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**Subject: State Aid SA.100717 (2021/N) – Ireland  
COVID-19: Prolongation and amendment of schemes SA.57036,  
SA.57453, SA.57465, SA.59709, SA.61236 and SA.63067**

Excellency,

## 1. PROCEDURE

- (1) By electronic notification of 19 November 2021, Ireland notified a prolongation and a series of amendments (the “notified amendments”) to the following existing State aid schemes (collectively, the “existing aid schemes”), which the Commission had already approved (collectively, “the initial decisions”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak<sup>1</sup> (the “Temporary Framework”):
  - (a) SA.57036 (2020/N) “*Sustaining Enterprise Scheme supporting undertakings affected by the economic repercussions of the COVID-19 outbreak*”, which the Commission approved by Decision C(2020) 2629 final of 21 April 2020<sup>2</sup>, as amended in case SA.58043, approved by

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<sup>1</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), C(2021) 564 (OJ C 34, 1.2.2021, p. 6), and C(2021) 8442 (OJ C 473, 24.11.2021, p. 1).

<sup>2</sup> OJ C 144, 30.4.2020, p. 1.

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Commission decision C(2020) 5059 final of 17 July 2020<sup>3</sup>, in case SA.60088 (2020/N), approved by Commission decision C(2020) 9480 final of 21 December 2020<sup>4</sup> and SA.61617 (2021/N), approved by Commission decision C(2021) 848 final of 4 February 2021<sup>5</sup>;

- (b) SA.57453 (2020/N) “*Scheme to facilitate COVID-19 relevant research and development, to support construction and upgrade of testing and upscaling facilities for COVID-19 relevant products and to support investments into the production of COVID-19 relevant products*”, which the Commission approved by Decision C(2020) 3726 final of 3 June 2020<sup>6</sup>, as amended in case as amended in case SA.58043, approved by Commission decision C(2020) 5059 final of 17 July 2020<sup>7</sup>, in case SA.60088 (2020/N), approved by Commission decision C(2020) 9480 final of 21 December 2020<sup>8</sup> and in case SA.62209 (2021/N), approved by Commission decision C(2021) 2825 final of 21 December 2020<sup>9</sup>;
- (c) SA.57465 (2020/N) “*COVID-19: Credit Guarantee Scheme*”, which the Commission approved by Decision C(2020) 5720 final of 14 August 2020<sup>10</sup>, as amended in case SA.60088 (2020/N), approved by Commission decision C(2020) 9480 final of 21 December 2020<sup>11</sup> and in case SA.62209 (2021/N), approved by Commission decision C(2021) 2825 final of 21 December 2020<sup>12</sup>;
- (d) Measures 2 and 3 approved under case number SA.59709 (2021/N), “*COVID-19: Aid to airport operators*”, which the Commission approved by Decision C(2021) 1389 final of 23 February 2021<sup>13</sup>;
- (e) SA.61236 (2021/N) “*COVID-19: Tourism Business Continuity Scheme*”, which the Commission approved by Decision C(2021) 1622 final of 8 March 2021<sup>14</sup>;
- (f) SA.63067 (2021/N), which the Commission approved by Decision C(2021) 3985 final of 28 May 2021<sup>15</sup>.

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<sup>3</sup> OJ C 260, 7.8.2020, p. 1

<sup>4</sup> OJ C 7, 8.1.2021, p. 1.

<sup>5</sup> OJ C 223, 11.6.2021, p. 1.

<sup>6</sup> OJ C 206, 19.6.2020, p. 1.

<sup>7</sup> OJ C 260, 7.8.2020, p. 1

<sup>8</sup> OJ C 7, 8.1.2021, p. 1.

<sup>9</sup> OJ C 177, 7.5.2021, p. 1.

<sup>10</sup> OJ C 294, 4.9.2020, p. 1.

<sup>11</sup> OJ C 7, 8.1.2021, p. 1.

<sup>12</sup> OJ C 177, 7.5.2021, p. 1.

<sup>13</sup> OJ C 240, 18.6.2021, p. 1.

<sup>14</sup> OJ C 94, 19.3.2021, p. 1.

<sup>15</sup> OJ C 223, 11.6.2021, p. 1.

