Brussels, 04/07/2025 COMP B.3/MBL/HA\*comp(2025)7126016

Permanent Representation of Estonia to the EU Rue Guimard 11/13 1040 Brussels

**Subject:** Monitoring of block-exempted aid measures

 $SA.103299\ (2025/MX)\ -\ Erim\"{a}rgistatud\ diislik\"{u}tuse\ aktsiisisoodustus$ 

põllumajandussektoris (muutmine)

Dear Madam, dear Sir,

Pursuant to Article 108(1) TFEU<sup>1</sup> "The Commission shall, in cooperation with Member States, keep under constant review all systems of aid existing in those States". Consequently, DG Competition carries out an ex post monitoring of a sample of aid measures implemented by Member States.

The above-mentioned aid scheme "Erimärgistatud diislikütuse aktsiisisoodustus põllumajandussektoris (muutmine)" has been chosen for monitoring. The monitoring of this aid scheme covers the years that the scheme was applicable during the period 2022-2023 ("reference period"). It is registered as SA.103299.MX.

DG Competition will examine whether the selected aid scheme respected the provisions of the General Block Exemption Regulation (GBER)<sup>2</sup> applicable during the reference period.

According to the GBER<sup>3</sup>, in order to enable the Commission to monitor the aid scheme exempted from notification, Member States shall maintain detailed records with the information and supporting documentation necessary to establish that all the conditions laid down in the GBER are fulfilled, and provide such records to the Commission upon its request.

<sup>&</sup>lt;sup>1</sup> Treaty on the Functioning of the European Union.

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, as amended.

<sup>&</sup>lt;sup>3</sup> Article 12 of Regulation 651/2014.

Article 21(1) of Council Regulation (EC) No 2015/1589 (Procedural Regulation)<sup>4</sup> stipulates that Member States shall provide to the Commission all necessary information for the review of existing aid schemes.

## 1. Legal basis

Your authorities are requested to provide the following information concerning the legal basis of the selected State aid scheme:

- (1) To confirm that the legal basis published on the website referred to in the summary information sheet (https://www.riigiteataja.ee/akt/122052022002) is the legal basis of the scheme as it applied during the reference period. If this is not the case, your authorities are requested to provide the applicable legal basis. Your authorities are also requested to provide a copy of the secondary law provisions implementing the scheme;
- (2) To complete the annexed table, indicating where in the text of the legal basis the relevant conditions and provisions of the aid measure can be found; and
- (3) To indicate whether the scheme is still being applied or whether and when it expired or was replaced by a successor scheme; in such instance, please indicate the reference number of the successor scheme and provide the text of the legal basis.

## 2. <u>Implementation of the scheme</u>

Furthermore, we have chosen the following 5 beneficiaries in order to verify the compliance of the individual aids awarded to them under the above-mentioned aid scheme with the conditions set out in the GBER:

- 1. OSAÜHING ESTONIA (national ID: 10038386)
- 2. TIIGIKALDA OÜ (national ID: 11489116)
- 3. JAAGUMÄE OÜ (national ID: 14191794)
- 4. VAO AGRO OSAÜHING (national ID: 10020498)
- 5. MUUGA PM OSAÜHING (national ID: 10160744)

Regarding these individual aid awards, your authorities are requested to demonstrate how all the applicable conditions of the GBER have been complied with. Please complete the annexed table for each of the beneficiaries and indicate where the relevant information can be found in the supporting evidence (e.g. document title, page number, paragraph number, title of heading, etc.).

You are also requested to submit the complete supporting documentation demonstrating compliance, including as appropriate:

(1) Description of the project;

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<sup>&</sup>lt;sup>4</sup> OJ L 248, 24.9.2015, p. 9.

- (2) A copy of the application form filled in by the beneficiary and the documentation requested by your authorities in order to evaluate the application;
- (3) The legal document or contract under which the aid has been granted;
- (4) Other information and documentation demonstrating the eligible costs, intensity of the aid, incentive effect and compliance with other conditions of the GBER and the correct implementation of the aid measure (e.g. documents exchanged between your administration and the beneficiary);
- (5) Detailed explanation on how, in practice, your authorities ensured compliance with the following rules: exclusion of companies in difficulty from granting aid, *Deggendorf* i.e. no aid to a beneficiary subject of a pending recovery procedure based on a Commission decision, cumulation rules, incentive effect.

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We would also recall that in case of non-compliance with the provisions of the GBER, your authorities have the duty to recover any unlawful aid granted in line with the case law of EU courts<sup>5</sup>.

Please provide us the contact details of the person(s) in case of questions with respect to the reply to this request for information, including the e-mail address(es) and the phone number(s).

The above mentioned information should reach the Commission within 20 working days of the date of this letter.

In order to facilitate the correspondence in relation to this monitoring case, we propose to use English as the working language. Should Estonia agree to this, we kindly invite you to complete the attached language waiver template and return a signed copy of it as soon as possible.

In any correspondence, please mention the reference to this monitoring case, as provided above in the subject SA. 103299.MX.

The officials in charge in DG Competition are Hannes Ackert, <u>Hannes.ACKERT@ec.europa.eu</u>, +32 229-83396, and Magdalena Brenning Louko, <u>Magdalena.BRENNING-LOUKO@ec.europa.eu</u>, +32 229-84051.

Yours sincerely,

Peer Ritter Head of Unit

Judgment of the Court of 5 March 2019, C-349/17, *Eesti Pagar AS v. Ettevotluse Arendamise Sihtasutus*, ECLI:EU:C:2019:172; Judgment of the Court of 7 April 2022, joined cases C-102/21 and C-103/21, *Autonome Provinz Bozen*, ECLI:EU:C:2022:272.

Enclosures:

Annex 1: Table regarding the legal basis

Annex 2: Table regarding the implementation of the scheme

Annex 3: Language waiver model