



EUROPEAN COMMISSION

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PUBLIC VERSION

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**Subject: State Aid SA.104888 (2022/N) – Italy (Friuli Venezia Giulia)
TCF: Umbrella scheme for the agricultural, forestry and fisheries
and aquaculture sectors in compliance with the Temporary Crisis
Framework (amendments to SA.102522 (2022/N))**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 16 November 2022, Italy notified amendments (the “notified amendments”) to the existing aid scheme (the “existing aid scheme”) under the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia¹. On 17 November 2022, Italy submitted complementary information. The Commission approved the existing aid scheme in case SA.102522 (2022/N) – “*TCF: Regime Quadro per i settori agricolo, forestale e della pesca ed acquacoltura nel rispetto del Quadro temporaneo di crisi*” (the “initial 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

¹ Communication from the Commission on the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia (OJ C 426, 9.11.2022, p.1). This Temporary Crisis Framework (‘current Temporary Crisis Framework’) replaces 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) (‘previous Temporary Crisis Framework’). The previous Temporary Crisis Framework was withdrawn with effect from 27 October 2022.

S.E On. Antonio TAJANI
Ministro degli affari esteri e della cooperazione internazionale
P.le della Farnesina 1
I - 00194 Roma

Article 3 of Regulation 1/1958² 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.
- (4) Following the adoption of the current Temporary Crisis Framework, Italy wishes to amend the existing aid scheme as follows:
 - (a) prolonging the duration of the measure until 31 December 2023;
 - (b) increasing the budget from EUR 50 million to EUR 100 million;
 - (c) increasing the overall nominal value of the direct grants and loans granted under Section 2.1. Pursuant to the notified amendments, the overall nominal value of the aid under the measure exceed EUR 2 million per undertaking (instead of EUR 500 000 in the existing aid scheme), or EUR 250 000 per undertaking active in the primary production of agricultural products (instead of EUR 62 000 in the existing aid scheme), or EUR 300 000 per undertaking active in the fishery and aquaculture sectors (instead of EUR 75 000 in the existing aid scheme); 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 55(a) and 56(a) of the Temporary Crisis 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 million is not exceeded per undertaking. Where an undertaking is active exclusively in the sectors covered by point 56(a) of the Temporary Crisis Framework, the overall maximum amount of EUR 300 000 will not be exceeded per undertaking. The Italian authorities confirm that aid granted under the initial decision and aid granted under the current decision cannot exceed EUR 2 million per undertaking, or EUR 250 000 per undertaking active in the primary production of agricultural products, or EUR 300 000 per undertaking active in the fishery and aquaculture sectors, at any point in time in accordance with point 84 of the Temporary Crisis Framework.
- (5) Apart from the notified amendments, Italy confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that 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 Framework will not exceed the aid ceilings provided in the respective section of the current Temporary Crisis Framework at any point in time.

² Regulation No 1 determining the languages to be used by the European Economic Community (OJ 17, 6.10.1958, p. 385).

- (6) The legal basis of the notified amendment is the Decision of the Regional Government of Friuli Venezia Giulia No 474 of 1 April 2022³.
- (7) Aid may be granted under the existing aid scheme, as amended, as from the notification of the Commission's approval of 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 be liable to affect trade between Member States.
- (9) 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. The notified amendments do not affect that conclusion. The Commission therefore refers to the respective assessment of the initial decision and concludes that the existing aid scheme, as amended, constitutes State aid within the meaning of Article 107(1) TFEU.

3.2. Compatibility

- (10) The existing aid scheme is compatible with the internal market pursuant to Article 107(3)(b) TFEU, since it meets the conditions of section 1 and section 2.1 of the Temporary Crisis Framework for the reasons set out in recitals (35) to (44) of the initial decision. The Commission therefore refers to the respective assessment of the initial decision. The Commission notes that that assessment remains valid although the Temporary Crisis Framework has in the meantime been replaced by the version referred to in recital (1) of this Decision, inasmuch as the conditions of sections 1 and 2.1 of the previous Temporary Crisis Framework that are relevant for the initial decision have not been modified substantively in the current Temporary Crisis Framework⁴.
- (11) The notified amendments do not affect that conclusion. In particular, as the prolongation of the duration of the measure until 31 December 2023 and the increase of the overall budget (recital (4)(a) and (b)) are in conformity with the requirements of point 55(b) and 55(c) of the Temporary Crisis Framework, and as the increase of the maximum amount of aid (recital (4)(c)) is in conformity with the requirements of points 56(a), 57 and 84 of the Temporary Crisis Framework, the Commission considers that the notified amendments do not affect the assessment of the compatibility of the existing aid scheme with the internal market, as carried out in the initial decision.

³ Delibera della Giunta regionale del 1 aprile 2022, n. 474.

⁴ See in this regard Annex II (Correlation Table) to the Temporary Crisis Framework.

- (12) Apart from the notified amendments, Italy confirms that no further amendments are proposed to the existing aid scheme and that all other conditions of that scheme remain unaltered (recital (5)).
- (13) Italy confirms that, in accordance with point 84 of the Temporary Crisis Framework, overall, aid granted under sections 2.1 to 2.3 of the previous Temporary Crisis Framework and aid granted under the same respective sections of the current Temporary Crisis Framework will not exceed the aid ceilings provided in the respective sections of the current Temporary Crisis Framework at any point in time (see recital (5)).
- (14) 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)(b) TFEU, since they meet all the relevant conditions of the Temporary Crisis 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.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the scheme, as amended, on the grounds that it is compatible with the internal market pursuant to Article 107(3)(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

Margrethe VESTAGER
Executive Vice-President