#### **EUROPEAN COMMISSION**



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**Subject: State aid SA.109293 (2023/N) – Slovakia** 

Amendment to the Regional aid map for Slovakia (1 January 2022 – 31 December 2027) for the period 1 January 2024 to 31 December 2027

(mid-term review)

Excellency,

#### 1. PROCEDURE

(1) The Commission approved the regional aid map for Slovakia for the period from 1 January 2022 to 31 December 2027 (hereinafter 'regional aid map for Slovakia') by Commission decision of 16 September 2021 (¹) (hereinafter 'initial Decision'). The regional aid map for Slovakia was subsequently amended, as approved by Commission decision of 17 February 2023 (²) (hereinafter 'first amendment').

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<sup>(1)</sup> Commission Decision C(2021) 6649 final, in case SA.64151 (2021/N) – Slovakia – Regional aid map for Slovakia (1 January 2022 – 31 December 2027) (OJ C 410, 8.10.2021, p. 3), available at: <a href="https://competition-cases.ec.europa.eu/cases/SA.64151">https://competition-cases.ec.europa.eu/cases/SA.64151</a>.

<sup>(2)</sup> Commission Decision C(2023) 1047 final, in case SA.105438 (2023/N) – Slovakia – Amendment to the Regional aid map for Slovakia (1 January 2022 – 31 December 2027) – increased aid intensities for territories identified for support from the JTF (OJ C 090, 10.3.2023, p. 10), available at: <a href="https://competition-cases.ec.europa.eu/cases/SA.105438">https://competition-cases.ec.europa.eu/cases/SA.105438</a>.

- Pursuant to paragraph 194 of the Guidelines on Regional State Aid (³) (hereinafter 'RAG'), the Commission published on 2 June 2023 a Communication amending paragraph 188, Annexes I and IV to the RAG regarding the mid-term review of the regional aid maps for the period 1 January 2022 to 31 December 2027 (the 'Communication') (⁴) that sets out the details of the mid-term review. Pursuant to paragraph 10 of the Communication, Member States that intend to amend their regional aid maps following the mid-term review are invited to notify the Commission of those amendments pursuant to Article 108(3) TFEU before 15 September 2023. Such amendments may concern the period from 1 January 2024 to 31 December 2027 and are not mandatory.
- (3) By electronic notification dated 8 September 2023, registered at the Commission on the same day (Ares(2023)6109426), the Slovak authorities notified the second amendment to the regional aid map for Slovakia (hereinafter 'second amendment') in the context of that mid-term review.

#### 2. DESCRIPTION OF THE NOTIFIED AMENDMENT TO THE REGIONAL AID MAP

In their notification, the Slovak authorities propose to increase the aid intensity in the NUTS 2 region of SK02 Západné Slovensko. Under the regional aid map for Slovakia, the NUTS 2 region of SK02 Západné Slovensko was identified as an area eligible for regional aid under Article 107(3), point (a), TFEU (hereinafter "a" area') based on paragraph 159, point (1), RAG. In line with paragraph 179, point (3), RAG, the NUTS 2 region of SK02 Západné Slovensko was designated on the regional aid map for Slovakia with a maximum aid intensity for large enterprises of 30 %, based on the fact that its gross domestic product ('GDP') per capita was above 65 % of the EU-27 average. As set out in paragraph 13 of the Communication and shown in Table 1, GDP per capita in the NUTS 2 region of SK02 Západné Slovensko has fallen below 65 % of the EU-27 average.

Table 1: Proposed higher maximum aid intensity established in accordance with paragraphs 179 in an 'a' area ( $^5$ )

NUTS Code	Name of NUTS region	GDP per capita 2016-2018	GDP per capita 2019-2021	Maximum aid intensity in the regional aid map for Slovakia	Proposed maximum aid intensity
SK02	Západné Slovensko	66.67	64.67	30 %	40 %

(4) Pursuant to the first amendment, the districts of SK0225 Partizánske and SK0227 Prievidza benefit from an increase of 10 percentage points in the maximum aid intensity due to their status as territories identified for support from the Just Transition

(4) Communication from the Commission (2023/C 194/05) amending paragraph 188, Annexes I and IV to the Guidelines on regional State aid regarding the mid-term review of the regional aid maps for the period 1 January 2022 to 31 December 2027 (OJ C 194, 2.6.2023, p. 13).

<sup>(3)</sup> OJ C 153, 29.04.2021, p.1.

<sup>(5)</sup> The aid intensity applies to large enterprises and can be increased for small and medium-sized enterprises in accordance with recital (12) of the initial Decision.

- Fund (6) (hereinafter 'JTF'). The Slovak authorities propose to maintain this 10 percentage points increase under the second amendment.
- (5) Consequently, in application of paragraphs 179, 187 RAG, paragraphs 11 and 13 of the Communication, for the period from 1 January 2024 to 31 December 2027, Slovakia proposes to increase the maximum aid intensity for the NUTS 2 region of SK02 Západné Slovensko from 30 % to 40 %, and maintain the increase of aid intensity by 10 percentage points for the districts of SK0225 Partizánske and SK0227 Prievidza, entitling these two districts to a maximum aid intensity of 50 %.
- (6) Slovakia proposes no other modifications to its regional aid map as approved by the initial Decision and the first amendment.

