



Focus on
COVID-19
Coronavirus

State aid and COVID-19

The European Commission has been extremely active in approving State aid measures notified to it by EU Member States in response to the COVID-19 crisis.

The first State aid decision responding to the COVID-19 outbreak was approved by the Commission on 12 March 2020 – with a 24-hour turnaround. Since then, the Commission has, as at 10 July, issued 206 approval decisions, covering the 27 remaining EU Member States and the UK (which is subject to the EU State aid regime until 31 December 2020 because of the Withdrawal Agreement despite having left the EU on 31 January 2020).

There are four decisions relating to Ireland. The Repayable Advance Scheme described in the first Irish decision has more recently been replaced by a €200m Sustaining Enterprise Scheme to support affected businesses operating in the manufacturing and/or internationally traded services sectors. A €250m Irish scheme to support affected micro and small companies in restarting their activities and a €200m Irish scheme to support research and development, testing and production of coronavirus-relevant products have also been approved.

The vast majority of measures (86%) have been approved under the special COVID-19 Temporary Framework adopted by the Commission on 19 March (as amended on 3 April, 8 May and 29 June). The Temporary Framework is based on Article 107(3)(b) of the Treaty on the Functioning of the European Union and recognises that the entire EU economy is experiencing a serious disturbance.



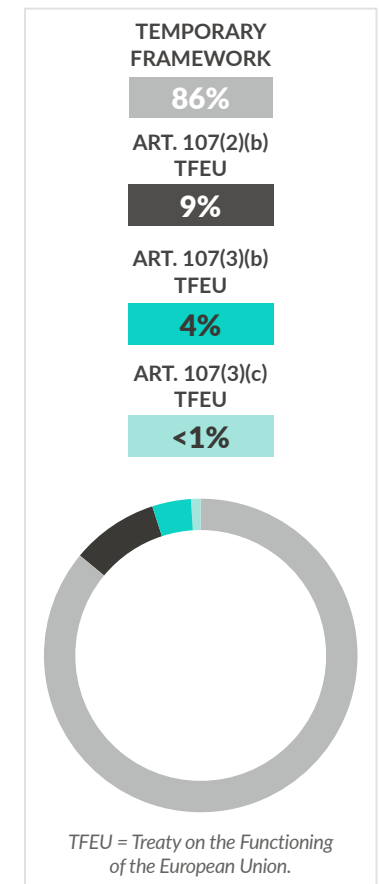
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Statistics (as at 10 July 2020)


































Percentage of aid decisions attributable to each applicant
Member State and the UK (as at 10 July 2020)



Basis for approved aid
measures














COVID-19 aid measures approved to 10 July 2020

Approval date	12 MARCH	21 MARCH	22 MARCH	23 MARCH	24 MARCH						
											
Member State	DENMARK	FRANCE	DENMARK	GERMANY	ITALY	PORTUGAL	LATVIA	LUXEMBOURG	GERMANY	GERMANY	SPAIN
Aid amount	€12M	€300BN	€130M	-	€50M	€3BN	€250M	€300M	-	up to €45BN	€20BN
Measure	Compensation scheme for organisers of major events	State guarantee schemes	Loan guarantee scheme for SMEs	Subsidised loans of up to €1 billion per beneficiary	Aid scheme to support the production of medical devices and PPE	Guarantee schemes for SMEs and midcaps in selected sectors	Loan guarantee and subsidised loan schemes	Repayable advances to undertakings and liberal professionals	Loan guarantee scheme	Direct grants, repayable advances or tax and payment advantages	Guarantee schemes on new loans and refinancing operations
For further details click on the hyperlink describing each Measure											
Approval date	25 MARCH	27 MARCH	30 MARCH	31 MARCH	02 APRIL						
											
Member State	DENMARK	UK	UK	ITALY	LUXEMBOURG	FRANCE	DENMARK	ESTONIA	IRELAND	FRANCE	DENMARK
Aid amount	€1.33BN	-	€654M	-	€2.5BN	€1.2BN	€130M	€1.75BN	€200M	-	€200M
Measure	Wage-compensation aid scheme for the self-employed	Loan guarantee scheme for SMEs	Grants to borrowing SMEs	State guarantee scheme supporting a debt moratorium for SMEs	Loan guarantee scheme	Direct grants to small and micro-enterprises and the self-employed	Liquidity guarantee scheme for SMEs	Loan guarantees and the granting of loans on favourable terms	Repayable advances scheme	Deferral of aeronautical taxes	State loan for Danish Travel Guarantee Fund
Approval date	02 APRIL	03 APRIL	04 APRIL	06 APRIL	07 APRIL						
											
