**Annex 1 regarding the legal basis**

In the table below, you will find a list of compatibility conditions and provisions which should be reflected in the legal basis or in secondary law concerning the block-exempted aid measure under monitoring (Commission Regulation (EU) No 651/2014, OJ L 187, 26.6.2014, p. 1, as amended.

Please provide information, in short form, in the column "Where to find them in legal basis or secondary law?" by a reference to the relevant paragraph and page number of the legal document, e.g. Art. 1, p. 3, Legal text; Paragraph 3, p. 5, Secondary law.

If a condition or provision is implicitly fulfilled, i.e., it is not especially contained in the legal text of the aid measure, please give a short explanation where it is established.

Where a condition is not applicable, please put "N/A" and give a short explanation.

**A. Common provisions of application**

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| **General conditions and provisions of application** | **Where to find them in legal basis or secondary law?** |
| Article 1 - Exclusion of certain activities (§2) | N/A,  Aid is not given as a financial product, also there is an exclusion for Article 44 in Article 1 § 2 of the GBER and the average annual State aid budget of the scheme does not exceed EUR 150 million.  [Fiscal Marking of Liquid Fuel Act § 11](https://www.riigiteataja.ee/en/eli/ee/519042022002/consolide) states that specific-purpose diesel may be used in machinery, tractors, non-road mobile machinery and drying facilities used in agriculture for primary agricultural production |
| Article 1 - Exclusion of certain sectors (§3) | N/A, according to GBER art 1 section 3 (b) GBER applies to primary agricultural production sector if aid is given for environmental aid.  Fiscal Marking of Liquid Fuel Act **§ 11** 1)statest that specific-purpose diesel may be used in agricultural production. |
| Article 1 - Exclusion of companies concerned by the Deggendorf rule (§4) | [Fiscal Marking of Liquid Fuel Act](https://www.riigiteataja.ee/en/eli/ee/519042022002/consolide#:~:text=%C2%A7%2013.%20%C2%A0Special%20rules%20concerning%20the%20grant%20as%20state%20aid%20of%20specific%2Dpurpose%20diesel%20used%20in%20agriculture%20and%20in%20commercial%20fishing%20in%20inland%20waters) **§ 13** (3) |
| Article 1 - Exclusion of companies in difficulty (§4) | [Fiscal Marking of Liquid Fuel Act](https://www.riigiteataja.ee/akt/122032022001#:~:text=%E2%80%9E(31)%20Riigiabi%20saaja%20ei%20tohi%20olla%20raskustes%20olev%20ettev%C3%B5tja) § 13 (31) |
| Article 1 - Exclusion of aid measures violating Union Law (§5) | N/A, not necessary to stipulate in the legal basis, because of nature of the measure |
| Article 4 - Individual notification thresholds | N/A, GBER does not have an individual threshold for article 44 |
| Article 5 – Transparency of aid | Aid in the form of tax advantages, where the measure provides for a cap ensuring that the applicable threshold is not exceeded is considered transparent.  Fiscal Marking of Liquid Fuel Act **§ 13 (1)** - the amount of the excise duty of diesel provided for by the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act (ATFEEDA) and the amount of the excise duty applicable to the specific-purpose diesel used in agriculture and in commercial fishing in inland waters is deemed to constitute State aid.  ATFEEDA **§ 66 (6) and** [**§ 8519**](https://www.riigiteataja.ee/en/eli/ee/526052022003/consolide#:~:text=Temporary%20reduction%20in%20the%20rate%20of%20excise%20duty%20on%20diesel%20fuel%20for%20specific%20purposes)  Temporary reduction in the rate of excise duty on diesel fuel for specific is 21 euros per 1 000 litres.  The rate of excise duty on diesel fuel is 372 euros per one thousand litres of diesel fuel. |
| Article 6 - Incentive effect | N/A, GBER Art 6 section 5 (e) provides an exemption. |
| Article 7 - Eligible costs | N/A, aid is given as a tax exemption.  Fiscal Marking of Liquid Fuel Act [§ 11(1) 1)](https://www.riigiteataja.ee/en/eli/ee/509112022001/consolide#:~:text=in%20machinery%2C%20tractors%2C%20non%2Droad%20mobile%20machinery%20and%20drying%20facilities%20used%20in%20agriculture%20for%20primary%20agricultural%20production%3B) |
| Article 8 - Cumulation | N/A, not necessary to stipulate in the legal basis, because of nature of the measure |
| Article 9 – Publication and information | Fiscal Marking of Liquid Fuel Act [**§ 13 (2)**](https://www.riigiteataja.ee/en/eli/ee/509112022001/consolide#:~:text=Register%20of%20State%20Aid%20and%20de%20minimis%20Aid)and Competition Act [§ 492](https://www.riigiteataja.ee/akt/KonkS#:~:text=492.-,Riigiabi%20ja%20v%C3%A4hese%20t%C3%A4htsusega%20abi%20register,-(1)%20Riigiabi%20ja) |
| Article 11- Reporting (info sheets) | Reporting obligation according to Article 11(1) a) is provided in the Competition Act [§ 342](https://www.riigiteataja.ee/akt/KonkS#:~:text=342.-,Grupierandiga%20h%C3%B5lmatud%20riigiabi,-(1)%20Grupierandiga%20h%C3%B5lmatud), which lays down national procedures for horizontal rules. |

