



EUROPEAN COMMISSION

Brussels, 23.04.2021  
C(2021) 3011 final

**SENSITIVE\*** : *COMP Operations*

**Subject: State Aid SA.62430 (2021/N) – Belgium  
COVID-19: Granting of a restart loan for undertakings with liquidity problems**

Excellency,

**1. PROCEDURE**

- (1) By electronic notification of 22 March 2021, Belgium notified a scheme in the form of limited amounts of aid (“verlenen van een heropstartlening aan ondernemingen met liquiditeitsproblemen”, the “measure”) under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak (the “Temporary Framework”).<sup>1</sup>
- (2) Belgium 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<sup>2</sup> and to have this Decision adopted and notified in English.

---

\* Distribution only on a 'Need to know' basis - Do not read or carry openly in public places. Must be stored securely and encrypted in storage and transmission. Destroy copies by shredding or secure deletion. Full handling instructions: <https://europa.eu/db43PX>

<sup>1</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).

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

Son Excellence Madame Sophie Wilmès  
Ministre des Affaires étrangères, des Affaires  
européennes et du Commerce extérieur,  
et des Institutions culturelles fédérales  
Rue des Petits Carmes, 15  
B - 1000 Bruxelles

Hare Excellentie mevrouw Sophie Wilmès  
Minister van Buitenlandse Zaken, Europese Zaken en  
Buitenlandse Handel,  
en van de Federale Culturele Instellingen  
Karmelietenstraat 15  
B - 1000 Brussel

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

- (3) Belgium considers that the COVID-19 outbreak affects the real economy. The measure forms part of an overall package of measures and aims to ensure that sufficient liquidity remains available in the market, to counter the liquidity shortage faced by undertakings because of the outbreak, to ensure that the disruptions caused by the outbreak do not undermine the viability of the undertakings and thereby to preserve the continuity of economic activity during and after the outbreak.
- (4) Belgium confirms that the aid under the measure is not conditioned on the relocation of a production activity or of another activity of the beneficiary from another country within the EEA to the territory of the Member State granting the aid. This is irrespective of the number of job losses actually occurred in the initial establishment of the beneficiary in the EEA.
- (5) The compatibility assessment of the measure is based on Article 107(3)(b) TFEU, in light of sections 2 and 3.1 of the Temporary Framework.

### **2.1. The nature and form of aid**

- (6) The measure provides aid in the form of loans.

### **2.2. Legal basis**

- (7) The legal basis for the measure is a draft Decision of the Flemish Government regarding the granting of a restart loan for undertakings with liquidity needs. This draft Decision has the reference number VR 2021 1903 DOC.0296/2<sup>3</sup>.

### **2.3. Administration of the measure**

- (8) The Flemish Region is responsible for administering the measure. Participatie Maatschappij Vlaanderen (“PMV/z-Leningen NV”) implements the measure together with the Flemish Agency for Innovation and Entrepreneurship (VLAIO, hereinafter “the Agency”), in the name and on behalf of the Flemish Region.

### **2.4. Budget and duration of the measure**

- (9) The estimated budget of the measure is EUR 75 million. The Belgian authorities confirm that the maximum nominal amount of loans under the measure will not exceed EUR 1.8 million per undertaking, EUR 270 000 per undertaking active in the fishery and aquaculture sector or EUR 225 000 per undertaking active in the primary production of agricultural products; all figures used must be gross, that is, before any deduction of tax or other charge.
- (10) Aid may be granted under the measure as from the notification of the Commission’s approval until no later than 31 December 2021.

---

<sup>3</sup> Not yet adopted.

## **2.5. Beneficiaries**

- (11) Final beneficiaries are undertakings of all sizes that are organised under any of the following forms:
- (a) Natural persons who independently carry out a professional activity;
  - (b) Companies governed by private law, having legal personality;
  - (c) Non-profit associations;
  - (d) Foreign companies with a legal status equivalent to one of the status referred to in points (a) to (c).

However, financial institutions are excluded as eligible final beneficiaries.

- (12) Aid may not be granted under the measure to medium<sup>4</sup> and large enterprises that were already in difficulty within the meaning of the General Block Exemption Regulation (“GBER”)<sup>5</sup>, the Agricultural Block Exemption Regulation<sup>6</sup> or of the Fisheries Block Exemption Regulation<sup>7</sup> on 31 December 2019. Aid may be granted to micro and small enterprises that were in difficulty within the meaning of the GBER on 31 December 2019, if those enterprises, at the moment of granting the aid, are not subject to collective insolvency procedure under national law and they have not received rescue aid<sup>8</sup> or restructuring aid.<sup>9</sup>

## **2.6. Sectoral and regional scope of the measure**

- (13) The measure is open to all sectors except the financial sector. It applies to the Flemish Region of Belgium.