Member State	GERMANY	MALTA	SPAIN	SWEDEN	NETHERLANDS	GREECE	POLAND	PORTUGAL	UK	CROATIA	GREECE
Aid amount	Extension*	€350M	c.€3.65BN**	€9.1BN	€23M	€2BN	€22BN	€13BN	€57BN	€790M	€1BN
Measure	Subsidised loan scheme	Working capital loan guarantee scheme	Umbrella scheme	Loan guarantee scheme	Direct grants for the healthcare sector	Loan guarantee scheme	Loan guarantee scheme	Direct grants and loan guarantee scheme	Aid umbrella scheme	Loan guarantee scheme for export sector	Repayable advances scheme

































*Extension of existing measures **for certain of the measures

COVID-19 aid measures approved to 10 July 2020

Approval date	08 APRIL								09 APRIL		
											
Member State	HUNGARY	PORTUGAL	BULGARIA	POLAND	LITHUANIA	GREECE	LUXEMBOURG	DENMARK	AUSTRIA	CROATIA	LITHUANIA
Aid amount	€140M	€20M	€255M	€700M	€110M	€1.2BN	€30M	€5.4BN	€15BN	€1BN	€150M
Measure	Direct grants for companies	Fishery sector support	Loan guarantee scheme for SMEs	Loan and guarantee scheme to provide liquidity support	Loan guarantee scheme	SME grants	R&D and production grants	Business compensation scheme	Direct grants, repayable advances, guarantees and subsidised public loans	Zero-interest and subsidised interest rate loan schemes	Loan schemes
For further details click on the hyperlink describing each Measure											
Approval date	09 APRIL		10 APRIL		11 APRIL			12 APRIL	13 APRIL		
											
Member State	BELGIUM	POLAND	ROMANIA	GERMANY	SWEDEN	BELGIUM	BELGIUM	FRANCE	GERMANY	ITALY	ITALY
Aid amount	€3BN	€115M	€3.3BN	-	€455M	-	€50BN	€10BN	-	€1.729BN	€200BN
Measure	Loan guarantee scheme	Direct grants to partially cover interest on loans	Direct grants and loan guarantees for SMEs	Amendments to previously approved German schemes	Loan guarantee scheme for airlines	State scheme deferring payment by Walloon airports of concession fees	Loan guarantee scheme	State guarantee scheme supporting the insurance of domestic trade	State guarantee scheme to support the trade credit insurance market	Loan guarantees and direct grants for the self-employed, SMEs and mid-caps	Loan guarantee scheme
Approval date	14 APRIL		15 APRIL			16 APRIL	17 APRIL				
											
Member State	Czech Republic	BULGARIA	FRANCE	SWEDEN	DENMARK	LATVIA	AUSTRIA	HUNGARY	PORTUGAL	CROATIA	HUNGARY
Aid amount	€37M	€770M	€4.6BN*	€453M	€137M	€35.5M	€9BN	€1BN	€140M	€4M	€88M
Measure	Direct grants to support investment in the production of COVID-19 related products	Wage subsidy support scheme for certain sectors	Extension and prolongation of an existing measure	Rent rebate scheme for hotel, restaurant and retail tenants	State guarantee in favour of SAS	Direct grants to the agriculture and food sectors	Loan guarantee schemes for SMEs	Direct grants, loans and equity measures	R&D and production grants	Fishery sector support	Wage subsidies support scheme for researchers and developers

*€1.7 billion (March)/ €2.9 billion (April)