**B. Specific conditions and provisions of application**

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| **Specific conditions and provisions of application** | **Where to find them in legal basis or secondary law?** |
| **Article 44**  **Aid in the form of reductions in environmental taxes under Directive 2003/96/EC** |  |
| * Compatible and exempted from notification if General compatibility conditions and conditions of this Article apply (§1) * **The beneficiaries of the tax reduction** shall be selected on the basis of transparent and objective criteria and shall pay at least the respective minimum level of taxation set by Directive 2003/96/EC (§2). * **Form of aid:** Aid schemes in the form of tax reductions shall be based on a reduction of the applicable environmental tax rate or on the payment of a fixed compensation amount or on a combination of these mechanisms (§3). * **No** aid for **biofuels which are subject to a supply or blending obligation** (§4). | * The beneficiaries are primary agricultural producers § 111)Fiscal Marking of Liquid Fuel Act**,** They pay the minimum level of taxation set by Directive 2003/96/EC, which is 21 euros per 1 000 litres **-** [**§ 8519**](https://www.riigiteataja.ee/en/eli/ee/526052022003/consolide#:~:text=Temporary%20reduction%20in%20the%20rate%20of%20excise%20duty%20on%20diesel%20fuel%20for%20specific%20purposes)of Alcohol, Tobacco, Fuel and Electricity Excise Duty Act (herein after ATFEEDA) * Fiscal Marking of Liquid Fuel Act **§ 13 (1)** The difference between the amount of the excise duty of diesel provided for by the ATFEEDA and the amount of the excise duty applicable to the specific-purpose diesel used in agriculture and in commercial fishing in inland waters is deemed to constitute State aid.   ATFEEDA **§ 66 (6)** The rate of excise duty on diesel fuel is 372 euros per one thousand litres of diesel fuel.  **and § 8519** Temporary reduction in the rate of excise duty on diesel fuel for specific purposes is 21 euros per 1 000 litres.   * ATFEEDA [**§ 19 (7)**](https://www.riigiteataja.ee/en/eli/526052022003/consolide#:~:text=%C2%A0(7)-,For%20the%20purposes%20of%20this%20Act,-%2C%20%E2%80%9Cdiesel%20fuel%20for) list the CN codes, which are considered diesel fuel for specific purposes. |

