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SENSITIVE*: *COMP Operations*

Subject: State Aid SA.103314 (2022/N) – Belgium
TCF: bridge loans in the Flemish Region

Excellency,

1. PROCEDURE

- (1) By electronic notification of 13 June 2022, Belgium notified aid in the form of limited amounts of aid and liquidity support in the form of subsidised loans (“*overbruggingslening aan ondernemingen*”, the “measure”) under the Temporary Crisis Framework for State aid measures to support the economy following the aggression against Ukraine by Russia (the “Temporary Crisis Framework”)¹. Belgium submitted additional information on 23 June 2022, 4 and 5 July 2022.

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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 131 I, 24.3.2022, p. 1).

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

2. DESCRIPTION OF THE MEASURE

- (3) Belgium considers that the Russian aggression against Ukraine, the sanctions imposed by the European Union (EU) and its international partners, and the counter-measures taken by Russia (‘the current crisis’) so far affects the real economy. The current crisis created significant economic uncertainties, disrupted trade flows and supply chains, and led to exceptionally large and unexpected price increases, especially in natural gas and electricity, but also in numerous other input and raw materials and primary goods, including in the agri-food sector. The current crisis has particularly affected the liquidity situation of small and medium-sized enterprises (“SMEs”), which also face greater difficulties in accessing finance. Thus, the measure aims to remedy the liquidity shortage faced by SMEs that are directly or indirectly affected by the serious disturbance of the economy caused by the Russian aggression against Ukraine, the sanctions imposed by the EU or by its international partners, as well as by the economic counter measures taken so far by Russia.
- (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 1 and 2.1 and 2.3 of the Temporary Crisis 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 on the granting of a bridging loan to companies, which will be adopted once the Commission decision approving the measure is notified to Belgium.

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

2.3. Administration of the measure

- (8) The Flemish Region is responsible for administering the measure. Participatiemaatschappij Vlaanderen (“PMV/zLoans”) grants the loans, via its subsidiary Participatiemaatschappij Vlaanderen/z-Leningen (“PMV/z-Leningen NV”) (hereinafter together, “PMV”). The Flemish Agency for Innovation and Entrepreneurship ((VLAIO), hereinafter “the Agency”) determines the eligibility and aid amount to be granted, following the beneficiaries application(s).

2.4. Budget and duration of the measure

- (9) The estimated budget of the measure is EUR 300 million.
- (10) The measure will be financed by public funds.
- (11) Aid may be granted under the measure as from the notification of the Commission’s decision approving the measure until no later than 31 December 2022.

2.5. Beneficiaries

- (12) The final beneficiaries of the measure are SMEs³ having an operational place of business (or, in the case of natural persons engaged in an economic activity, being established) in the Flemish Region of Belgium⁴, which are affected by the crisis. The Flemish Government estimates that approximately 3 000 to 4 500 undertakings will benefit from the measure.
- (13) Belgium confirms that the aid under the measure is not granted to undertakings under sanctions adopted by the EU, including but not limited to: (i) persons, entities or bodies specifically named in the legal acts imposing those sanctions; (ii) undertakings owned or controlled by persons, entities or bodies targeted by sanctions adopted by the EU; or (iii) undertakings active in industries targeted by sanctions adopted by the EU, insofar as the aid would undermine the objectives of the relevant sanctions.
- (14) Belgium confirms that the measure may not in any way be used to undermine the intended effects of sanctions imposed by the EU or its international partners and will be in full compliance with the anti-circumvention rules of the applicable regulations⁵. In particular, natural persons or entities subject to the sanctions will not benefit directly or indirectly from the measure.

³ 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).

⁴ The basic requirements are for the undertaking to have a ‘seat’ within the Flemish region and to be registered in the central register of companies (i.e., Kruispuntbank van Ondernemingen (KBO); <https://kbopub.economie.fgov.be/kbopub/zoeknaamfonetischform.html?lang=nl>).

⁵ For example, Article 12 of Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 1).

- (15) Aid may not be granted under the measure to undertakings that were already in difficulty, within the meaning of the General Block Exemption Regulation (“GBER”)⁶, the Agricultural Block Exemption Regulation (“ABER”)⁷ or the Fisheries Block Exemption Regulation (“FIBER”)⁸, on the date of submission of the aid application.

