

LATVIAN COMMENTS
ON THE PROLONGATION OF THE DRAFT STATE AID REGULATIONS AND
GUIDELINES REFORMED UNDER THE STATE AID MODERNISATION (SAM)
PACKAGE AND EXPIRING BY THE END OF 2020

Herewith Latvian authorities provide to the Commission the comments regarding:

1. draft Commission Regulation on amending 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 and 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 as regards their period of validity;
2. draft Communication from the Commission concerning the prolongation of the Commission Guidelines on Regional State Aid for 2014-2020 referring to the national regional aid maps, Commission Guidelines on State Aid to Promote Risk Finance Investments, Commission Guidelines on State Aid for Environmental Protection and Energy, Commission Guidelines on State aid for rescuing and restructuring and Commission Communication on the Criteria for the Analysis of the Compatibility with the Internal Market of State Aid to Promote the Execution of Important Projects of Common European Interest.

Latvian authorities would like to express their concern that the proposed solution to prolong the validity of the existing State aid rules (mentioned above) until 31 December 2022 will create a complex legal framework for the EU investment in the programming period 2021-2027. Member States develop new aid programmes for each programming period.

In the implementation of the EU funds, for instance, during the programming period 2021-2027, a complex set of the EU funds regulations will be applied and aid recipients will have to follow different State aid framework: the implementation of projects started by 31 December 2022 will have to be completed under the current State aid framework, and on the other hand, projects that will be launched after 31 December 2022 will have to be subject to revised State aid rules, which will mean that different State aid regulations will operate in parallel during the transition period. The aid granting authorities will face additional workload to change the new aid programmes with respect to applicable State aid rules during the programming period. We are concerned that these aspects can lead to negative public opinion towards the EU and the EU policy instruments.