COVID-19 aid measures approved to 10 July 2020

Approval date	20 APRIL				21 APRIL				22 APRIL		
											
Member State	FRANCE	FINLAND	ESTONIA	SLOVAKIA	ITALY	IRELAND	ITALY	ITALY	POLAND	NETHERLANDS	SWEDEN
Aid amount	€7BN	€2BN	€75.5M	€2BN	€100M	€200M	€50M	€110M	€10BN	€5.3M	€38M
Measure	Aid "umbrella" scheme	Guarantee and subsidised loan scheme	Eight direct grant schemes including schemes targeted at tourism and culture and sport sectors	Employment aid scheme	Guarantee scheme for SMEs in the agriculture, forestry, fishery and aquaculture sectors	Replacement of Repayable Advance Scheme *	Subsidised loan scheme to support agriculture, forestry and fishery sectors in Friuli Venezia Giulia region	Loan and guarantee scheme	Guarantee Scheme	Direct grants for coronavirus R&D	Compensation scheme for organisers of cultural events
For further details click on the hyperlink describing each Measure											
Approval date	23 APRIL				24 APRIL						
											
Member State	POLAND	BULGARIA	FRANCE	SLOVENIA	LITHUANIA	SWEDEN	SPAIN	NETHERLANDS	BELGIUM	FINLAND	POLAND
Aid amount	€7.8BN	€150M	€150M	€2BN	€5M	€137M	c.€3.5BN	€100M	€200,000	€3BN	€700M
Measure	Eleven State aid schemes	Equity investments for SMEs	Guarantee scheme for exporting companies with turnover below €1.5bn	"Umbrella" scheme	Direct grant scheme for SMEs active in road freight transport	State guarantee on a revolving credit facility in favour of SAS	Second Spanish umbrella scheme	Subsidised loan scheme for SMEs	Direct grant scheme for agricultural and aquaculture sectors	Support scheme for companies affected by the coronavirus outbreak	Direct grants and repayable advances scheme
Approval date	24 APRIL	26 APRIL	27 APRIL		28 APRIL		29 APRIL		30 APRIL		
											
Member State	MALTA	GERMANY	BELGIUM	POLAND	ESTONIA	HUNGARY	GERMANY	HUNGARY	FRANCE	GREECE	LITHUANIA
Aid amount	€215M	€550M	€4M	€16.6BN	€1.55BN	€1.55BN	c.€5BN	€900M	€5BN	€2.25BN**	€101.5M
Measure	Wage subsidy scheme for affected sectors	State-guaranteed loan in favour of charter airline, Condor	Direct grants for COVID-19 R&D projects	Repayable advance scheme for micro, small and medium-sized enterprises	Aid schemes in the form of loans, guarantees on loans and subsidised interest rates for loans	Loan guarantee scheme	Umbrella scheme of direct grants, repayable advances and tax advantages for coronavirus R&D and product production	Direct grants and guarantees on loans	Loan guarantee to the Renault Group	Modification of Greek measure approved on 3 April 2020 - budget increased	Rent compensation scheme for tenants in retail, hospitality, culture and sports

* Replacement scheme allows for the provision of direct grants, loans, equity and repayable advances to businesses operating in the manufacturing and/or internationally traded services sectors.

**Budget increased to €2.25 billion




COVID-19 aid measures approved to 10 July 2020

Approval date	30 APRIL			04 MAY		05 MAY			06 MAY	07 MAY	
											
Member State	SLOVENIA	BELGIUM	DENMARK	FRANCE	ITALY	Czech Republic	BELGIUM	DENMARK	GREECE	FINLAND	Czech Republic
Aid amount	€2BN	€530M	€130M	€7BN	€30M	€5.2BN	€250M	€296M	c.€10M	€40M	c.€ 7.3M
Measure	Guarantee and rent relief scheme	Guarantee scheme for Walloon region	Four SME measures	State guarantee and shareholder loan to Air France	Loans to SMEs in the agriculture and fishery sectors	Guarantee scheme for loans to large exporting companies	Subordinated loan scheme to support start-ups, scale-ups and SMEs	Loan scheme to support start-ups	Direct grants to support companies in the floriculture sector	Direct grant to support companies in the agriculture and fishery sectors	Scheme to support research and development activities related to coronavirus outbreak
For further details click on the hyperlink describing each Measure											
Approval date	07 MAY	08 MAY	11 MAY			12 MAY				13 MAY	
											
