EUROPEAN COMMISSION



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PUBLIC VERSION

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Subject: State aid SA.100380 (2021/N) – Italy Regional aid map for Italy (1 January 2022 – 31 December 2027)

Excellency,

1. **PROCEDURE**

- On 19 April 2021, the Commission adopted the Guidelines on Regional State **(1)** Aid that it will use to assess the compatibility of all notifiable regional aid awarded or intended to be awarded after 31 December 2021 (hereinafter "RAG"). Pursuant to paragraph 189 of the RAG, each Member State should notify to the Commission a single regional aid map applicable from 1 January 2022 to 31 December 2027. All approved regional aid maps will be published in the Official Journal of the European Union (summary information) and on the website of DG Competition² (full text) and will constitute an integral part of the RAG.
- (2) By electronic notification dated 19 October 2021, registered at the Commission on the next day (2021/6417086), the Italian authorities notified, following the procedure of Article 108(3) of the Treaty on the Functioning of the European Union (hereinafter "TFEU"), their proposal for the Italian regional aid map applicable from 1 January 2022 to 31 December 2027.

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OJ C 153, 29.04.2021, p.1.

http://ec.europa.eu/competition/elojade/isef/index.cfm

2. DESCRIPTION OF THE NOTIFIED REGIONAL AID MAP

(3) The territory of Italy consists of twenty one NUTS 2 regions. According to Annex I to the RAG, seven of those NUTS 2 regions are eligible for aid under Article 107(3)(a) TFEU (hereinafter 'a' areas). Italy has been assigned a further coverage of 9.99% of its national population for the designation of non-predefined 'c' areas³.

2.1. Proposed 'a' areas

- (4) In their notification, the Italian authorities propose the NUTS 2 regions of ITF2 Molise, ITF3 Campania, ITF4 Puglia, ITF5 Basilicata, ITF6 Calabria, ITG1 Sicilia and ITG2 Sardegna under the derogation of Article 107(3)(a) TFEU to be assisted as 'a' areas from 1 January 2022 to 31 December 2027.
- (5) The Italian authorities propose to apply a maximum aid intensity for large enterprises amounting to 40% in ITF3 Campania, ITF4 Puglia, ITF6 Calabria and ITG1 Sicilia, and 30% in ITF2 Molise, ITF5 Basilicata and ITG2 Sardegna for the entire period from 1 January 2022 to 31 December 2027.
- (6) In their notification, the Italian authorities announce their intention to make use of an increase of the maximum aid intensities for territories, within these seven NUTS 2 regions, which would be identified for support from the Just Transition Fund⁴.

2.2. Population reserve

- (7) In their notification, the Italian authorities propose to establish a population reserve corresponding to the entire non-predefined 'c' coverage, which is set out in Annex I to the RAG at 9.99% of the national population. The Italian authorities therefore propose a population reserve amounting to 5 937 431 inhabitants, based on the most recent data on the resident population as published by the national statistical office.
- (8) In accordance with paragraph 177 of the RAG, the Italian authorities refer to the most recent data on the total resident population as provided by the Italian National Institute of Statistics (ISTAT). According to these data, the total resident population amounts to 59 433 744 inhabitants. These data are based on the population census of 2011, which is the latest information available at a level of detail that is sufficient to establish the Italian regional aid map.

2.3. Maximum aid intensities for SMEs

(9) In their notification, the Italian authorities propose that the maximum aid intensities for large enterprises can be increased by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises for their initial investments with eligible costs up to EUR 50 million.

Paragraph 163(2) of the RAG defines non-predefined 'c' areas as areas that a Member State may, at its own discretion, designate as 'c' areas provided that the Member State demonstrates that such areas fulfil certain socioeconomic criteria.

Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund, OJ L 231, 30.06.2021, p.1.

3. ASSESSMENT

3.1. The proposed 'a' areas and the proposed maximum aid intensities

- (10) According to paragraph 158 of the RAG, the NUTS 2 regions that have a gross domestic product (hereinafter "GDP") per capita below or equal to 75% of the EU-27 average fulfil the conditions of Article 107(3)(a) TFEU. The areas proposed by the Italian authorities to be assisted as 'a' areas for the period 1 January 2022 to 31 December 2027 are the following NUTS 2 regions: ITF2 Molise, with a GDP per capita of 69.33% of the EU-27 average, ITF4 Puglia, with a GDP per capita of 62.67% of the EU-27 average, ITF4 Puglia, with a GDP per capita of 63.33% of the EU-27 average, ITF5 Basilicata, with a GDP per capita of 57.33% of the EU-27 average, ITG1 Sicilia with a GDP per capita of 59.67% of the EU-27 average and ITG2 Sardegna with a GDP per capita of 70.33% of the EU-27 average. These areas therefore fulfil the conditions of Article 107(3)(a) TFEU.
- (11) Paragraph 179 of the RAG provides that the maximum aid intensity for large enterprises in 'a' areas with a GDP per capita above 55% and below or equal to 65% of the EU-27 average must not exceed 40%. In the 'a' areas with a GDP per capita above 65% of the EU-27 average, the aid intensity for large enterprises must not exceed 30%.
- (12) For the regions of ITF3 Campania, ITF4 Puglia, ITF6 Calabria and ITG1 Sicilia, the Italian authorities propose a maximum aid intensity for large enterprises of 40%. Given the GDP per capita of each of these 'a' areas is above 55% and below or equal to 65% of the EU-27 average (i.e. 62.67%, 63.33%, 57.33% and 59.67% respectively), the proposed aid intensity is in line with the provisions of the RAG.
- (13) For the regions of ITF2 Molise, ITF5 Basilicata and ITG2 Sardegna, the Italian authorities propose a maximum aid intensity for large enterprises of 30%. Given that the GDP per capita of each of these 'a' areas is above 65% of the EU-27 average (i.e. 69.33%, 74.67% and 70.33% respectively), the proposed aid intensity is in line with the provisions of the RAG.
- (14) The Italian authorities announced their intention to make use of an increase of the maximum aid intensities for territories, within the seven NUTS 2 regions that would be identified for support from the Just Transition Fund. The Commission considers that, since the Commission has not yet approved a territorial just transition plan for Italy, this potential increase cannot be included in the regional aid map at this point in time. However, according to paragraph 187 of the RAG, the Italian regional aid map can be updated once a territorial just transition plan has been approved by the Commission. The Italian authorities are invited to notify to the Commission such future amendment.

