

Exemption from notification of State aid to the European Commission

Published: 02.12.2020.

In the result of recent modernization and simplification of State aid procedures launched by the Commission in certain cases which are set by the normative acts the State aid can be exempted from the duty of notification to the European Commission. For this purpose, on May 7, 1998, the Council adopted Regulation (EC) No 994/98 on the application of Articles 92 and 93 of the Treaty establishing the European Community to certain categories of horizontal State aid, and especially it refers to sub-clauses a) and b) of the Article 1(1) of this Regulation, therefore allowing Commission to adopt the so-called "block exemption regulations" in the State aid control field. This Regulation envisages that the Commission can declare certain categories of State aid as compliant with the Treaty if they comply with certain conditions thus exempting these categories from prior notification and agreement of the Commission. Therefore the aid granted according to the Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General Block Exemption Regulation) and provisions of other Commission Regulations issued pursuant to the Council Regulation No 994/98 is exempted from the prior notification to the European Commission.

However, exemption of the above mentioned aid from the prior notification to the European Commission does not mean that it is exempted from the national assessment. Namely, to gain assurance that the aid exempted from prior notification to the European Commission complies with conditions of exemption regulation initial assessment of the planned aid should be carried out by the Ministry of Finance. After initial assessment the Ministry of Finance shall transmit the summary information on planned aids to the European Commission through the aid notification electronic system under the management of the European Commission – SANI.

It should be noted that due to adoption of the above mentioned General Block Exemption Regulation [06.08.2008] and its validation [29.08.2008] the following regulations became invalid:

Commission Regulation (EC) No 68/2001 of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to training aid amended by Commission Regulation (EC) No 363/2004 of 25 February 2004 and Commission Regulation (EC) No 1976/2006 of 20 December 2006;

Commission Regulation (EC) No 70/2001 of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to State aid to small and medium-sized enterprises amended by Commission Regulation No 364/2004 of 25 February 2004 and Commission Regulation (EC) No 1976/2006 of 20 December 2006;

Commission Regulation (EC) No 2204/2002 of 12 December 2002 on the application of Articles 87 and 88 of the EC Treaty to State aid for employment amended by Commission Regulation (EC) No 1976/2006 of 20 December 2006;

Commission Regulation (EC) No 1628/2006 of 24 October 2006 on the application of Articles 87 and 88 of the Treaty to national regional investment aid.

According to Article 44(2) of the General Block Exemption Regulation any aid granted before 31 December 2008, which does not fulfil the conditions laid down in this Regulation but fulfils the conditions laid down in Regulation (EC) No 68/2001, Regulation (EC) No 70/2001, Regulation (EC) No 2204/2002 or Regulation (EC) No 1628/2006 shall be compatible with the common market and exempt from the notification requirement of Article 88(3) of the Treaty. Therefore, as of 1 January 2009, all aid programmes to be exempted from the previous notification to the European Commission should comply with conditions of the General Block Exemption Regulation.

<https://www.fm.gov.lv/en/exemption-notification-state-aid-european-commission>