Member State	HUNGARY	NETHERLANDS	FRANCE	POLAND	GREECE	UK	MALTA	LATVIA	BELGIUM	CROATIA	BULGARIA
Aid amount	c.€283M	€650M	c.€3M	€450M	€500M	c.€10.3BN	€11.5M	€1.5M	€25M	c.€322M	€88M
Measure	Guarantee scheme to support SMEs active in the agri-food value chain	Scheme to compensate companies in the floriculture, specialty horticulture and potato sectors	Guarantee scheme for exporting small and midsize companies	Loans and public guarantees on loans	One-off payments to support the self-employed	Direct grants to support self-employed individuals and members of partnerships	Direct grants, repayable advances and tax advantages to support investments in the production of coronavirus-relevant products	Zero-interest rate loans to support companies active in the agricultural sector	Direct grants and repayable advances to support coronavirus related R&D activities in Wallonia	Loan guarantees and subsidised loans scheme for micro, small and medium-sized companies	Grants to support micro and small companies
Approval date	14 MAY		15 MAY			18 MAY	19 MAY		20 MAY		
											
Member State	BELGIUM	MALTA	Czech Republic	DENMARK	BELGIUM	FINLAND	ITALY	AUSTRIA	HUNGARY	PORTUGAL	LITHUANIA
Aid amount	€500M	€40M	€18.5BN	-	c.€903M	-	€70M	€84M	c.€99M	€43M	€10M
Measure	Guarantee scheme to support internationally active companies	Support scheme to grant interest rate subsidies to companies	Guarantee scheme	Scheme to stabilise trade credit insurance market	Reinsurance scheme to support trade credit insurance market	State guarantee on a loan to Finnair	Direct grants scheme to support the agricultural and fishery sectors in Campania region	Regional aid schemes to support R&D of coronavirus relevant products	Scheme of grants to support the agri-food, aquaculture and forestry sectors	Schemes to preserve jobs in the Azores region	Direct grants to support cultural and art institutions and organisations









COVID-19 aid measures approved to 10 July 2020

Approval date	20 MAY			21 MAY	23 MAY	25 MAY		26 MAY		27 MAY	
											
Member State	HUNGARY	HUNGARY	LUXEMBOURG	ITALY	AUSTRIA	NETHERLANDS	POLAND	LITHUANIA	FRANCE	NETHERLANDS	DENMARK
Aid amount	c.€156M	c.€60M	€30M	€9BN	€8BN	-	€2.2BN	€1BN	€71M	€713M	c.€32M
Measure	Equity injections and convertible loans	Direct grants to support micro, small and medium-sized companies	Direct grants	"Umbrella" scheme to support economy	Direct grants	Guarantee scheme to stabilise trade credit insurance market	Subsidised loan scheme for large enterprises	Fund to support medium-sized and large enterprises	State guarantee on loan to automobile parts manufacturer Novares	Guarantee scheme to support SMEs	Direct grants to compensate media companies
For further details click on the hyperlink describing each Measure											
Approval date	28 MAY				29 MAY				02 JUNE	03 JUNE	
											
Member State	FINLAND	FINLAND	ITALY	ESTONIA	LATVIA	LUXEMBOURG	POLAND	DENMARK	Czech Republic	IRELAND	IRELAND
Aid amount	€120M	€600M	€12M	€4M	€800,000	c.€260M	€1.6BN	c.€97M	c.€184M	€250M	€200M
Measure	Direct grants to companies in the restaurant industry	Guarantee scheme to support maritime companies	Direct grants to support companies active in the agricultural sector	Direct grants to support businesses	Direct grants to support tour operators	Aid schemes to support certain industries	Subsidised loans at favourable interest rates	Scheme of direct grants to compensate travel operators	Rent compensation scheme	Direct grants to support micro and small companies	Direct grants and repayable advances to support R&D of coronavirus-relevant products
Approval date	03 JUNE	05 JUNE		09 JUNE		10 JUNE		11 JUNE		12 JUNE	16 JUNE
											
Member State	Czech Republic	FRANCE	LITHUANIA	HUNGARY	FINLAND	CYPRUS	PORTUGAL	POLAND	SWEDEN	POLAND	CYPRUS
Aid amount	c.€36.3M	c.€5BN	€30.5M	c.€155M	€286M	€33M	€1.2BN	€1.65BN	c.€3.7BN	c.€9M	€1.8M
Measure	Direct grants to support SMEs in the primary agricultural sector	"Umbrella" scheme to support R&D of coronavirus relevant products	Direct grants to support bovine animal and milk producers	"Umbrella" direct grant scheme	Measure to recapitalise Finnair	Scheme deferring payment of VAT to support companies	Urgent liquidity support to TAP	Recapitalisation scheme to enable capital support for SMEs and large enterprises	Direct grants	Interest rate subsidies to support the primary agricultural sector	Direct grants to support the primary agricultural sector

