

**LATVIAN COMMENTS ON DRAFT COMMUNICATION FROM THE COMMISSION  
GUIDELINES ON RISK FINANCE GUIDELINES (HEREAFTER – THE DRAFT GUIDELINES)**

No.	Place in the document text	Comments/Proposals
1.	<p><i>Introduction</i></p> <p>In 2016, two years after the adoption of the Risk Finance Guidelines, the Commission adopted the Notice on the Notion of Aid (NoA)<sup>30</sup>, as part of the State Aid Modernisation package. In the NoA, the Commission clarified its understanding of how the notion of State aid laid down in Article 107(1) of the Treaty should be interpreted, including on when a public support measure does not constitute State aid due to being carried out under normal market conditions. The guidance provided in the NoA to that effect, notably in its Section 4.2 allows the removal of Section 2.1 “The market economy operator test” of the 2014 Risk Finance Guidelines.</p>	<p>The conditions for exclusion of State aid within the framework of each level are not so clearly indicated in Notion of aid (section 4.2.), and the revised draft guidelines do not address whether a public support/involvement constitutes State aid or not. <b>Latvia calls for the retention of the section 2.1.</b> taking into account that previous provision of State aid that was in the 2014 Risk Finance Guidelines was more specific and detailed. Please, note that this information in the 2014 Risk Finance Guidelines is used by aid granting authorities also for the assessment of a measure.</p>
2.	<p><i>Paragraph 20</i></p> <p>20. The Commission will only apply the principles set out in these Guidelines to risk finance schemes. They will not be applied in respect of ad hoc measures providing risk finance aid to individual undertakings, except in the case of measures aimed at supporting a specific alternative trading platform.</p>	<p>Latvian authorities kindly ask the European Commission to clearly <b>state in the draft guidelines</b>, whether this paragraph means that the principles set out in the draft guidelines will not apply to <i>ad hoc</i> projects at all and <b>that the ad hoc projects will be found compatible directly under the Treaty.</b></p>

3.	<p><i>Paragraph 157</i></p> <p>157. Risk finance aid may be cumulated with other State aid measures without identifiable eligible costs, or with de minimis aid, up to the highest relevant total financing ceiling fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission.</p>	<p>Given that this paragraph provides that risk financing aid may be cumulated with other State aid measures” without identifiable eligible costs or with de minimis aid”, a question arises which aid threshold should be considered in such situation. If there is cumulation of unidentifiable costs or with de minimis, would it be correct to consider the threshold of de minimis aid of EUR 200 000 and the maximum amount of aid of GBER? In GBER there are no indications of cumulation of aid without identifiable costs with de minimis aid, therefore in order to ensure that State aid rules are correctly respected in practice, including cumulation and the maximum aid intensity, <b>Latvia kindly asks to provide clarification in the footnote</b> on what thresholds should be considered in case of cumulation with State aid measures without identifiable eligible costs.</p>
4.	<p><i>Paragraph 178</i></p> <p>178. Member States must publish the following information in the Commission’s transparency award module<sup>54</sup> or on a comprehensive State aid website, at national or regional level:</p> <p>a. the full text of the individual aid granting decision or the approved aid scheme and its implementing provisions, or a link to it;</p> <p>b. information on each individual aid award exceeding EUR 100 000, as set out in the Annex.</p>	<p>The initial concept of the transparency requirement covered individual grants above the threshold of EUR 500 000. Under the Temporary framework, transparency requirement covers each individual aid above EUR 100 000. There is a disproportionate administrative burden expected on the provision of transparency requirements for each aid award granted. In addition, there has been no explanation from the Commission if this information will be used at all and for what purpose. If there is no clear perspective as to how the data will be used, imposing such requirement does not outweigh the administrative burden it entails. Therefore, <b>Latvian authorities suggest keeping the initial concept that the transparency requirement is applicable to individual grants above the threshold of EUR 500 000.</b></p>