



EUROPEAN COMMISSION

Brussels, 29.11.2023  
C(2023) 8317 final

PUBLIC VERSION

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**Subject: State Aid SA.110212 (2023/N) – Bulgaria**  
**TCTF: Aid to support the liquidity of farmers to overcome the**  
**negative economic impact of Russian aggression against Ukraine**  
**(amendments to SA.106681 (2023/N))**

Excellency,

## 1. PROCEDURE

- (1) By electronic notification of 21 November 2023, Bulgaria notified amendments (the ‘notified amendments’) to the following existing aid scheme (the ‘existing aid scheme’) which the Commission approved under the Temporary Crisis and Transition Framework for State aid measures to support the economy following the aggression against Ukraine by Russia (the ‘Temporary Crisis and Transition Framework’) <sup>(1)</sup>by decision C(2023) 2105 final of 24 March 2023 in case SA.106681 (2023/N) <sup>(2)</sup> (*TCTF: Aid to support the liquidity of farmers to overcome the negative economic impact of Russian aggression against Ukraine*)

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<sup>(1)</sup> Communication from the Commission on the Temporary Crisis and Transition Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia (OJ C 101, 17.3.2023, p. 3), as amended by Commission Communication C(2023)8045 (OJ C1188, 21.11.2023, ELI: <http://data.europa.eu/eli/C/2023/1188/oj> ).

<sup>(2)</sup> Commission Decision C(2023) 2105 final of 24 March 2023 in case SA. 106681 (OJ C/121/2023).

Her Excellency Mariya Gabriel  
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Ministry of Foreign Affairs of the Republic of Bulgaria  
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(the ‘initial decision’, as amended by decisions in cases SA.109279 (2023/N) <sup>(3)</sup> and SA.109409 (2023/N) <sup>(4)</sup>, the ‘amending decisions’).

- (2) Bulgaria 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>(5)</sup> and to have this Decision adopted and notified in English.

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

- (3) The objective of the existing aid scheme is to mitigate the direct social and economic negative consequences on Bulgarian agriculture of the current crisis, to ensure the continuity of economic activities and jobs and to provide sufficient liquidity for the beneficiaries due to the economic situation created by the current crisis. The support will help affected farmers to recover from the effects of the current crisis and avoid the risks of abandonment of production with implications for food security.
- (4) Bulgaria proposes to amend the existing aid scheme as follows:
- (a) to prolong the duration of the existing aid scheme SA. 109409 until 30 June 2024;
  - (b) to increase the overall maximum aid amount per undertaking that may be granted from EUR 250 000 to 280 000 EUR per undertaking active in the primary production of agricultural products. All figures will be gross, that is, before any deduction of tax or other charges. Where an undertaking is active in several sectors to which different maximum aid amounts apply in accordance with points 61(a) and 62(a) of the Temporary Crisis and Transition Framework, Bulgaria 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 2 250 000 is not exceeded per undertaking. Where an undertaking is active exclusively in the sectors covered by point 62(a) of the Temporary Crisis and Transition Framework, the overall maximum amount of EUR 335 000 will not be exceeded per undertaking.
- (5) Apart from the notified amendments, Bulgaria confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered.
- (6) The legal bases for the notified amendments are Article 11, paragraph 2, point 1, and Article 12, paragraph 1, point 2, of the Law on Assistance to Agricultural Producers <sup>(6)</sup> and the draft of the amended State aid scheme “Aid to support the

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<sup>(3)</sup> Commission Decision C(2023) 6426 final of 20 September 2023 in case SA. 109279 (OJ C/2023/175).

<sup>(4)</sup> Commission Decision C(2023) 6589 final of 27 September 2023 in case SA. 109409 (OJ C/2023/424).

<sup>(5)</sup> Regulation No 1 determining the languages to be used by the European Economic Community (OJ 17, 6.10.1958, p. 385).

<sup>(6)</sup> Член 11, алинея 2, точка 1 и член 12, алинея 1, точка 2 от Закона за подпомагане на земеделските производители.

liquidity of farmers to overcome the negative economic impact of Russian aggression against Ukraine”<sup>(7)</sup>.

- (7) Aid may be granted under the notified measure from the notification of the Commission’s decision approving the notified amendment.

### **3. ASSESSMENT**

#### **3.1. Lawfulness of the measure**

- (8) By notifying the measure before putting it into effect, the Bulgarian authorities have respected their obligations under Article 108(3) TFEU.

#### **3.2. Existence of State aid**

- (9) For a measure to be categorised as State aid under Article 107(1) TFEU, all of 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.
- (10) The existing aid scheme constitutes State aid within the meaning of Article 107(1) TFEU for the reasons set out in recitals (29) to (34) of the initial decision, in recitals (8) and (9) of the Commission Decision C(2023) 6426 final of 20 September 2023 and in recitals (9) and (10) of the Commission Decision C(2023) 6589 final of 27 September 2023. The notified amendments do not affect that conclusion. The Commission therefore refers to the respective assessments of the initial decision and the amending decisions and concludes that the existing aid scheme, as amended, constitutes State aid within the meaning of Article 107(1) TFEU.

#### **3.3. Compatibility**

- (11) For the notified amendments to comply with Article 107(3), point (b), TFEU, they need to meet the conditions enumerated in sections 1 and 2.1 of the Temporary Crisis and Transition Framework.
- (12) The existing aid scheme has already been found to comply with the internal market pursuant to Article 107(3), point (b), TFEU, since it meets the conditions of sections 1 and 2.1 of the Temporary Crisis and Transition Framework for the reasons set out in recitals (35) to (45) of the initial decision, in recitals (10) to (13) of the Commission Decision C(2023) 6426 final of 20 September 2023 and in recitals (11) to (14) of the Commission Decision C(2023) 6589 final of 27 September 2023. The Commission therefore refers to the respective assessments in the initial decision and in the amending decisions.
- (13) The notified amendments do not affect the conclusion that the existing aid scheme is compatible with the internal market pursuant to Article 107(3), point (b), TFEU. The notified amendments concern first the prolongation of the scheme until 30

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<sup>(7)</sup> *Схема за държавна помощ „Помощ в подкрепа на ликвидността на земеделски стопани за преодоляване на негативното икономическо въздействие на руската агресија срещу Украйна“.*

June 2024, as described in (recital (4)(a)), in conformity with the requirements of point 61(c) of the Temporary Crisis and Transition Framework. Second, the increase of the maximum amount of aid, as described in (recital (4)(b)), complies with the requirements of point 62(a) and the cumulation rules in point 63 of the Temporary Crisis and Transition Framework.

- (14) Apart from the notified amendments, Bulgaria confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered (recital (5)).
- (15) The Commission therefore considers that the notified amendments are necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State pursuant to Article 107(3), point (b) TFEU, since they meet all the relevant conditions of the Temporary Crisis and Transition Framework. The Commission therefore considers that the notified amendments do not alter the Commission's conclusion on the compatibility of the existing aid scheme in the initial decision and the amending decisions.

#### **4. CONCLUSION**

The Commission has accordingly decided not to raise objections to the existing aid scheme, as amended, on the grounds that it is compatible with the internal market pursuant to Article 107(3), point (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/ejojade/isef/index.cfm>.

Yours faithfully,

For the Commission

Didier REYNDERS  
Member of the Commission