COVID-19 aid measures approved to 10 July 2020

Approval date	16 JUNE		17 JUNE	18 JUNE		19 JUNE	22 JUNE	23 JUNE	25 JUNE		
											
Member State	LITHUANIA	SLOVAKIA	CROATIA	LUXEMBOURG	POLAND	SLOVAKIA	BELGIUM	PORTUGAL	HUNGARY	GERMANY	LITHUANIA
Aid amount	€59M	€200M	€40M	€7M	c.€449M	€4BN	€21M	€40M	€145M	€6BN	€50M
Measure	Direct grants and guarantees on loans to support agricultural, food, forestry, rural development and fishery sectors	Rent compensation scheme	Guarantee scheme to support SMEs active in the field of culture and creative industries	Direct grants to support audio-visual production companies	Scheme to support R&D of coronavirus relevant products	Direct grants and guarantees on loans	Direct grants to support the production of coronavirus-relevant products in the Flemish region	Scheme to support companies in the autonomous region of Madeira	Direct grants to compensate large companies	Measure to recapitalise Lufthansa	Measures in support of companies operating in the travel sector
For further details click on the hyperlink describing each Measure											
Approval date	25 JUNE		26 JUNE				29 JUNE		30 JUNE		
											
Member State	CYPRUS	Czech Republic	ITALY	SLOVENIA	BULGARIA	NETHERLANDS	FRANCE	NETHERLANDS	SLOVENIA	CROATIA	FRANCE
Aid amount	€280M	€2.6M	€7.6BN	c.€600M	€102M	€1.4BN	€207M	€160M	€200M	c.€80M	€30BN
Measure	Schemes to support companies and self-employed	Direct grants to support companies in the Moravia-Silesia region	Tax schemes to support companies and self-employed workers	Direct grants, payment advantages and wage subsidies	Direct grants to support medium-sized companies	Direct grants to support small and medium-sized enterprises	Subsidised loan scheme for SMEs	Direct grant scheme for agricultural and aquaculture sectors	Scheme to compensate large companies for damages suffered	Loan guarantee scheme for maritime, transport, travel and infrastructure sectors	Subordinated loan scheme
For further details click on the hyperlink describing each Measure											
Approval date	01 JULY			03 JULY			06 JULY				
											
Member State	LUXEMBOURG	ROMANIA	CYPRUS	LATVIA	CYPRUS	MALTA	AUSTRIA	LATVIA	Czech Republic	LATVIA	UK
Aid amount	€145M	€800M	€6.3M	€250M	€106,000	up to €18.7M	c.€2M	€100M	c.€550M	up to €160M	c.€110M
Measure	Reinsurance scheme to support trade credit insurance market	Subsidised loans and state guarantees on loans	Direct grants to airlines	Measure to recapitalise airBaltic	Direct grants to support newspapers	Public loan to support bond issue by real estate developer	Direct grants to coronavirus-relevant R&D	Liquidity and capital support to large enterprises	Scheme to support self-employed	Guarantees to support mid-sized and large exporting undertakings	"Umbrella" scheme to support Gibraltar economy
For further details click on the hyperlink describing each Measure											

COVID-19 aid measures approved to 10 July 2020

Approval date	06 JULY	07 JULY		
				
Member State	AUSTRIA	SWEDEN	Czech Republic	BELGIUM
Aid amount	€150M	c.€9.4M	€370M	€25M
Measure	Subordinated loan to Austrian Airlines	Scheme to compensate passenger ferries	Direct grants to support primary agricultural sector	Aid to support service provider Aviapartner
For further details click on the hyperlink describing each Measure				
Approval date	07 JULY	08 JULY		
				
Member State	HUNGARY	ITALY	NETHERLANDS	SLOVENIA
Aid amount	c.€23.5M	c.€6.2BN	c.€25M	€222M
Measure	Wage subsidy scheme to support the aviation sector	Grants to support small businesses and self-employed	Subsidised loans to support small and micro companies	Subsidised interest rates and loan scheme

Insights

The enormous value of State aid coupled with how it has been allocated unevenly across the EU and the UK could lead to an uneven economic recovery.

