

22 May 2020

Law Decree no. 34 of 19 May 2020: State Aid measures

Law Decree no. 34 of 19 May 2020 (the “**Rilancio Decree** ”), published in the Official Gazette on 19 May 2020, sets out which state aid measures can be granted, in compliance with the framework adopted by the EU Commission.

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| <p>What kind of measures of aid can be granted?</p> | <ul style="list-style-type: none"> Articles 54-60 provide for a wide variety of aid measures, mirroring the State aid Temporary Framework adopted by the European Commission. In particular, the following measures are available (i) direct grants, incentives, guarantees or loans not exceeding EUR 800.000 per undertaking, (ii) guarantees on new loans (iii) subsidised interest rates on new loans, (iv) direct grants, repayable advances or tax incentives to undertakings conducting COVID 19-related research and development, or (v) to undertakings investing in pilot test facilities and upscaling and/or (vi) manufacturing medicines (including vaccines) and COVID-19 related treatments. Moreover, (vii) grants for the payment of salaries to avoid dismissals caused by the pandemic are also possible. |
| <p>Which entities grant the aid measures?</p> | <ul style="list-style-type: none"> Regions, Autonomous Provinces, local authorities and commercial chambers are entitled to grant the abovementioned measures based on the resources available on their respective budgets (however, chambers of commerce cannot grant tax incentives). Guarantees and loans can be directly granted by the abovementioned authorities or through banks (or other qualified entities). |
| <p>Who is eligible for aid?</p> | <ul style="list-style-type: none"> All undertakings, save for those subject to insolvency procedures at 31 December 2019 and, more in general, those that, at the same date, had such losses that must be regarded as undertakings in difficulty under EU law. |
| <p>When will the measures be available?</p> | <ul style="list-style-type: none"> The measures will be notified to the European Commission by 26 May. As occurred in similar cases, the authorization should be issued few days later. |
| <p>What are the requirements for beneficiaries?</p> | <ul style="list-style-type: none"> The abovementioned aid measures coming from Regions and local authorities strengthen those already authorized at national level. The beneficiaries shall render self-certifications attesting that, overall, the ceilings provided for each aid have not been exceeded. |
| <p>What are the requirements for the authorities granting the aid measures?</p> | <ul style="list-style-type: none"> The authorities have to register the adopted measures in the State aid National Register, which will include a special section for this purpose. |

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For any questions, please send a mail to coronavirus@gop.it.

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