April 2020 until 31 December 2020 (the “eligible period”) in accordance with section 3.12 of the Temporary Framework.26

(28) The aid under the measure may only be granted to undertakings that have suffered a decline in turnover27 during the eligible period of at least 30% compared to the same period in 2019, a comparison made for a period in 2020 with the respective period in 2019.

(29) The Greek authorities submit that regarding the calculation method the aid amount under the measure under section 3.12 will be equal to 20% of specific fixed costs declared in the annual tax returns of 202028 adjusted for the eligible period (as 9/12 of the annual fixed costs) excluding one-off impairments and after deducting aid received by the applicant for the eligible period29, subject to (i) the ceiling indicated in recital (20) and (ii) the ceilings laid down in point 87(c) of the Temporary Framework.

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26 See article 1 of the Joint Ministerial Decision.
27 See article 3.2 of the Joint Ministerial Decision. For small and medium undertakings which are not subject to an obligation to submit VAT declarations (in contrast to large enterprises and those subject to submit VAT declarations), the 30% of turnover decline for the eligible period will be calculated based on the annual turnover reduction (since it is a percentage, the annual percentage and the percentage for the relevant period is the same).
28 According to article 1.9 of the Joint Ministerial Decision, the fixed costs to be taken into account include: wage costs, social security contribution, electricity and water costs, rent and other operating costs etc. This is without prejudice to the subsequent verification of compliance with point 87(c) of the Temporary Framework, for the purposes of which fixed costs will be understood as costs incurred independently of the level of output (as defined in footnote 76 to the Temporary Framework).
29 See article 4.1 of the Joint Ministerial Decision.
As regards the aid granted under section 3.12 of the Temporary Framework, the Greek authorities confirm that uncovered fixed costs are defined under the measure in accordance with point 87 (c) of the Temporary Framework. The Greek authorities confirm that in line with point 87(c) of the Temporary Framework the losses of undertakings from their profit and loss statements during the eligible period (excluding one-off impairments) are considered to be an appropriate proxy to determine the uncovered fixed costs.

The Greek authorities submit that the final amount of aid under the measure under section 3.12 will not exceed 70% of the uncovered fixed costs of the undertakings that occurred during the eligible period, except for micro and small undertakings, where the aid intensity will not exceed 90% of those costs.

The Greek authorities submit that the aid under the measure will be granted based on forecasted losses for the eligible period, while the final amount of aid will be determined ex post after the verification of the actual losses of the eligible period on the basis of annual accounts. The forecasted losses will be calculated based on the data available in the annual tax declarations for 2020 submitted to the tax authorities which could be considered as sufficiently reliable.

The Greek authorities explained that the data on fixed costs and losses of undertakings are only available on an annual basis in Greece based on tax declarations submitted to the tax authorities and thus there are no reliable data available for the losses during the eligible period from 1 April to 31 December 2020. In order to ensure that the aid is granted on the basis of the actual losses of undertakings, as required by point 87(c) of the Temporary Framework, the Greek authorities commit to put into effect a system of ex post verification of the amount of net losses claimed in support of the aid application and the final amount of net losses of undertakings, starting from their annual audited accounts, as follows:

- Undertakings of all sizes will submit an ex post declaration by an accountant and the legal representative of the company, verifying the net losses of the undertaking for the eligible period and stating whether the amount granted does not exceed the 70% of these losses for medium sized and large enterprises and the 90% for micro and small enterprises;

- Undertakings that according to national law are under an obligation to have their annual accounts audited, will hire in addition a chartered accountant to verify the net losses of the eligible period on the basis of the audited accounts;

- The Greek authorities submit however that for micro and small undertakings, which are not legally obliged to prepare audited accounts would be disproportionately burdensome and costly to hire chartered accountants in order to perform the auditing exercise solely for the purposes of the measure; they argue that according to the Greek legal framework, accountants must be registered members of and licenced by the Economic Chamber of Greece, which is the competent supervisory entity. A false declaration from any accountant may entail legal

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30 Greek Law 4336/2015 par. A1 of art.2 in conjunction with Greek Law 4308 art.1 and 2.
implications. Therefore, also accountants that are not chartered will be bound by their professional responsibility to provide accurate and reliable financial data to the public authorities for the purposes of the measure.

(34) Based on the *ex post* verification, any amount granted that exceeds the final amount verified based on the accounts (audited where such obligation applies under applicable national law) will be recovered.