---

<sup>4</sup> As defined in Annex I to Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187, 26.6.2014, p. 1.

<sup>5</sup> As defined in Article 2(18) of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187, 26.6.2014, p. 1 (“GBER”).

<sup>6</sup> As defined in Article 2(14) of the Commission Regulation (EU) No 702/2014 of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 193 of 1.7.2014, p.1 (the “Agricultural Block Exemption Regulation”).

<sup>7</sup> As defined in Article 3(5) of the Commission Regulation (EU) No 1388/2014 of 16 December 2014 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 369 of 24 December 2014, p. 37 (the “Fisheries Block Exemption Regulation”).

<sup>8</sup> Alternatively, if they have received rescue aid, they have reimbursed the loan or terminated the guarantee at the moment of granting of the aid under the notified measure.

<sup>9</sup> Alternatively, if they have received restructuring aid, they are no longer subject to a restructuring plan at the moment of granting of the aid under the notified measure.

## 2.7. Basic elements of the measure

- (14) The measure consists in a loan, at an interest rate of 1%, which supports undertakings of all sizes operating in the Flemish Region of Belgium. The objective of the restart loan is to cover part of the costs incurred by beneficiaries in 2021 for restarting their activities after a long period of closures and/or severe restrictions to their businesses due to COVID-19 (e.g. renewal of the stock or supplies, resources, ingredients).
- (15) The restart loan falls within the scope of section 3.1 of the Temporary Framework to the extent it cannot be granted as a de minimis aid<sup>10</sup>. For this purpose, it is up to the applicants to explicitly indicate in their application whether the de minimis thresholds have been already reached at the moment of the submission.
- (16) Applicants can electronically file their applications for the restart loans with the Agency until 1 September 2021. The Agency will perform checks on the eligibility criteria and the relevant declarations on honors (concerning the conditions listed in recitals (11) and (12) above and in Articles 8 and 9 of the legal basis<sup>11</sup>).
- (17) Applicants can receive up to two loans. Each loan amount is equal to a percentage of the value of eligible invoices submitted by the applicant:
  - (i) If the value is lower than or equal to EUR 62 500, the amount of the loan corresponds to 80% of that value. However, the minimum amount of the loan is EUR 10 000.
  - (ii) If the value exceeds EUR 62 500, the amount of the loan corresponds to 80% of that value up to EUR 62 500, and to 50% of the remaining value of the invoices.
- (18) Only invoices received with an issuing date between 1 January 2021 and 31 August 2021 are eligible. Invoices shall relate to purchases in the following VAT categories:
  - (i) Code (81) purchase of trade goods, resources or auxiliary materials;
  - (ii) Code (82) purchase of services and miscellaneous goods;
  - (iii) Code (83) purchase of corporate goods or investments.

---

<sup>10</sup> Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24.12.2013, p. 1), Commission Regulation (EU) No 1408/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the agriculture sector (OJ L 352, 24.12.2013 p. 9), Commission Regulation (EU) No 717/2014 of 27 June 2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector (OJ L 190, 28.6.2014, p. 45) and Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest (OJ L 114, 26.4.2012, p. 8).

<sup>11</sup> E.g. compliance with certain VAT rules and no backlogs in the payment of current loans.

- (19) The total amount of the loan(s) is limited to 25% of the purchases accounted under code 81 of the VAT declaration (“purchase of trade goods, resources or auxiliary materials”) in the reference year 2019, with a maximum of EUR 750 000 for the total restart loan(s). For undertakings active in the fishery and aquaculture sector or active in the primary production of agricultural products, this total maximum ceiling is equal, respectively, to EUR 270 000 or EUR 225 000 per undertaking.
- (20) At least 75% of the loan(s) should relate to the costs under code (81) (purchase of trade goods, resources or auxiliary materials), while the remaining part may relate to costs under code (82) and/or code (83).
- (21) The loan maturity is limited to 24 months for loans up to EUR 50 000. The repayments start from the fifteenth month after the date of the disbursement of the loan. The loan is repaid per trimester (4 instalments). The duration of the loan is limited to 36 months for loans above EUR 50 000. In this case, the repayments occur starting from the fifteenth month after the date of the disbursement of the loan, and the loan is repaid per trimester (8 instalments). In case of continuing economic difficulties, PMV/z-Leningen is authorised to amend the three-month deadlines for repayments, within the limits of the loan maturity (24 or 36 months).
- (22) Aid granted to undertakings active in the processing and marketing of agricultural products<sup>12</sup> is conditional on not being partly or entirely passed on to primary producers and is not fixed on the basis of the price or quantity of products put on the market by the undertakings concerned or purchased from primary producers, unless, in the latter case, the products were either not put on the market or were used for non-food purposes such as distillation, methanization or composting by the undertakings concerned.
- (23) Aid to undertakings active in the primary production of agricultural products is not fixed on the basis of the price or quantity of products put on the market.
- (24) Aid to undertakings active in the fishery and aquaculture does not concern any of the categories of aid referred to in Article 1, paragraph (1) (a) to (k), of Commission Regulation (EU) No 717/2014<sup>13</sup>.
- (25) Where an undertaking is active in several sectors to which different maximum amounts apply in accordance with points 22(a) and 23(a) of the Temporary Framework, it will be ensured, by appropriate means such as separation of accounts, that for each of these activities the relevant ceiling is respected and that the overall maximum amount of EUR 1.8 million is not exceeded per undertaking. Where an undertaking is active in the sectors covered by point 23(a) of the Temporary Framework, the overall maximum amounts of EUR 270 000 or EUR 225 000, as appropriate, is not exceeded per undertaking.

