**Question:**

1) Insofar as in art. 1, para.2, letter. а) of Regulation (EC) № 651/2014 of the Commission this is not addressed, our understanding is that the calculation of the average annual budget refers to one calendar year (1 Jan – 31 Dec), and not within one year of the date of announcing of the scheme. Please confirm the correctness of this understanding.

 2) In connection with the threshold of 150 million Euro average annual budget for state aid set in art.1, para.2 letter а) of Regulation (ЕС) № 651/2014 of the Commission we have the following case: the initially planned amount of a state aid scheme is 150 million Euro, the scheme is notified in SANI 2 with a duration starting in 2015 and ending in 2020 and with a total annual amount of the budget planned under the scheme - 150 million Euro. A year after the start of the scheme there is а reasonable necessity for increasing the initial budget of the scheme. Please confirm our understanding that this increase, in observance of the requirement that the average annual budget for state aid should not exceed 150 million Euro and taking into account your answer given to the first question regarding to the period of calculation, will not lead to incompatibility with the Regulation. In this case, when the increase will not exceed the 150 million Euro threshold for average annual budget for state aid, should we make any amendments in the notification form in SANI 2.

**Reply:**

1) In Article 1(2)(a), "annual" should indeed be understood as referring to the calendar year.

2) As long as the average annual State aid budget does not exceed EUR 150 million, Article 1(2)(a) does not apply. If, however, additional budget is made available that would trigger an increase exceeding the GBER evaluation threshold of EUR 150 million, the Member State needs to comply with its evaluation requirement . Otherwise, the GBER requirement would risk to be undermined by gradual increases in budget over the lifetime of the scheme. If the average annual State aid budget after the increase does not exceed EUR 150 million and the budget is only increased by up to 20%, no new information has to be sent to the Commission.

*Disclaimer: This reply does not represent a formal and definite position of the European Commission but is only an informal guidance provided by the services of DG Competition to facilitate the application of the GBER. It is therefore not binding and cannot create legal certainty or legitimate expectations.*