(35) The Greek authorities will also ensure that the overall aid granted under section 3.12 of the Temporary Framework does not exceed EUR 10 million per undertaking and that the aid under the measure will not be cumulated with other aid for the same eligible costs.\(^32\)

2.8. Cumulation

(36) The Greek authorities confirm that aid granted under the measure may be cumulated with aid under de minimis Regulations\(^33\) or the Block Exemption Regulations\(^34\) provided the provisions and cumulation rules of those Regulations are respected.

(37) The Greek authorities confirm that aid under the notified measure may be cumulated with other forms of Union financing, provided that the maximum aid intensities indicated in the relevant Guidelines or Regulations are respected.

(38) The Greek 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.

(39) The Greek 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 points 22(a) and 23(a) of that framework, will be respected.\(^35\)

(40) The Greek 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,

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\(^{32}\) See articles 5.2 and 5.4 of the Joint Ministerial Decision.


\(^{34}\) GBER, ABER and FIBER.

\(^{35}\) See article 5.1 of the Joint Ministerial Decision.
the overall maximum cap per undertaking, as set out in point 87(d) of that framework, will be respected.

(41) The Greek authorities confirm that aid granted under the measure under section 3.12 of the Temporary Framework shall not be cumulated with other aid for the same eligible costs.

2.9. Monitoring and reporting

(42) The Greek 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 and EUR 10 000 in the primary agriculture and in the fisheries sectors on the comprehensive national State aid website or Commission’s IT tool within 12 months from the moment of granting).

3. ASSESSMENT

3.1. Lawfulness of the measure

(43) 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

(44) 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.

(45) The measure is imputable to the State, since it is administered by the Ministry of Finance and the Ministry of Labour and Social Affairs (recital (8)) and it is based on the legal basis identified in recital (7). It is financed through State resources, since it is financed by public funds.

(46) The measure confers an advantage on its beneficiaries in the form of a credit to be used for the payment of tax and/or social security obligations (recital (6)). The measure thus confers an advantage on those beneficiaries which they would not have had under normal market conditions.

(47) The advantage granted by the measure is selective, since it is awarded only to certain undertakings pursuant to the conditions of eligibility for the aid described in recitals (11), (12), (17), (18) and (19), excluding the financial sector.

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36 Referring to information required in Annex III to the GBER and Annex III to the ABER and Annex III to the FIBER.

37 See the standstill clause laid down in Article 7.1 of the Joint Ministerial Decision.
(48) 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.

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

3.3. Compatibility

(50) 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.

(51) 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”.

(52) 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”.

(53) The measure aims at supporting business activity and employment 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.

(54) The measure is one of a series of measures conceived at national level by the Greek authorities to remedy a serious disturbance in their economy. The importance of the measure to support business activity and preserve employment is widely accepted by economic commentators and the measure is of a scale which can be reasonably anticipated to produce effects across the entire Greek economy. Furthermore, the measure has been designed to meet the requirements of the specific category of aid (“Limited amounts of aid”) described in section 3.1 of the Temporary Framework and the specific category of aid (“Aid in the form of support of uncovered fixed costs”) described in section 3.12 of the Temporary Framework.

(55) 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.

(56) In particular, as regards the aid granted under section 3.1 of the Temporary Framework:

- The aid takes the form of credit that can be used for the payment of tax and social security obligations due from 1 July 2021 to 31 December 2021 (recital (6)).
• The overall nominal value of the credit shall not exceed EUR 1.8 million per undertaking; all figures used must be gross, that is, before any deduction of tax or other charges (recital (23)). The measure therefore complies with point 22(a) of the Temporary Framework.

• Aid is granted under the measure on the basis of a scheme with an estimated budget as indicated in recital (9). The measure therefore complies with point 22(b) of the Temporary Framework.

• Aid may not be granted under the measure to medium and large enterprises that were already in difficulty on 31 December 2019 (recital (13)). The measure therefore complies with point 22(c) of the Temporary Framework. 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 or restructuring aid (recital (13)). The measure therefore complies with point 22(c)bis of the Temporary Framework.

• Aid will be granted under the measure no later than 31 December 2021. The tax liability in relation to which the beneficiary can use the credit must have arisen no later than 31 December 2021 (recital (10)). The measure therefore complies with point 22(d) of the Temporary Framework.

• Aid granted to undertakings active in the processing and marketing of agricultural products is excluded when the aid is conditional on being partly or entirely passed on to primary producers, fixed on the basis of the price or quantity of products put on the market by the undertakings concerned or purchased from primary producers (recital (25)), unless, in the latter case, the products were either not put on the market or were used for non-food purposes such as distillation, methanization or composting by the undertakings concerned (recital (25)). The measure therefore complies with point 22(e) of the Temporary Framework.