Many of the aid measures approved to date have taken the form of loan guarantee schemes, although a number of alternative types of aid are also covered by the Framework, including direct grants, subsidised interest rates, short term export credit insurance, deferred tax payments, wage subsidies for employees and supports to accelerate the research, testing and production of relevant products.

The majority of the aid measures approved by the Commission are not sector-specific. However, the Commission has also declared measures targeting selected sectors to be compatible with EU State aid rules, including the following:

TRANSPORT



The Commission has approved a number of measures in the air transport sector, including a French scheme deferring the payment by airlines of certain aeronautical taxes and a Swedish loan guarantee scheme for airlines. Measures in favour of named airlines have also been approved, most notably Danish and Swedish guarantees on a revolving credit facility in favour of SAS; a State-guaranteed loan for the German charter airline, Condor; a State guarantee and shareholder loan to Air France and a State guarantee on a loan to Finnair. The Commission has also approved Finnish plans to recapitalise Finnair and Latvian plans to recapitalise airBaltic.

Two Belgian airport operators have also benefited from deferred payment of concession fees.

In addition to air transport, the Commission has declared a Lithuanian scheme to support SMEs active in the road freight transport sector and aid in favour of French car manufacturer Renault, to be compliant with State aid rules.

MANUFACTURING



The Commission has approved Irish, French and Portuguese measures designed to support the manufacturing sector.

SMEs



There has also been a substantial focus on measures to support SMEs, including the grant of aid to beneficiaries via credit institutions and insurers.

MEDICAL DEVICES



The Commission has approved Italian aid measures designed to encourage the production of medical devices and PPE, as well as Dutch measures to promote e-health applications. Measures have also been approved in Ireland, Luxembourg, Portugal, Belgium, Malta and the Czech Republic to expedite research and/or production in relation to products intended to tackle COVID-19. German and Spanish umbrella schemes have also been approved, covering aid for COVID-19 related R&D, testing and upscaling infrastructures and the production of COVID-19 related products.

TOURISM



The Commission has approved a Portuguese guarantee scheme to support companies engaged in tourism and related activities, as well as Estonian measures targeted at companies in the tourism sector. Direct grants to Latvian and Danish Travel and Tour Operators have been approved. Direct grants to partially cover the rents of certain Lithuanian businesses, including hotels, have also been approved.. A Swedish rent rebate scheme and Bulgarian and Maltese wage subsidy support schemes applying to sectors including hotel accommodation have also been found to be consistent with State aid rules.

AGRICULTURE & FISHERY



The Commission has approved multiple measures (for example, direct grants, loans and guarantees) in support of companies active in the agriculture, fishery, aquaculture and/or forestry industries, including in Portugal, Croatia, Latvia, Italy, Belgium, Greece, Hungary, Netherlands, Czech Republic, Lithuania, Poland, Slovakia, Cyprus and Estonia.

What's next?

It is likely that large volumes of aid schemes will continue to be notified to the Commission with a view to ensuring continuing liquidity to European businesses. Further extensions to the Temporary Framework are also possible.

The European Commission has clearly learned some lessons from the Financial Crisis and has moved very quickly. Unlike the banking State aid approvals, there is no widespread use of restructuring plans. However, it will be interesting to see if some of the "aid" comes at a price, such as State aid-funded businesses (particularly those receiving State equity injections) having curbs imposed on dividends, salaries and share buy-backs.

The Irish government has helpfully introduced a range of [financial supports](#) for impacted businesses - the current supports primarily focus on micro enterprises, SMEs and Small-Mid Cap enterprises impacted by COVID-19.



You will find a full range of timely materials for businesses in our dedicated **[COVID-19 HUB](#)** on our website.

Disclaimer: A&L Goodbody 2020. The contents of this document are limited to general information and not detailed analysis of law or legal advice and are not intended to address specific legal queries arising in any particular set of circumstances.

Key contacts

Businesses who are interested in exploring further the types of aid which may be approved by the European Commission are encouraged to contact [A&L Goodbody's EU, Competition & Procurement team](#).

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