## **EUROPEAN COMMISSION**



Brussels, 4.11.2021 C(2021) 7990 final

#### PUBLIC VERSION

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**Subject: State Aid SA.100126 (2021/N) – Italy** 

COVID-19: Support to road passenger transport (amendment to

SA.62718)

Excellency,

#### 1. PROCEDURE

- (1) By electronic notification of 27 September 2021, Italy notified an amendment (the "notified amendment") to the State aid measure approved in SA.62718 (2021/N) Italy COVID-19: Support to road passenger transport (the "initial decision")<sup>1</sup>. Additional information was provided by the Italian authorities on 22 October 2021.
- (2) Italy 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<sup>2</sup> and to have this Decision adopted and notified in English.

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Commission decision of 27 May 2021 in case SA.62718 (2021/N) – Italy – COVID-19: Support to road passenger transport, OJ C 223, 11.06.2021, p.1.

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

### 2. DESCRIPTION OF THE NOTIFIED AMENDMENT

- (3) In the initial decision, the Commission decided not to raise objections to a EUR 20 million State aid scheme aiming to provide aid in the form of direct grants to eligible beneficiaries that have incurred losses as a result of the measures to contain the COVID-19 pandemic, in particular, in relation to the lower revenues recorded in the period from 23 February to 31 December 2020 compared to the average revenues recorded in the same period for the previous two years (2018-2019) (the "existing scheme"). The beneficiaries of the measure are companies operating in the road passenger transport sector by bus on medium and long-haul routes not providing PSO services.
- (4) In the initial decision, the Commission came to the view that the existing scheme was 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 (see recitals (39) to (47) of the initial decision).
- (5) With the notified amendment, Italy wishes to increase the budget of the existing scheme (amounting to EUR 20 million) by EUR 5 million, resulting in a total budget of EUR 25 million.
- (6) The legal basis for the notified amendment is Decree-Law N° 73/2021 art.7, par. 6-quater.
- (7) Apart from the notified amendment, Italy confirms that no further amendments are proposed to the existing scheme and that all other conditions of that scheme remain unaltered.
- (8) Aid may be granted under the existing scheme, as amended, as from the notification of the Commission's approval of the notified amendment and until no later than 31 December 2021.

## 3. ASSESSMENT

#### 3.1. Lawfulness of the measure

(9) By notifying the amendment before putting it into effect, the Italian authorities have respected their obligations under Article 108(3) TFEU.

### 3.2. Existence of State aid

- (10) 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.
- (11) The existing scheme constitutes State aid within the meaning of Article 107(1) TFEU for the reasons set out in recitals (33) to (38) of the initial decision. The notified amendment does not affect that conclusion. The Commission therefore refers to the respective assessment of the initial decision and concludes that the

existing scheme, as amended, constitutes State aid within the meaning of Article 107(1) TFEU.

# 3.3. Compatibility

- (12) The existing 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 the recitals concerned of the initial decision<sup>3</sup>.
- (13) The notified amendment does not affect that conclusion. The budget increase for the existing scheme (see recital (5)) meets the condition of point 22(b) of the Temporary Framework, providing that the aid be granted on the basis of a scheme with an estimated budget. Therefore, the notified amendment does not alter the Commission's conclusion of compatibility of the existing scheme as set out in the initial decision.
- (14) Apart from the notified amendment, Italy confirms that no further amendments are proposed to the existing scheme and that all other conditions of that scheme remain unaltered.
- (15) For the reasons explained above, the Commission considers that the notified amendment is compatible with the internal market in accordance with Article 107(3)(b) TFEU. The Commission therefore considers that the notified amendment does not alter the Commission's conclusion on the compatibility of the existing scheme in the initial decision.

<sup>&</sup>lt;sup>3</sup> See recitals (39) to (47) of the initial decision.

## 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) 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: <a href="http://ec.europa.eu/competition/elojade/isef/index.cfm">http://ec.europa.eu/competition/elojade/isef/index.cfm</a>.

Yours faithfully,

For the Commission

Margrethe VESTAGER Executive Vice-President

> CERTIFIED COPY For the Secretary-General

Martine DEPREZ
Director
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