• The overall nominal value of the credit does not exceed EUR 270 000 per undertaking active in the fishery and aquaculture sector (recital (26)) or EUR 225 000 per undertaking active in the primary production of agricultural products (recital (26)). The measure therefore complies with point 23(a) of the Temporary Framework.

• Aid granted to undertakings active in the primary production of agricultural products must not be fixed on the basis of the price or quantity

38 The estimated budget of the measure will not exceed EUR 500 million. The actual budget allocated to that measure will depend on how many beneficiaries will apply for the aid under section 3.1 of the Temporary Framework and how many under section 3.12 of the Temporary Framework.

39 As defined in Annex I to the GBER.

40 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.

41 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.
of products put on the market (recital (26)). The measure therefore complies with point 23(b) of the Temporary Framework.

- Aid granted to undertakings active in the fishery and aquaculture sector does not concern any of the categories of aid referred to in Article 1, paragraph (1)(a) to (k) of Commission Regulation (EU) No 717/2014 (recital (26)). The measure therefore complies with point 23(c) of the Temporary Framework.

- Where an undertaking is active in several sectors to which different maximum aid amounts apply in accordance with points 22(a) and 23(a) of the Temporary Framework, Greece will ensure, by appropriate means such as separation of accounts, that the relevant ceiling is respected for each of those activities and that the overall maximum amount of EUR 1.8 million is not exceeded per undertaking. Where an undertaking is active in the sectors covered by point 23(a) of the Temporary Framework, the overall maximum amount of EUR 270 000 is not exceeded per undertaking (recital (26)). The measure therefore complies with point 23bis of the Temporary Framework.

(57) In addition, as regards the aid granted under section 3.12 of the Temporary Framework:

- 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 to 31 December 2020. 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 30% compared to the same period in 2019 (recital (28)). The measure therefore complies with point 87(b) of the Temporary Framework.

- The aid intensity under the measure will not exceed 70% of the uncovered fixed costs as defined in point 87(c) of the Temporary Framework, except for micro and small companies, where the aid intensity will not exceed 90% of the uncovered fixed costs (recital (31)). The losses of undertakings from their profit and loss statements during the eligible period are considered to constitute uncovered fixed costs (recital (30)). The aid under this measure will be granted based on forecasted losses, while the final amount of aid will be determined on the actual losses as verified by audited accounts (where such obligation applies under national law) based on an ex post verification system. Undertakings of all sizes will submit an ex post declaration by an accountant and their legal representative, verifying the net losses of the undertaking for the eligible period and that the amount granted does not exceed the maximum aid intensity of 70% or 90% of the uncovered fixed costs as applicable (recital (33)). Undertakings which are required by law to have audited accounts must in addition also hire a chartered accountant. The Commission considers that the Greek authorities have adequately justified that it would be

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42 One-off impairment losses are not included in the calculation of the losses.
disproportionately burdensome and costly to impose on micro and small undertakings the obligation to hire a chartered accountant in order to perform the auditing exercise solely for the purposes of the measure and that it will be sufficient to have the losses stemming from tax accounts verified by an accountant in line with the Greek tax laws and accounting rules (recital (33)). Therefore, the Commission considers the additional ex post verification procedure established by the Greek authorities as equivalent to the ex post control provided in point 87(c) of the Temporary Framework and accepts that it is suitable to ensure compliance with the maximum amounts of aid provided in that point. Any payment exceeding the final amount of the aid must be recovered (recital (34)). The measure therefore complies with point 87(c) of the Temporary Framework.

- The aid takes the form of a credit that can be used for the payment of tax and social security obligations due from 1 July 2021 to 31 December 2021 (recital (6)). The overall nominal value of the measure 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 (35)). 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 (35)). The measure therefore complies with point 87(e) of the Temporary Framework.

- Aid may not be granted under the measure to medium and large enterprises that were already in difficulty on 31 December 2019 (recital (13)). 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 or restructuring aid (recital (13)). The measure therefore complies with point 87(f) of the Temporary Framework.

(58) The Greek 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 (4)).

(59) The Greek authorities confirm that the monitoring and reporting rules laid down in section 4 of the Temporary Framework will be respected (recital (42)). The Greek 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 (36) to (41)).

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43 As defined in Annex I to the GBER.
44 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.
45 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.
(60) 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.

**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](http://ec.europa.eu/competition/elojade/isef/index.cfm).

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President