**Annex 2 regarding the individual awards**

1. **Common provisions of application**

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| **General conditions and provisions of application** | **Where to find the information in the supporting documents?** | | | | |
| **Osaühing Estonia** | **Tiigikalda Oü** | **Jaagumäe Oü** | **Vao Agro Osaühing** | **Muuga Pm Osaühing** |
| Article 1 - Exclusion of certain activities (§2) | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes |
| Article 1 - Exclusion of certain sectors (§3) | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes | Annex III is the data collected by Estonian Tax and Customs Board from the aid beneficiaries, for the reference period the beneficiaries listed “farming” as intended use each time they bought diesel fuel for specific purposes |
| Article 1 - Exclusion of companies concerned by the Deggendorf rule (§4) | In the second half of the year 2022, there was only one company in Estonia that had received State aid with a repayment obligation, and it was not a company in the agricultural sector. | In the second half of the year 2022, there was only one company in Estonia that had received State aid with a repayment obligation, and it was not a company in the agricultural sector. | In the second half of the year 2022, there was only one company in Estonia that had received State aid with a repayment obligation, and it was not a company in the agricultural sector. | In the second half of the year 2022, there was only one company in Estonia that had received State aid with a repayment obligation, and it was not a company in the agricultural sector. | In the second half of the year 2022, there was only one company in Estonia that had received State aid with a repayment obligation, and it was not a company in the agricultural sector. |
| Article 1 - Exclusion of companies in difficulty (§4) | Authorities use E-business register for current tax information and annual reports (also areas of activity), the annual report for 2022 for Osaühing Estonia can be [found here.](https://ariregister.rik.ee/eng/company/10038386/Osa%C3%BChing-ESTONIA) | Authorities use E-business register for current tax information and annual reports (also areas of activity), the annual report for 2022 for Tiigikalda OÜ can be [found here](https://ariregister.rik.ee/eng/company/11489116/Tiigikalda-O%C3%9C?search_id=1319721&pos=1). | Authorities use E-business register for current tax information and annual reports (also areas of activity), the annual report for 2022 for Jaagumäe OÜ can be [found here](https://ariregister.rik.ee/eng/company/14191794/Jaagum%C3%A4e-O%C3%9C?search_id=3b22213&pos=1). | Authorities use E-business register for current tax information and annual reports (also areas of activity), the annual report for 2022 for Vao Agro Osaühing can be [found here](https://ariregister.rik.ee/eng/company/10020498/Vao-Agro-Osa%C3%BChing?search_id=22eb277&pos=1). | Authorities use E-business register for current tax information and annual reports (also areas of activity), the annual report for 2022 for Muuga Pm Osaühing can be [found here](https://ariregister.rik.ee/eng/company/10160744/Muuga-PM-Osa%C3%BChing?search_id=949460f&pos=1). |
| Article 1 - Exclusion of aid measures violating Union Law (§5) | N/A, explanation in Annex 1 | N/A,explanation in Annex 1 | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 |
| Article 4 - Individual notification thresholds | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 | N/A, explanation in Annex 1 |
| Article 5 – Transparency of aid | N/A for individual awards | N/A for individual awards | N/A for individual awards | N/A for individual awards | N/A for individual awards |
| Article 6 - Incentive effect | N/A, GBER Art 6 point 5 (e) | N/A, GBER Art 6 point 5 (e) | N/A, GBER Art 6 point 5 (e) | N/A, GBER Art 6 point 5 (e) | N/A, GBER Art 6 point 5 (e) |
| Article 7 - Eligible costs | NACE group level economic sector for the company is 01.1 growing of non-perennial crops, see Annex 4, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | NACE group level economic sector for the company is 01.1 growing of non-perennial crops, see Annex 4, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | NACE group level economic sector for the company is 01.1 growing of non-perennial crops, see Annex 4, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | NACE group level economic sector for the company is 01.1 growing of non-perennial crops, see Annex 4, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | NACE group level economic sector for the company is 01.1 growing of non-perennial crops, see Annex 4, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) |
| Article 8 - Cumulation | N/A, not necessary to stipulate in the legal basis, because of nature of the measure | N/A, not necessary to stipulate in the legal basis, because of nature of the measure | N/A, not necessary to stipulate in the legal basis, because of nature of the measure | N/A, not necessary to stipulate in the legal basis, because of nature of the measure | N/A, not necessary to stipulate in the legal basis, because of nature of the measure |
| Article 9 – Publication and information | Information is published in the Estonian state aid and *de minimis* aid register and [TAM](https://webgate.ec.europa.eu/competition/transparency/internal/search/results), pdf added | Information is published in the Estonian state aid and *de minimis* aid register and [TAM](https://webgate.ec.europa.eu/competition/transparency/internal/search/results), pdf added | Information is published in the Estonian state aid and *de minimis* aid register and [TAM](https://webgate.ec.europa.eu/competition/transparency/internal/search/results), pdf added | Information is published in the Estonian state aid and *de minimis* aid register and [TAM](https://webgate.ec.europa.eu/competition/transparency/internal/search/results), pdf added | Information is published in the Estonian state aid and *de minimis* aid register and [TAM](https://webgate.ec.europa.eu/competition/transparency/internal/search/results), pdf added |
| Article 11- Reporting (info sheets) | N/A for individual awards | N/A for individual awards | N/A for individual awards | N/A for individual awards | N/A for individual awards |

**B. Specific conditions and provisions of application**

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| --- | --- | --- | --- | --- | --- |
| **Specific conditions and provisions of application** | **Where to find the information in the supporting documents?** | | | | |
| **Osaühing Estonia** | **Tiigikalda Oü** | **Jaagumäe Oü** | **Vao Agro Osaühing** | **Muuga Pm Osaühing** |
| **ARTICLE 44**  Aid in the form of reductions in environmental taxes under Directive 2003/96/EC | See Annex 4 column K, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | See Annex 4 column K, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | See Annex 4 column K, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | See Annex 4 column K, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) | See Annex 4 column K, which is a data compiled from the [Estonian state aid and *de minimis* aid register](https://rar.fin.ee/rar/providedAidsByRecipientAndMeasureReviewPage.action?fromMenu=true) |
| * Compatible and exempted from notification if General compatibility conditions and conditions of this Article apply (§1) * **The beneficiaries of the tax reduction** shall be selected on the basis of transparent and objective criteria and shall pay at least the respective minimum level of taxation set by Directive 2003/96/EC (§2). * **Form of aid:** Aid schemes in the form of tax reductions shall be based on a reduction of the applicable environmental tax rate or on the payment of a fixed compensation amount or on a combination of these mechanisms (§3). * **No** aid for **biofuels which are subject to a supply or blending obligation** (§4). | Beneficiaries were companies active in the primary agricultural sector by indicating this they were able to buy diesel fuel for specific purposes at a reduced tax rate as indicated Annex 1 (A) | Beneficiaries were companies active in the primary agricultural sector by indicating this they were able to buy diesel fuel for specific purposes at a reduced tax rate as indicated Annex 1 (A) | Beneficiaries were companies active in the primary agricultural sector by indicating this they were able to buy diesel fuel for specific purposes at a reduced tax rate as indicated Annex 1 (A) | Beneficiaries were companies active in the primary agricultural sector by indicating this they were able to buy diesel fuel for specific purposes at a reduced tax rate as indicated Annex 1 (A) | Beneficiaries were companies active in the primary agricultural sector by indicating this they were able to buy diesel fuel for specific purposes at a reduced tax rate as indicated Annex 1 (A) |