2.6. Sectoral and regional scope of the measure

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

2.7. Basic elements of the measure

- (17) Loans to be granted under the measure aim at remedying a serious disturbance in the economy of the Flemish Region, following the current crisis, by providing financial support to cover the liquidity needs of companies to face the challenges caused by the crisis. According to Article 4 of the draft decision of the Flemish government, the bridge loan is to support “*the immediate liquidity needs of the aid applicant, insofar as they are the result of the war in Ukraine*” (notably because of energy price increases or trade disruption). To that end, applicants have to concretely describe in their aid applications how they are affected by the crisis.
- (18) The loans fall within the scope of Section 2.1 or 2.3 of the Temporary Crisis Framework to the extent they cannot be granted as *de minimis aid*⁹. For this purpose, it is up to the applicants to explicitly indicate, in their application(s), whether the *de minimis* thresholds have been already reached at the moment of the submission of that application or not. Should the *de minimis* threshold be exceeded, then it is up to the beneficiary to choose to apply for aid under Section 2.1 or 2.3 of the Temporary Crisis Framework.

⁶ As defined in Article 2(18) of Commission Regulation (EU) No 651/2014.

⁷ As defined in Article 2(14) of 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, 1.7.2014, p. 1).

⁸ As defined in Article 3(5) of 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, 24.12.2014, p. 37).

⁹ 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).

- (19) The loan amount will be equal to a percentage of the value of eligible invoices¹⁰ submitted by the applicant¹¹. The invoices must relate to the eligible period from 24 February 2022, until the date of application for the loan. Beneficiaries can apply until 15 December 2022, unless budgetary resources have been exhausted earlier. The aid under the measure will be granted before 31 December 2022.
- (20) The duration of the loan is limited to 24 months, for loans up to EUR 50 000, and 36 months, for loans above EUR 50 000. Repayment must be made in equal, quarterly, instalments, after an exempted initial period of 12 months. However, PMV can grant adjusted repayment periods to beneficiaries, within the limits of the loan maturity (24 or 36 months). During the exempted initial period of 12 months, the interest rate will still be charged; only its collection will occur at the moment of the last instalment of the loan.
- (21) Loans are granted at an interest rate of 1.5% per year.
- (22) A beneficiary can apply for a maximum number of two loans under the measure. To that end, loans under this measure as well as loans under the COVID-19 measure “Overbruggingslening” (approved by Commission decision C(2022) 164 final of 11 January 2022 in SA.101133) will be considered¹².
- (23) The minimum amount of the loan will be EUR 10 000. The maximum amount of the loan(s) depend(s) on the size of the beneficiary. Specifically, the maximum amount per loan, and maximum combined amount of the two loans, shall be of EUR 200 000, for undertakings with fewer than 50 employees, and EUR 400 000, for undertakings with 50 to 250 employees. Additionally, however, the loan amount granted under Section 2.3 of the Temporary Crisis Framework will not exceed 15% of the average total annual turnover of the beneficiary for the last 3 years (2019, 2020 and 2021), based on the official VAT declaration to be submitted as evidence or, alternatively, when the applicant is exempt from submitting VAT declarations, based on the general tax returns; in that case, the maximum amount per loan, and the maximum combined amount of the two loans, may reach EUR 750 000. All figures used must be gross, that is, before any deduction of tax or other charges.
- (24) The Belgian authorities confirm that, for loans granted under section 2.1 of the Temporary Crisis Framework:

¹⁰ Eligible invoices include invoices for the purchase of goods or services, as well as commercial leases.

¹¹ For loans up to EUR 50 000, 80% of the declared eligible invoices are accepted as loan amount. If the loans exceeds EUR 50 000, then 80% of the declared eligible invoices are accepted as loan amount up to EUR 50 000 and, above EUR 50 000, only 50% of the declared eligible invoices are accepted as loan amount.

¹² Loans granted under either of these measures as de minimis loans (recital (18); recital (16) of Commission decision in case SA.101133) will therefore also be taken into account when assessing the maximum number of loans.

- the overall aid amount does not at any point in time exceed EUR 35 000 per undertaking active in the primary production of agricultural products¹³ or fishery and aquaculture sector¹⁴;
- aid granted to undertakings active in the processing and marketing of agricultural products¹⁵ 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;
- 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;
- 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; and
- where an undertaking is active in several sectors to which different maximum aid amounts apply in accordance with points 41(a) and 42(a) of the Temporary Crisis 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 400 000 is not exceeded per undertaking. The Belgian authorities confirm that, where an undertaking is active in the sectors covered by point 42(a) of the Temporary Crisis Framework, the overall maximum amount of EUR 35 000 will not be exceeded per undertaking.

2.8. Cumulation

- (25) The Belgian authorities confirm that aid granted under the measure may be cumulated with aid under de minimis Regulations¹⁶ or the Block Exemption Regulations (GBER, ABER, FIBER), and that the provisions and cumulation rules of those Regulations are respected.

¹³ As defined in Article 2(5) of the ABER.

¹⁴ As defined in Article 2(1) of Commission Regulation (EU) No 717/2014.