#### 3. ASSESSMENT

# 3.1. The proposed higher maximum aid intensity established in accordance with paragraphs 179 and 187 RAG in an 'a' area

- (7) Paragraph 179, point (2), 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 %. According to paragraph 187 RAG, the maximum aid intensities for 'a' areas laid down by the RAG may be increased by 10 percentage points for territories identified for support from the JTF in a territorial just transition plan of a Member State approved by the Commission on the condition that those territories are located in assisted areas according to Article 107(3), point (a), TFEU.
- (8) The NUTS 2 region of SK02 Západné Slovensko is designated as an 'a' area in the regional aid map for Slovakia. Under the regional aid map for Slovakia, the maximum aid intensity for large enterprises in the NUTS 2 region of SK02 Západné Slovensko is 30 % in accordance with paragraph 179, point (3), RAG. By application of an aid intensity increase of 10 percentage points in accordance with paragraph 187 RAG, the maximum aid intensity for large enterprises in the districts of SK0225 Partizánske and SK0227 Prievidza is 40 % (7).
- (9) Paragraph 13 of the Communication lists SK02 Západné Slovensko as a NUTS 2 region that can be proposed for a higher maximum aid intensity. According to Eurostat data for the period 2019-2021, the GDP per capita of SK02 Západné Slovensko has decreased to 64.67 % of the EU-27 average, as shown in Table 1 and in Annex 1 to the Communication. This decrease entitles the region to a higher maximum aid intensity on the basis of Section 7.4.1 RAG. In particular, SK02 Západné Slovensko is entitled to a maximum aid intensity for large enterprises of 40 % established on the basis of paragraph 179, point (2), RAG. That maximum aid intensity can be further increased to 50 % in the districts of SK0225 Partizánske and SK0227 Prievidza based on paragraph 187 RAG and in line with the first amendment. Therefore, the increase of the maximum aid intensity for SK02 Západné Slovensko, as proposed by the Slovak authorities in recitals (4) to (6) for the period from

<sup>(6)</sup> Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).

<sup>(7)</sup> Recital (11) of the first amendment.

1 January 2024 to 31 December 2027 is in line with the provisions of the RAG and the Communication.

(10) The Commission notes that all other conditions set out in the initial Decision and in the first amendment remain unchanged.

#### 3.2. General conclusion

(11) In view of the above, the Commission takes the view that the second amendment to the Slovak regional aid map for the period from 1 January 2024 to 31 December 2027, as notified by the Slovak authorities, is in line with the RAG.

#### 4. CONCLUSION

- (12) The Commission has accordingly decided:
  - to approve the amendment to the Slovak regional aid map for the period from 1 January 2024 to 31 December 2027 as set out in the Annex, which includes all designated areas approved in the initial Decision and in the first amendment, as it fulfils the conditions laid down in the Guidelines on Regional State Aid, as adopted on 19 April 2021, and the Communication amending paragraph 188, Annexes I and IV to the Guidelines on Regional State Aid.

The full text of this letter in the authentic language will be published on the following Internet site: https://competition-cases.ec.europa.eu/search?caseInstrument=SA.

Yours faithfully,

For the Commission

Didier REYNDERS
Member of the Commission

## ANNEX to the decision on case SA.109293 (2023/N)

## **Guidelines on regional State aid**

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

### SLOVAKIA – Amended regional aid map applicable from 01.01.2024 to 31.12.2027

Zone Zone Name Code	Maximum aid intensities applicable to regional aid granted to large enterprises <sup>8</sup>
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#### 'a' areas

NUTS code	Name of NUTS region	Maximum aid intensity (large enterprises)	
		1.1.2024 - 31.12.2027	
SK02	Západné Slovensko (partially: excluding SK0225 Partizánske, SK0227 Prievidza)	40 %	
SK02	Západné Slovensko (partially: only SK0225 Partizánske, SK0227 Prievidza)	50 %	
SK03	Stredné Slovensko (partially: excluding SK0322 Banská Štiavnica, SK0323 Brezno, SK0328 Revúca, SK0329 Rimavská Sobota, SK032B Zvolen, SK032C Žarnovica, SK032D Žiar nad Hronom)	40 %	
SK03	Stredné Slovensko (partially: only SK0322 Banská Štiavnica, SK0323 Brezno, SK0328 Revúca, SK0329 Rimavská Sobota, SK032B Zvolen, SK032C Žarnovica, SK032D Žiar nad Hronom)	50 %	
SK04	Východné Slovensko (partially: excluding SK0422 Košice I, SK0423 Košice II, SK0424 Košice III, SK0425 Košice IV, SK0426 Košice - okolie, SK0427 Michalovce)	50 %	
SK04	Východné Slovensko (partially: only SK0422 Košice I, SK0423 Košice II, SK0424 Košice III, SK0425 Košice IV, SK0426 Košice okolie, SK0427 Michalovce)	60 %	

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.