



## EUROPEAN COMMISSION

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C(2021) 1749 final

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**Subject: State Aid SA.62190 (2021/N) – Sweden  
COVID-19: Amendments of SA.60275**

Excellency,

### 1. PROCEDURE

- (1) By electronic notification of 3 March 2021, Sweden notified amendments to the following existing aid scheme SA.60275 – Compensation scheme for undertakings faced with turnover losses due to COVID-19 in the period between August 2020 and February 2021 (“the existing aid scheme”) which the Commission had approved<sup>1</sup> under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (“the Temporary Framework”)<sup>2</sup>.
- (2) Sweden 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 and to have this Decision adopted and notified in English.

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<sup>1</sup> Decision C(2021) 1071 final of 12.2.2021 State Aid SA.60275 (2021/N) – Sweden COVID-19: Compensation scheme for undertakings faced with turnover losses due to COVID-19 in August 2020 – February 2021 (“the initial Decision”).

<sup>2</sup> 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) and C(2021) 564 (OJ C 34, 1.2.2021, p. 6).

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

- (3) The legal basis for the measure is a draft Governmental Ordinance (amending the Ordinance 2021:126 on compensation aid for August 2020–February 2021) communicated to the Commission as part of the notification. The Ordinance is planned to enter into force after the notification of the Commission’s approval.
- (4) Section 3.12 of the Temporary Framework, as last amended, provides that aid in the form of support for uncovered fixed costs may be granted no later than 31 December 2021 for uncovered fixed costs incurred during the period between 1 March 2020 and 31 December 2021, including such costs incurred in part of that period (“eligible period”) (paragraph 87 (a)).
- (5) Sweden plans to modify the existing aid scheme by extending the eligible period to the months of March and April 2021 (currently until February 2021), by adapting accordingly the reference period for the eligibility condition based on turnover decline<sup>3</sup> and by postponing the end date for applying for the aid to 30 June 2021 (currently 30 April 2021).
- (6) Sweden intends to increase the budget for this extension by SEK 6.8 billion (EUR 667.7 million<sup>4</sup>).
- (7) Sweden confirms that no other amendments are being made to the existing aid scheme SA.60275.

## **3. ASSESSMENT**

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

- (8) By notifying the measure before putting it into effect, the Swedish 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 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 the initial Decision.<sup>5</sup> The notified amendments do not affect that conclusion. The Commission therefore refers to the assessment of the initial Decision and concludes that the existing aid scheme as modified by the notified amendments, constitutes State aid in the meaning of Article 107 (1) TFEU.

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<sup>3</sup> The reference period for the assessment of the minimum 30% decline in turnover corresponds to the same period in 2019, namely March and April 2019.

<sup>4</sup> Exchange rate 8.3.2021 SEK 1= EUR 0.0982

<sup>5</sup> See recitals (35) to (40) of the initial Decision.

### **3.3. Compatibility**

- (11) The Commission assessed the existing aid scheme on the basis of Article 107(3)(b) TFEU in light of the Temporary Framework and concluded that they were compliant with the compatibility conditions set out in that Framework.
- (12) The Commission refers to its analysis of compatibility as set out in the initial Decision.<sup>6</sup>
- (13) In light of point 87(a) of the Temporary Framework, the Commission considers that the notified modifications to the existing aid scheme regarding the extension of the eligible period and the postponement of the end date for application meet the conditions of the amended Temporary Framework and do not alter the conclusions reached by the Commission as to the compatibility of the scheme as set out in the initial Decision.
- (14) Similarly, in light of point 87 (a) of the Temporary Framework, the Commission considers that the notified modification to the existing aid scheme regarding the increase of the budget corresponds to the extension of the eligible period and does not alter the conclusions reached by the Commission as to the compatibility of the scheme as set out in the initial Decision.

### **4. CONCLUSION**

The Commission has accordingly decided not to raise objections to the notified amendments of the existing aid scheme SA.60275 on the grounds that they are compatible with the internal market pursuant to Article 107(3)(b) of the Treaty on the Functioning of the European Union as interpreted by the Temporary Framework.

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

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<sup>6</sup> See recitals (41) to (49) of the initial Decision.