¹⁵ As defined in Article 2(6) and Article 2(7) of the ABER.

¹⁶ 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).

- (26) The Belgian authorities confirm that aid under the 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.
- (27) The Belgian authorities confirm that aid granted under the measure may be cumulated with aid granted under the COVID Temporary Framework and with other measures approved by the Commission under other sections of the Temporary Crisis Framework, provided the provisions in those specific sections are respected.
- (28) 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 2.1 of the Temporary Crisis Framework, the overall maximum cap per undertaking, as set out in points 41(a) and 42(a) of that framework, will be respected.
- (29) The Belgian authorities confirm that for the same underlying loan principal, aid granted under Section 2.3 of the Temporary Crisis Framework will not be cumulated with aid granted under Section 2.2 of that framework and vice versa.
- (30) A beneficiary may benefit in parallel from multiple schemes under Section 2.3, provided the overall amount of loans per beneficiary does not exceed the ceilings set out in point 50(e) of the Temporary Crisis Framework.

2.9. Monitoring and reporting

- (31) The Belgian authorities confirm that they will respect the monitoring and reporting obligations laid down in Section 3 of the Temporary Crisis 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 granting¹⁷).

3. ASSESSMENT

3.1. Lawfulness of the measure

- (32) By notifying the measure before putting it into effect (recital (7)), the Belgian authorities have respected their obligations under Article 108(3) TFEU.

3.2. Existence of State aid

- (33) 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

¹⁷ Referring to information required in Annex III to Commission Regulation (EU) No 651/2014 and Annex III to Commission Regulation (EU) No 702/2014 and Annex III to Commission Regulation (EU) No 1388/2014. For repayable advances, guarantees, loans, the nominal value of the underlying instrument shall be inserted per beneficiary.

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

- (34) The measure is imputable to the State, since it is administered by the Flemish Region of Belgium and it is based on a draft decision of the Flemish Government (recitals (7) and (8)).
- (35) It is financed through State resources, since it is financed by public funds (recital (10)).
- (36) The measure confers an advantage on its beneficiaries in the form of soft loans, which are not in line with market conditions, since they have advantageous interest rates (recitals (19) and (21)). The measure thus confers an advantage on those beneficiaries which they would not have had under normal market conditions.
- (37) The advantage granted by the measure is selective, since it is awarded only to certain undertakings, namely SMEs, excluding the financial sector (recitals (12) and (16)).
- (38) 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.
- (39) 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

- (40) 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.
- (41) 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*”.
- (42) By adopting the Temporary Crisis Framework on 23 March 2022, the Commission acknowledged (in Section 1) that the military aggression against Ukraine by Russia, the sanctions imposed the EU or its international partners and the counter measures taken, for example by Russia have created significant economic uncertainties, disrupted trade flows and supply chains and led to exceptionally large and unexpected price increases, especially in natural gas and electricity, but also in numerous other input and raw materials and primary goods, including in the agri-food sector. Those effects taken together have caused a serious disturbance of the economy in all Member States, including in the economy of Belgium. 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, if it serves 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 military aggression against

Ukraine, the sanctions imposed by the EU or by its international partners, as well as the economic counter measures taken so far, for example by Russia.

- (43) The measure aims at facilitating the access of undertakings to external finance at a time when a wide range of economic sectors are affected, the normal functioning of markets is severely disturbed leading to severe disturbances of the real economy of Member States, including in the economy of Belgium.
- (44) 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.
- (45) The importance of the measure, to finance the necessary liquidity and solvency needs of Flemish undertakings affected by the current crisis and to cover the working capital needs thereof (recital (17)), can be reasonably anticipated to produce positive effects across the economy of the Flemish Region, which, as explained in recital (3), is important for the entire Belgian economy. Furthermore, the measure has been designed to meet the requirements of two specific categories of aid (“limited amounts of aid” and “liquidity support in the form of subsidised loans”), described in Sections 2.1 and 2.3 of the Temporary Crisis Framework.
- (46) 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 relevant conditions of the Temporary Crisis Framework.
- (47) In particular, with regard to section 2.1 of the Temporary Crisis Framework:
- The aid takes the form of loans (recital (6)).
 - The overall nominal value of the loan(s) will not exceed EUR 400 000 per undertaking; all figures used must be gross, that is, before any deduction of tax or other charges (recital (23)). The measure therefore complies with point 41(a) of the Temporary Crisis 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 41(b) of the Temporary Crisis Framework.
 - Aid will be granted under the measure no later than 31 December 2022 (recital (11)). The measure therefore complies with point 41(c) of the Temporary Crisis Framework.
 - Aid will be granted only to undertakings affected by the crisis (recitals (3) and (17)). The measure therefore complies with point 41(d) of the Temporary Crisis 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 (24)). The measure therefore complies with point 41(e) of the Temporary Crisis Framework.

