



EUROPEAN COMMISSION

Brussels, 03.02.2022
C(2022) 707 final

SENSITIVE* : *COMP Operations*

**Subject: State Aid SA.101598 (2022/N) – Italy (Campania)
COVID-19: Plan for the socio-economic emergency of the Campania
Region – Reintroduction of the scheme SA.57439, as already amended**

Excellency,

1. PROCEDURE

- (1) By electronic notification of 20 January 2022, Italy notified a measure reintroducing the State aid scheme SA.57349 “*COVID-19: Plan for the socio-economic emergency in the Campania region – Aid measures in favour of undertakings in the agricultural sector, in the fishery and aquaculture sector, in the buffalo livestock sector and in the floriculture sector*” (the “initial scheme”), which the Commission had already approved by Decision C(2020) 3388 final of 19 May 2020 (the “initial decision”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak¹ (the “Temporary Framework”).
- (2) The initial scheme was amended in case SA.59447 (2020/N), approved by Commission Decision C(2020) 8243 final of 19 November 2020 and in case SA.62544 (2021/N), as approved by Commission Decision (2021) 2580 final of 12 April 2021. The initial scheme expired on 31 December 2021.

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¹ Communication from the Commission - Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak (OJ C 91I, 20.3.2020, p. 1), as amended by Commission Communications C(2020) 2215 (OJ C 112I, 4.4.2020, p. 1), C(2020) 3156 (OJ C 164, 13.5.2020, p. 3), C(2020) 4509 (OJ C 218, 2.7.2020, p. 3), C(2020) 7127 (OJ C 340I, 13.10.2020, p. 1), C(2021) 564 (OJ C 34, 1.2.2021, p. 6), and C(2021) 8442 (OJ C 473, 24.11.2021, p. 1).

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- (3) 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 1/1958², and to have this Decision adopted and notified in English.

2. DESCRIPTION OF THE MEASURE

- (4) The objective of the initial scheme was to remedy the severe lack of liquidity suffered by the undertakings in the agricultural, forestry, fishery and aquaculture sectors that put at risk the continuation of their activity. The measure pursues the same objective.
- (5) Following the prolongation of the Temporary Framework to further support the economy in the context of the COVID-19 outbreak, Italy intends to:
- (a) reintroduce the initial scheme, as amended, until 30 June 2022;
 - (b) increase the maximum amount of aid per undertaking from EUR 270 000 to EUR 345 000 per undertaking undertakings active in the fishery and aquaculture sector and from EUR 225 000 to EUR 290 000 per undertaking active in the primary production of agricultural products.
- (6) All the other elements of the initial scheme, as described in the initial decision and the amendment decisions mentioned in recital (2) will remain unchanged. The Italian authorities confirmed that the commitments provided for the purposes of the initial scheme are valid in their entirety also for the measure.
- (7) The legal basis for the measure is the draft decree of the Director General of Agriculture of the Campania Region: Adjustment of aid SA.57349 (2020/N) to the 6th Amendment of the Temporary Framework for State aid measures to support the economy in the current emergency of COVID-19³.
- (8) Aid may be granted under the measure as from the notification of the Commission’s decision approving the measure until 30 June 2022.

3. ASSESSMENT

3.1. Lawfulness of the measure

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

3.2. Existence of State aid

- (10) 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

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

³ *Progetto di Decreto del Direttore Generale Agricoltura della Regione Campania Adeguamento dell’aiuto SA.57349 (2020/N) al VI emendamento del Quadro temporaneo per le misure di aiuto di Stato a sostegno dell’economia nell’attuale emergenza del COVID-19.*

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 affect trade between Member States.

- (11) The initial scheme constituted 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 amendments referred to in recital (2) did not affect that conclusion. The measure does equally not affect that conclusion. The Commission therefore refers to the assessment of the initial decision and concludes that the measure constitutes State aid within the meaning of Article 107(1) TFEU.

3.3. Compatibility

- (12) The initial scheme was compatible with the internal market pursuant to Article 107(3)(b) TFEU, since it met the conditions of Sections 2 and 3.1 of the Temporary Framework for the reasons set out in recitals (35) to (41) of the initial decision. The amendments referred to in recital (2) did not affect that assessment as confirmed in the respective Commission decisions thereon. The Commission therefore refers to the respective assessment of the initial decision.
- (13) The Commission considers that a reintroduction for a limited period of time of the initial scheme, as amended, is appropriate to ensure that the national support measure effectively helps affected undertakings during the COVID-19 pandemic. The measure does not affect the compatibility assessment made under the initial decision and confirmed under the amendments specified in recital (2). In particular, the Commission notes that aid under the measure can only be granted until 30 June 2022, as described in recital (5). The measure thus complies with point 22(d) of the Temporary Framework.
- (14) Furthermore, the Commission notes that maximum aid amounts per beneficiary under Section 3.1 are increased to EUR 345 000 per undertakings active in the fishery and aquaculture sector and to EUR 290 000 per undertakings active in the primary production of agricultural products to (see recital (5)). The measure thus complies with point 23(a) of the Temporary Framework.
- (15) All other elements of the initial scheme, as amended, and all commitments provided for the purpose of the initial scheme remain unchanged (see recital (6)).
- (16) The Commission therefore considers that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State pursuant to Article 107(3)(b) TFEU since it meets all the relevant conditions of the Temporary Framework.

4. CONCLUSION

The Commission has accordingly decided not to raise objections to the measure 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/elojade/isef/index.cfm>.

Yours faithfully,

For the Commission

Margrethe VESTAGER
Executive Vice-President

