



EUROPEAN COMMISSION

Brussels, 7.12.2023
C(2023) 8676 final

SENSITIVE*: *COMP Operations*

Subject: State Aid SA.110322 (2023/N) – Italy (Friuli Venezia Giulia)
TCTF: Umbrella scheme for the agricultural, forestry and fisheries and aquaculture sectors (Third amendment to SA.102522 (2022/N))

Excellency,

1. PROCEDURE

- (1) By electronic notification of 27 November 2023, Italy notified amendments (the ‘notified amendments’) to the existing aid scheme (the ‘existing aid scheme’) 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’) ⁽¹⁾. The Commission approved the existing aid scheme under the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia (the ‘Temporary Crisis Framework’) ⁽²⁾ by decision in case SA.102522

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⁽¹⁾ 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>) (‘current Temporary Crisis and Transition Framework’). This Temporary Crisis and Transition Framework replaces the Temporary Crisis Framework adopted on 28 October 2022 (OJ C 426, 9.11.2022, p.1) (‘previous Temporary Crisis Framework’).

⁽²⁾ Communication from the Commission on the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia adopted on 28 October 2022 (OJ C 426, 9.11.2022, p.1), replacing the Temporary Crisis Framework adopted on 23 March 2022 (OJ C 131 I, 24.3.2022, p. 1), as amended on 20 July 2022 (OJ C 280, 21.7.2022, p. 1). This previous

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(2022/N) - “TCF: Regime Quadro per i settori agricolo, forestale e della pesca ed acquacoltura nel rispetto del Quadro temporaneo di crisi” ⁽³⁾ (the ‘initial decision’). The scheme was amended by decisions in cases SA.104055 (2022/N) ⁽⁴⁾ (‘first amendment decision’) and SA.104888 (2022/N) ⁽⁵⁾ (‘second amendment decision’).

- (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 ⁽⁶⁾ 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 remedy the liquidity shortage faced by undertakings that are directly or indirectly affected by the serious disturbance of the economy caused by the Russian aggression against Ukraine and its direct and indirect effects, including the sanctions imposed and the counter-measures taken, for example by Russia.
- (4) Following the amendment of the Temporary Crisis and Transition Framework, Italy proposes to amend the existing aid scheme as follows:
- a. to prolong the duration of the existing aid scheme from 31 December 2023 to 30 June 2024;
 - b. to increase the overall maximum aid amount per undertaking that may be granted under the existing aid scheme from EUR 2 million to EUR 2.25 million, from EUR 250 000 to EUR 280 000 per undertaking active in the primary production of agricultural products and from EUR 300 000 to EUR 335 000 per undertaking active in the fishery and aquaculture sectors. 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, Italy 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 2.25 million 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, Italy confirms that no further amendments are proposed to the existing aid schemes and that all other conditions of the

Temporary Crisis Framework was withdrawn with effect from 9 March 2023, following the adoption of the current Temporary Crisis and Transition Framework.

⁽³⁾ Commission Decision C(2022) 2754 final of 22 April 2022 in case SA.102522 (OJ C/204/2022).

⁽⁴⁾ Commission Decision C(2022) 6093 final of 19 August 2022 in case SA. 104055 (OJ C/337/2022).

⁽⁵⁾ Commission Decision C(2022) 6426 final of 25 November 2022 in case SA. 104888 (OJ C/480/2022).

⁽⁶⁾ Regulation No 1 determining the languages to be used by the European Economic Community (OJ 17, 6.10.1958, p. 385).

scheme remain unaltered. Italy also confirms that aid granted under section 2.1 of the previous Temporary Crisis Framework and aid granted under the same respective section of the current Temporary Crisis and Transition Framework will not exceed the aid ceilings provided in the respective sections of the current Temporary Crisis and Transition Framework at any point in time.

- (6) The legal basis for the notified amendments is the Regional Law No 5 of 1 April 2020 (article 12, commas 2 *bis*, 2 *ter* and 3) ⁽⁷⁾.
- (7) Aid may be granted under the existing aid scheme, as amended, as from the notification of the Commission's decision approving the notified amendment.

3. ASSESSMENT

3.1. Lawfulness of the measure

- (8) By notifying the amendments before putting them into effect, the Italian authorities have respected their obligations under Article 108(3) TFEU.

3.2. Existence of State aid

- (9) 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.
- (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 (9) and (10) of the first amendment decision and in recitals (8) and (9) of the second amendment decision. The notified amendment does not affect that conclusion. The Commission therefore refers to the respective assessment 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) The existing aid scheme is compatible with the internal market pursuant to Article 107(3), point (b), TFEU, by meeting the conditions of sections 1 and 2.1 of the Temporary Crisis Framework for the reasons set out in recitals (35) to (44) of the initial decision, in recitals (11) to (14) of the first amendment decision and in recitals (10) to (14) of the second amendment decision. The Commission therefore refers to the respective assessments of the initial decision and of the amending decisions. The Commission notes that that assessment remains valid although the Temporary Crisis Framework has in the meantime been replaced by the Temporary Crisis and Transition Framework as referred to in recital (1) of this

⁽⁷⁾ *Legge regionale 01 aprile 2020, n. 5 "Ulteriori misure urgenti per far fronte all'emergenza epidemiologica da COVID-19 e alle conseguenze del conflitto russo-ucraino nel comparto agricolo e agroalimentare." (Articolo 12, commi 2 bis, 2 ter e 3).*

Decision, inasmuch as the conditions of sections 1 and 2.1 of the previous Temporary Crisis Framework that are relevant for the initial decision and the amending decisions have not been modified substantively in the current Temporary Crisis and Transition Framework.

(12) 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. In particular:

- The aid will be granted no later than 30 June 2024, as described in (recital (4)(a)), in compliance with point 61(c) of the Temporary Crisis and Transition Framework.
- The maximum amount of aid per undertaking will be increased to EUR 2.25 million, the maximum aid amount per undertaking active in the primary production of agricultural products will be increased to EUR 280 000, and the maximum aid amount per undertaking active in the fishery and aquaculture sectors to EUR 335 000, as described in (recital (4)(b)). The notified amendments thus comply with points 61(a) and 62(a) of the Temporary Crisis and Transition Framework.
- 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, Italy will ensure, by relying on 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 2.25 million is not exceeded per undertaking per Member State (recital (4)(b)). Where an undertaking is active in the sectors covered by point 62(a) of the Temporary Crisis and Transition Framework, the overall maximum amount of EUR 335 000 is not exceeded per undertaking per Member State (recital (4)(b)). The measure therefore complies with point 63 of the Temporary Crisis and Transition Framework.

(13) Apart from the notified amendments, Italy confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of the scheme remain unaltered (recital (5)).

(14) Italy confirms that, in accordance with point 95 of the Temporary Crisis and Transition Framework, overall, aid granted under section 2.1 of the previous Temporary Crisis Frameworks and aid granted under the same respective section of the current Temporary Crisis and Transition Framework will not exceed the aid ceilings provided in the respective sections of the current Temporary Crisis and Transition Framework at any point in time (see 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/elojade/isef/index.cfm>.

Yours faithfully,

For the Commission

Didier REYNDERS
Member of the Commission