- The overall nominal value of loans does not exceed EUR 35 000 per undertaking active in the primary production of agricultural products, fishery and aquaculture sectors (recital (24)). The measure therefore complies with point 42(a) of the Temporary Crisis 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 (24)). The measure therefore complies with point 42(b) of the Temporary Crisis Framework.
- Aid granted to undertakings active in the fishery and aquaculture sector does not concern any of the categories of aid referred to in points (a) to (k) of Article 1(1) Commission Regulation (EU) No 717/2014 (recital (24)). The measure therefore complies with point 42(c) of the Temporary Crisis Framework.
- Where an undertaking is active in several sectors to which different maximum aid amounts apply in accordance with points 41(a) and 42(a) of the Temporary Crisis 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 400 000 is not exceeded per undertaking (recital (24)). Where an undertaking is active in the sectors covered by point 42(a) of the Temporary Crisis Framework, the overall maximum amount of EUR 35 000 is not exceeded per undertaking (recital (24)). The measure therefore complies with point 43 of the Temporary Crisis Framework.
- Loans will be granted to the beneficiaries directly through PMV and not through financial intermediaries (recital (8)). The measure therefore complies with point 50(g) of the Temporary Crisis Framework.

(48) With regard to Section 2.3 of the Temporary Crisis Framework:

- The aid takes the form of loans (recital (6)).
- Loans under the measure granted in response to the current crisis will not be granted to credit institutions or other financial institutions (recital (16)). The measure therefore complies with point 50(a) of the Temporary Crisis Framework.
- The applicable interest rate for loans granted under Section 2.3 of the Temporary Crisis Framework is 1.5% per year and the loans have a maximum maturity of three years (recitals (20) and (21)). Thus, this percentage is above the minimum threshold to be charged to SMEs, which is calculated as the sum between (i) the base rate (1 year IBOR or equivalent, as published by the Commission)¹⁸ available at 1 February 2022¹⁹ (i.e., -0.49), and (ii) the credit risk margin of 50 basis points

¹⁸ Base rates calculated in accordance with the Commission's Communication on the revision of the method for setting the reference and discount rates (OJ C 14, 19.1.2008, p. 6).

¹⁹ As chosen by Belgium, in accordance with point 50(b) of the Temporary Crisis Framework.

(bps)²⁰. The measure therefore complies with point 50(b) of the Temporary Crisis Framework.

- The loan contracts are signed by 31 December 2022 at the latest (recital (19)) and are limited to a maximum of three years (recital (20)). The measure therefore complies with point 50(d) of the Temporary Crisis Framework.
 - The maximum loan amount per beneficiary granted under Section 2.3 of the Temporary Crisis Framework is capped at 15% of the beneficiary's average total annual turnover over the last three closed accounting periods (recital (23)). The measure therefore complies with point 50(e)(i) of the Temporary Crisis Framework.
 - Loans granted under section 2.3 of the Temporary Crisis Framework relate to investment and working capital needs (recital (17)). The measure therefore complies with point 50(f) of the Temporary Crisis Framework.
 - The cumulation rules set out in point 49 of the Temporary Crisis Framework are respected (recital (29)).
 - Loans will be granted to the beneficiaries directly through PMV and not through financial intermediaries (recital (8)). The measure therefore complies with point 50(g) of the Temporary Crisis Framework.
- (49) The Belgian authorities confirm that, pursuant to point 32 of the Temporary Crisis Framework, 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)).
- (50) The Belgian authorities confirm that, pursuant to point 33 of the Temporary Crisis Framework, the aid under the measure will not be granted to undertakings under sanctions adopted by the EU, including but not limited to: a) persons, entities or bodies specifically named in the legal acts imposing those sanctions; b) undertakings owned or controlled by persons, entities or bodies targeted by sanctions adopted by the EU; or c) undertakings active in industries targeted by sanctions adopted by the EU, insofar as the aid would undermine the objectives of the relevant sanctions (recital (13)).
- (51) The Belgian authorities confirm that the monitoring and reporting rules laid down in section 3 of the Temporary Crisis Framework will be respected (recital (31)). 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 Crisis Framework, the COVID-19 Temporary Framework, and the cumulation rules of the relevant Regulations are respected (recitals (25) to (30)).

²⁰ The 1.5 % charged interest rate is higher than the minimum threshold of 0.01 % that Belgium could charge, based on the above mentioned (https://ec.europa.eu/competition-policy/system/files/2022-06/reference_rates_base_rates2022_07_en.pdf).

(52) 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 Crisis 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