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

- (2) The objective of the existing aid schemes is to preserve the continuity of economic activity during and after the COVID-19 pandemic.
- (3) The notified amendments prolong the existing aid schemes until 30 June 2022. In addition, the maximum aid amounts per beneficiary are increased to EUR 2.3 million in schemes SA.57036, SA.59709 (measure 2), SA.61236 and SA.63067 under section 3.1 of the Temporary Framework and to EUR 12 million in scheme SA.59709 (measure 3) under section 3.12 of the Temporary Framework. All figures used must be gross, that is, before any deduction of tax or other charge.
- (4) Moreover, with the notified amendments, Ireland intends to increase the budget of scheme SA.61236 from EUR 55 million to EUR 120 million.
- (5) Apart from the notified amendments, the Irish authorities confirm that no further amendments are proposed to the existing aid schemes and that all other conditions of those schemes remain unaltered.
- (6) The legal bases for the notified amendments are:
  - (a) Udaras na Gaeltachta Act 1979, together with the Industrial Development Act 1993 (amended by section 37 of the Industrial Development Act 2014), Section 10 of the Industrial Development Act 1995 and section 7 (1)(i)6 of the Industrial Development (Enterprise Ireland) Act 1998 for scheme SA.57036 (2020/N);
  - (b) Sections 21, 22, 29 and 30 of the Industrial Development Act 1986 for scheme SA.57453 (2020/N);
  - (c) The Credit Guarantee Act 2012 (as amended by Credit Guarantee Act 2020) and the Strategic Banking Corporation of Ireland Act 2014 for scheme SA.57465 (2020/N);
  - (d) The Ministers and Secretaries Act 1924 for schemes SA.59709 (2021/N) and SA.63067 (2021/N);
  - (e) Sections 8(1)(e), 8(2)(c) and 25(1) of the National Tourism Development Authority Act of 2003 for scheme SA.61236 (2021/N).
- (7) Aid may be granted under the existing aid schemes, as prolonged and amended, as from the notification of the Commission's decision approving the notified amendments.

## **3. ASSESSMENT**

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

- (8) 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.

- (9) The existing aid schemes constitute State aid within the meaning of Article 107(1) TFEU for the reasons set out in the initial decisions. The amendments referred to in recital (1) did not affect this conclusion. The notified amendments equally do not affect that conclusion. The Commission therefore refers to the assessment of the initial decisions and concludes that the existing aid schemes, as prolonged and amended, constitute State aid within the meaning of Article 107(1) TFEU.

### **3.2. Compatibility**

- (10) The existing aid schemes are compatible with the internal market pursuant to Article 107(3)(b) TFEU, since they meet the conditions of sections 2, 3.1, 3.2, 3.4, 3.6, 3.7, 3.8 and 3.12 of the Temporary Framework for the reasons set out in the initial decisions. The amendments referred to in recital (1) above did not affect that conclusion as confirmed in the respective Commission decisions thereon. The Commission therefore refers to the respective assessment of the initial decisions.
- (11) The Commission considers that a limited prolongation of the existing aid schemes is appropriate to ensure that national support measures effectively help affected undertakings during the COVID-19 pandemic. The notified amendments do not affect the conclusion of the compatibility assessment made under the initial decisions and confirmed under the amendments specified in recital (1). In particular, the Commission notes that aid under the schemes can only be granted until 30 June 2022, as described in recital (3). The schemes as amended thus comply with points 22(d), 25(c), 35(a), 37(b), 39(b) and 87(a) of the Temporary Framework.
- (12) The Commission notes that the maximum aid amounts per beneficiary under section 3.1 are increased to EUR 2.3 million in the existing aid schemes in cases SA.57036, SA.59709 (measure 2), SA.61236 and SA.63067 (see recital (3)). All figures used must be gross, that is, before any deduction of tax or other charge. The measures thus continue to comply with point 22(a) of the Temporary Framework.
- (13) Furthermore, the Commission notes that the maximum aid amounts per beneficiary under section 3.12 are increased to EUR 12 million in the existing aid scheme in case SA.59709 (measure 3) (see recital (3)). All figures used must be gross, that is, before any deduction of tax or other charge. The measure thus continues to comply with point 87(d) of the Temporary Framework.
- (14) Finally, the Commission notes that the increase in the budget of the existing aid scheme in case SA.61236 to EUR 120 million does not alter the previous conclusion of the Commission that the aid scheme is compatible with the internal market.
- (15) Apart from the notified amendments, Ireland confirms that no further amendments are proposed to the existing aid schemes and that all other conditions of the existing aid schemes remain unaltered.

- (16) The Commission therefore considers that the existing aid schemes, as amended, comply with the compatibility conditions laid down in the Temporary Framework. As regards the notified amendments related to sections 3.1, 3.2, 3.4 and 3.12 of the Temporary Framework, those 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. As regards the notified amendments related to sections 3.6, 3.7 and 3.8 of the Temporary Framework, the Commission has taken due consideration of the positive effects of those amendments on tackling the health crisis provoked by the COVID-19 outbreak when balancing those effects against the potential negative effects of the amendments on the internal market. The Commission concludes that those positive effects of the notified amendments outweigh its potential negative effects on competition and trade. Therefore, the notified amendments do not alter the Commission's conclusions on the compatibility of the existing aid schemes, as amended.

#### 4. 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) and Article 107(3)(c) 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