---

<sup>12</sup> As defined in Article 2(6) and Article 2(7) of the Agricultural Block Exemption Regulation.

<sup>13</sup> Commission Regulation (EU) No 717/2014 of 27 June 2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector, OJ L 90, 28.6.2014, p. 45

## **2.8. Cumulation**

- (26) The Belgian authorities confirm that aid granted under the measure may be cumulated with aid under de minimis Regulations, the General Block Exemption Regulation, the Agricultural Block Exemption Regulation and the Fisheries Block Exemption Regulation provided the provisions and cumulation rules of those Regulations are respected.
- (27) The Belgian authorities confirm that aid under the notified measure may be cumulated with other forms of Union financing, provided that the maximum aid intensities indicated in the relevant Guidelines or Regulations are respected.
- (28) The Belgian authorities confirm that aid granted under the measure may be cumulated with aid granted under other measures approved by the Commission under other sections of the Temporary Framework provided the provisions in those specific sections are respected.
- (29) The Belgian authorities confirm that if the beneficiary receives aid on several occasions or in several forms under the measure or aid under other measures approved by the Commission under section 3.1 of the Temporary Framework, the overall maximum cap per undertaking, as set out in points 22(a) and 23(a) of that framework, will be respected. Aid granted under the measure and/or other measures approved by the Commission under section 3.1 of the Temporary Framework which has been reimbursed before 31 December 2021 shall not be taken into account in determining whether the relevant ceiling is exceeded.

## **2.9. Monitoring and reporting**

- (30) The Belgian authorities confirm that they will respect the monitoring and reporting obligations laid down in section 4 of the Temporary Framework (including the obligation to publish relevant information on each individual aid above EUR 100 000 granted under the measure and EUR 10 000 in the primary agriculture and in the fisheries sectors on the comprehensive national State aid website or Commission's IT tool within 12 months from the moment of granting<sup>14</sup>).

## **3. ASSESSMENT**

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

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

### **3.2. Existence of State aid**

- (32) 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

---

<sup>14</sup> Referring to information required in Annex III to the GBER, Annex III to the Agricultural Block Exemption Regulation and Annex III to the Fisheries Block Exemption Regulation.

be selective in nature. Fourth, the measure must distort or threaten to distort competition and affect trade between Member States.

- (33) The measure is imputable to the State, since it is administered by the Flemish Region of Belgium and it is based on the Decision of the Flemish Government set out in recital (7). It is financed through State resources, since it is financed by public funds.
- (34) The measure confers an advantage on its beneficiaries in the form of loans (recital (6)). Since the beneficiaries could not obtain loans or loans on the same conditions on the market, the measure confers an advantage on those beneficiaries which they would not have had under normal market conditions.
- (35) The advantage granted by the measure is selective, since it is awarded only to certain undertakings, in particular undertakings which meet the conditions in recital (11) and (12), excluding the financial sector.
- (36) The measure is liable to distort competition, since it strengthens the competitive position of its beneficiaries. It also affects trade between Member States, since those beneficiaries are active in sectors in which intra-Union trade exists.
- (37) In view of the above, the Commission concludes that the measure constitutes aid within the meaning of Article 107(1) TFEU. The Belgian authorities do not contest that conclusion.