3.2. Population reserve

(15) According to paragraph 191 of the RAG, a Member State may decide to establish a reserve of national population coverage consisting of the difference between the population coverage ceiling for that Member State, as allocated by the Commission, and the coverage used for 'a' and 'c' areas designated in its regional aid map.

- (16) In accordance with Annex I to the RAG, the total population coverage for Italy for the period from 1 January 2022 to 31 December 2027 is set out at 41.99%. The maximum population coverage for 'a' areas is set out at 32% and the coverage for non-predefined 'c' areas is set out at 9.99% of the national population of Italy.
- (17) The Italian authorities propose to establish a population reserve corresponding to the entire non-predefined 'c' coverage referred to in recital (16). The Italian authorities therefore propose a population reserve that amounts to 5 937 431 inhabitants, based on the most recent data on the resident population as published by the national statistical office.
- (18) The population reserve proposed by the Italian authorities is therefore in accordance with paragraph 191 of the RAG. This population reserve may be used in the future to designate non-predefined 'c' areas until the population coverage ceiling (i.e. 9.99% of the national population) is reached.
- (19) The Commission recalls that paragraphs 192 and 193 of the RAG provide that if a Member State decides to use the reserve to add new 'c' areas in its map, this is possible until its national coverage ceiling is reached. For this purpose, the Member State may use the most recent socioeconomic data provided by Eurostat or by its national statistical office or other recognised sources. The population of the 'c' areas concerned should be calculated on the basis of the population data used for the notification of this map. The Member State must notify the Commission each time it intends to use its population reserve to add new 'c' areas prior to putting into effect such amendments.

3.3. Increased aid intensities for SMEs

(20) In accordance with paragraph 186 of the RAG, the maximum aid intensities for large enterprises may be increased by up to 20 percentage points for small enterprises or by up to 10 percentage points for medium-sized enterprises. However, the increased maximum aid intensities for SMEs will not apply to aid awarded for large investment projects in the meaning of paragraph 19(18) of the RAG.

3.4. Other commitments made by the Italian authorities

- (21) The Commission takes note of the following commitments made by the Italian authorities in the notification:
 - (a) The Italian authorities confirmed that all intentions to grant regional aid will be notified to the Commission in accordance with Article 108(3) of the TFEU, either as an aid scheme, or as an individual notification, unless a block exemption regulation applies.
 - (b) The Italian authorities confirmed that all regional investment aid will respect the maximum aid intensities of the region concerned as defined in the regional aid map approved and published by the Commission
 - (c) The Italian authorities confirmed that for large investment projects (as defined in paragraph 19(18) of the RAG) the aid ceilings of the region concerned, as defined in the regional aid map approved and published by

the Commission, will be adjusted according to the formula in paragraph 19(3) of the RAG.

3.5. General conclusion

(22) In view of the above, the Commission takes the view that the Italian regional aid map notified for the period from 1 January 2022 to 31 December 2027 is in line with the RAG.

4. CONCLUSION

- (23) The Commission has accordingly decided:
 - to approve the Italian regional aid map set out in the Annex for the period from the 1 January 2022 until 31 December 2027, as it fulfils the conditions laid down in the Guidelines on Regional State Aid, as adopted on 19 April 2021.
 - The full text of this letter in the authentic language will be published on the following Internet site:

 http://ec.europa.eu/competition/elojade/isef/index.cfm.

Yours faithfully,

For the Commission

Margrethe VESTAGER Executive Vice-President

ANNEX to the decision on case SA.100380 (2021/N)

Guidelines on regional State aid

(OJ C 153, 29.04.2021, p.1.)

ITALY - Regional aid map applicable from 01.01.2022 to 31.12.2027

Code granted to large enterprises ⁵

'a' areas

NUTS code	Name of NUTS region	Maximum aid intensity
		(large enterprises)
		1.1.2022 - 31.12.2027
ITF2	Molise	30%
ITF3	Campania	40%
ITF4	Puglia	40%
ITF5	Basilicata	30%
ITF6	Calabria	40%
ITG1	Sicilia	40%
ITG2	Sardegna	30%

For investment projects with eligible costs not exceeding EUR 50 million this ceiling is increased by 10 percentage points for medium-sized enterprises and 20 percentage points for small enterprises as defined in the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36). For large investment projects, the maximum aid intensities for large enterprises also apply to medium-sized and small enterprises. For large investment projects, this maximum aid intensity is subject to adjustment in accordance with paragraph 19(3) of the RAG.