



## FORMAL OPINION

**on the extension of the State aid scheme “Support for the consolidation and modernization of the productive sector through investments made by large enterprises”, related to the operation 1.1.a) “Support for the consolidation and modernization of the productive sector through tangible and intangible investments – large enterprises”**

By analyzing

The Draft of Order of the minister of economy for the approval of the State aid scheme “Support for the consolidation and modernization of the productive sector through investments made by large enterprises”

and

The draft of Synthetic Information sheets on the State aid granted in accordance with the *Commission Regulation (EC) no. 800/2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation)*<sup>1</sup>, whose application was prolonged until the 30<sup>th</sup> of June, 2014, through the *Commission Regulation (EU) No 1224/2013 amending Regulation (EC) No 800/2008 as regard of its period of application*<sup>2</sup>

submitted by the Ministry of Economy, by the address no. 203551/14.02.2014, registered at the Competition Council with no. RG 1156/14.02.2014, in order to receive a formal opinion,

and

ascertaining that:

1. By the Draft of Order it is approved a State aid scheme for large undertakings, based on which it is granted financial support for making initial investments in tangible and intangible assets, in order to achieve regional development. The scheme mainly supports the development of an activity within the extractive industry, the manufacturing industry, construction and water distribution, salubrity, waste management, and decontamination activities;
2. The State aid scheme “Support for the consolidation and modernization of the productive sector through investments made by large enterprises” related to the operation 1.1.a) “Support for the consolidation and modernization of the productive sector through tangible and intangible investments – large enterprises” within SOP “Increase of Economic Competitiveness” was set-up based on the provisions of the *Commission Regulation (EC) no. 800/2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty*;

<sup>1</sup> Published in the Official Journal of the European Union no. L 214/09.08.2008.

<sup>2</sup> Published in the Official Journal of the European Union no. L 320/30.11.2013.

3. In accordance with the *Commission Regulation (EC) no. 800/2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty* the scheme is exempted from the obligation to be notified to the European Commission, as:
  - The State aids granted within it are transparent, under the form of non-reimbursable financial allocations;
  - It is granted for investment projects representing initial investment;
  - The acquired assets are new, and the intangible assets do not exceed 50% of the total eligible costs;
  - It is not exceeded the maximum allowed intensity provisioned for by the *Commission Regulation (EC) no. 800/2008*, namely 40% for the Bucharest-Ilfov Region and 50% for the other 7 development regions;
  - The beneficiaries contribute, from their own resources, un-affected by State aid, to the funding of the project, with 60%, namely 50%;
  - The investments will be maintained at least 5 years in the respective location;
  - The beneficiaries are not firms in difficulty.
4. We underline that the application of the *Regulation no.800/2008* was extended until June the 30<sup>th</sup>, 2014 by the *Commission Regulation (EU) No 1224/2013 amending Regulation (EC) No 800/2008 as regard of its period of application*. At the same time, the European Commission has approved, through the Decision no. C (2013) 7177 final, the extension, until June the 30<sup>th</sup>, 2014 of the Regional aid map for Romania for the period 2007-2013<sup>3</sup>;
5. The scheme shall be applied from the date of its publication in the Official Monitor of Romania until June the 30<sup>th</sup>, 2014, and its budget, formed from Community and national funds, is of Euro 9 million. The maximum estimated number of beneficiaries is of 15.
6. The Information sheet to be submitted to the European Commission meets the form and content of the standard form enclosed in Annex III to the *Commission Regulation (EC) no. 800/2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty*.

### **COMPETITION COUNCIL**

Based on the Law on competition no.21/1996, republished, with the subsequent amendments and completions and of art. 8 recital (1) of the *Government Emergency Ordinance no. 117/2006 on the national procedures in the State aid field, approved with amendments and completions by the Law no. 137/2007*,

### **ISSUES FORMAL OPINION**

On the Draft of Order of the minister of economy for the approval of the State aid scheme “Support for the consolidation and modernization of the productive sector through investments made by large enterprises” related to the operation 1.1.a) “Support for the consolidation and modernization of the productive sector through tangible and intangible investments – large enterprises” within SOP “Increase of Economic Competitiveness” and on the Draft of Synthetic Information sheet to be submitted by Romania in accordance with the provisions of the *Commission Regulation (EC) no. 800/2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty*.

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<sup>3</sup> Approved by the Decision no. N 2/2007, published in the Official Journal of the European Union no. C 73/30.03.2007.