### **3.3. Compatibility**

- (38) Since the measure involves aid within the meaning of Article 107(1) TFEU, it is necessary to consider whether that measure is compatible with the internal market.
- (39) Pursuant to Article 107(3)(b) TFEU the Commission may declare compatible with the internal market aid *“to remedy a serious disturbance in the economy of a Member State”*.
- (40) By adopting the Temporary Framework on 19 March 2020, the Commission acknowledged (in section 2) that *“the COVID-19 outbreak affects all Member States and that the containment measures taken by Member States impact undertakings”*. The Commission concluded that *“State aid is justified and can be declared compatible with the internal market on the basis of Article 107(3)(b) TFEU, for a limited period, to remedy the liquidity shortage faced by undertakings and ensure that the disruptions caused by the COVID-19 outbreak do not undermine their viability, especially of SMEs”*.
- (41) The measure aims at facilitating the access of undertakings to external finance, at a time when the normal functioning of markets is severely disturbed by the COVID-19 outbreak and that outbreak is affecting the wider economy and leading to severe disturbances of the real economy of Member States.
- (42) The measure is one of a series of measures conceived at national level by the Belgian authorities to remedy a serious disturbance in their economy. The measure is of a scale, which can be reasonably anticipated to produce effects for the entire Belgian economy. Furthermore, the measure has been designed to meet

the requirements of a specific category of aid (“*Limited amounts of aid*”) described in section 3.1. of the Temporary Framework.

(43) The Commission accordingly considers that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State and meets all the conditions of the Temporary Framework. In particular:

- The aid takes the form of loans (recital (6)).  
The overall nominal value of these loans shall not exceed EUR 1.8 million per undertaking (recital (9)); all figures used must be gross, that is, before any deduction of tax or other charges. The measure therefore complies with point 22(a) of the Temporary Framework.
- Aid is granted under the measure on the basis of a scheme with an estimated budget as indicated in recital (9). The measure therefore complies with point 22(b) of the Temporary Framework.
- Aid may not be granted under the measure to medium<sup>15</sup> and large enterprises that were already in difficulty on 31 December 2019 (recital (12)). The measure therefore complies with point 22(c) of the Temporary Framework. Aid may be granted to micro and small enterprises that were in difficulty on 31 December 2019, if those enterprises, at the moment of granting the aid, are not subject to collective insolvency procedure under national law and they have not received rescue aid<sup>16</sup> or restructuring aid<sup>17</sup> (recital (12)). The measure therefore complies with point 22(c)bis of the Temporary Framework.
- Aid will be granted under the measure no later than 31 December 2021 (recital (10)). The measure therefore complies with point 22(d) of the Temporary Framework.
- Aid granted to undertakings active in the processing and marketing of agricultural products is excluded when the aid is conditional on being partly or entirely passed on to primary producers, fixed on the basis of the price or quantity of products put on the market by the undertakings concerned or purchased from primary producers, unless, in the latter case, the products were either not put on the market or were used for non-food purposes such as distillation, methanization or composting by the undertakings concerned (recital (22)). The measure therefore complies with point 22(e) of the Temporary Framework.
- The overall nominal value of the loan(s) does not exceed EUR 270 000 per undertaking active in the fishery and aquaculture sector or EUR 225 000 per undertaking active in the primary production of

---

<sup>15</sup> As defined in Annex I to the GBER1.

<sup>16</sup> Alternatively, if they have received rescue aid, they have reimbursed the loan or terminated the guarantee at the moment of granting of the aid under the notified measure.

<sup>17</sup> Alternatively, if they have received restructuring aid, they are no longer subject to a restructuring plan at the moment of granting of the aid under the notified measure.



agricultural products (recital (9)), all figures used must be gross, that is, before any deduction of tax or other charge. The measure therefore complies with point 23(a) of the Temporary Framework.

- Aid granted to undertakings active in the primary production of agricultural products must not be fixed on the basis of the price or quantity of products put on the market (recital (23)). The measure therefore complies with point 23(b) of the Temporary Framework.
- Aid granted to undertakings active in the fishery and aquaculture sector does not concern any of the categories of aid referred to in Article 1, paragraph (1)(a) to (k) of Commission Regulation (EU) No 717/2014 (recital (24)). The measure therefore complies with point 23(c) of the Temporary Framework.
- Where an undertaking is active in several sectors to which different maximum aid amounts apply in accordance with points 22(a) and 23(a) of the Temporary Framework, Belgium 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 1.8 million is not exceeded per undertaking. Where an undertaking is active in the sectors covered by point 23 (a) of the Temporary Framework, the overall maximum amount of EUR 270 000 or EUR 225 000, as appropriate, is not exceeded per undertaking (recital (25)). The measure therefore complies with point 23bis of the Temporary Framework.

- (44) The Belgian authorities confirm that the aid under the measure is not conditioned on the relocation of a production activity or of another activity of the beneficiary from another country within the EEA to the territory of the Member State granting the aid. This is irrespective of the number of job losses actually occurred in the initial establishment of the beneficiary in the EEA (recital (4)).
- (45) The Belgian authorities confirm that the monitoring and reporting rules laid down in section 4 of the Temporary Framework will be respected (recital (30)). The Belgian authorities further confirm that the aid under the measure may only be cumulated with other aid, provided the specific provisions in the sections of the Temporary Framework and the cumulation rules of the relevant Regulations are respected (recitals (26) to (29)).
- (46) 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 aid 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

