

Pursuant to Article 14 paragraph (4) and Article 24 paragraph (4) of the Law on State Aid Control ("Official Gazette of the Republic of Macedonia" no. 145/10), the Government of the Republic of Macedonia, at its meeting held on 28.09.2011, has adopted

Regulation on the manner and procedure of notification of state aid, as well as the procedure for monitoring of the existing state aid (\*)

## I General Provisions

### Article 1

This Regulation regulates the manner and procedure for submitting of notification for granting state aid, as well the procedure for monitoring of the existing state aid

## II Method and procedure for submitting the notification

### Article 2

(1) Each State aid provider (hereinafter: provider) is obliged notification of any plan for granting new or alter the existing state aid, regardless of whatever it is granted as individual aid or as aid scheme, to submit to the Commission for Protection of Competition (hereinafter: the Commission) the form for submitting notification for planned state aid given in Appendix 1, which is an integral part of this Regulation.

(2) The notification referred to in paragraph (1) of this Article shall be considered as proper if it contains all the data.

(3) If the notification contains incomplete or false data, the Commission will ask the provider to supplement or correct the data within 15 days as of the day of receiving the request.

(4) If in accordance with Article 8 of the Law on State Aid Control, it is required filling out a special form for additional information about planned state aid, in such case, the provider should submit this form to the Commission along with the form of Annex 1 of this Regulation.

(5) If the provider does not submit the required data within the period specified in paragraph (3) of this Article, the Commission may specify additional period in which the provider should submit the data. If the provider fails to submit the required data during this additional period, it is considered that the notification is withdrawn unless the provider submitted a statement to the Commission explaining that requested data can not be

submitted or it has been already submitted. Day of receipt of the statement is considered as the day of receipt of proper notification. In case of submission of this kind of a statement from the provider, the Commission shall assess the permissibility of granting state aid based on the information and data provided ex officio.

(6) Provider may withdraw submitted notification until the moment when Commission brings decision in accordance with Article 15 of the Law on State Aid Control.

### Article 3

(1) The provider shall notify the Commission for any alteration the existing state aid. Change of the existing aid is any change except changes from formal – administrative nature and do not affect the assessment of permissibility of granting aid under the Law on State Aid Control.

(2) Increase in the budget of an existing aid scheme in an amount up to 20% does not represent a change in the existing aid.

(3) Notification on the alteration the existing state aid shall be submitted to the Commission in the form for simplified reporting given in Appendix 2, which is an integral part of this Regulation, as follows:

- increase of the budget of the existing aid scheme for more than 20%, whose granting has been previously allowed by the Commission;

- extension of duration of the existing aid scheme, whose granting has been previously allowed by the Commission, for a period of up to six years, with or without a budget increase and

- tightening of the criteria for the application of the existing aid scheme, whose granting has been previously allowed by the Commission, reduction of the aid intensity or reduction of the size of the eligible costs reimbursed by the scheme.

(4) State aid provider can not use the notification procedure from paragraph (3) of this article if has not submitted an annual report to the Commission, unless the annual reports for the years in which the aid is granted are submitted simultaneously with the notification referred to in paragraph (3) of this article.

III Procedure for assessment of the permissibility of the granting of state aid

## Article 4

(1) Once the Commission has adopted a conclusion on initiating a procedure for assessing the permissibility of granting state aid, pursuant to Article 15 paragraph (4) of the Law on State Aid Control, should:

- inform the provider about the reasons for initiating procedure for assessing the permissibility of granting state aid;
- to publish a brief summary of the conclusion for initiating proceedings on the website of the Commission. The summary shall include: a description of the aid, the Commission's preliminary assessment regarding the nature of the assistance, the reasons for existence of the serious doubts about the permissibility of the granting of aid, a call to interested parties to submit comments and opinions in writing form to the Commission and the deadline for submission of comments and opinions, which period may not be longer than 30 days from the publication date;
- submit to the provider notes and opinions submitted by interested persons within 30 days of the deadline for their submission. If the person who have submitted comments or opinion looks for his identity not be revealed to the provider because of the ability to suffer damage, the Commission will not reveal it.

(2) Provider may submit a response to the comments and opinions submitted by the interested persons to the Commission within a period determined by the Commission, but not later than 30 days from the date of submission of comments and opinions from stakeholders to the provider.

(3) Period referred to in paragraph (3) of this Article may be extended by the Commission if there are justified reasons for it.

## Article 5

(1) Submission of data to the Commission for assessment of unlawful or misused aid of Article 18 of the Law on State Aid Control, should be realized by provider by submitting the form of Annex 1 of this Regulation.

(2) The provisions of Articles 2 and 4 of this Regulation shall apply accordingly in the assessment procedure for unlawful or misused state aid.

## Article 6

(1) Commission on each user of individual aid and any interested person who have submitted comments and opinions to the Commission in

accordance with Article 4, paragraph (1) of this Regulation, shall submit a copy of the decision adopted pursuant to Article 15 of the Law on State Aid Control.

(2) Any interested party, at its request, is entitled to receive a copy of the decisions made by the Commission in accordance with Article 15, Article 18 paragraph (3) and Article 19 of the Law on State Aid Control.

(3) Any interested party may inform the Commission on suspicion of possible unlawful aid or misused aid. If the Commission considers that on the basis of information possessed no sufficient elements to review the case, the Commission shall inform the interested party. In this case, if the Commission brings the decision, a copy should be submitted to the appropriate interested party.

#### IV Procedure for monitoring existing aid

##### Article 7

(1) The provider shall not later than 1 March of the current year submit to the Commission an annual report pursuant to Article 24 paragraph (1) of the Law on State Aid Control on the form given in Appendix 3, which is an integral part of this Regulation.

(2) If the provider fails to submit an annual report, the Commission takes measures pursuant to Article 25 of the Law on State Aid Control.

(3) Submission of the annual report referred to in paragraph (1) of this Article does not simultaneously fulfill the obligation for submitting the notification referred to in Articles 2 and 3 of this Regulation, nor shall it prejudice the outcome of the proceedings for alleged unlawful state aid.

##### Article 8

With day of entering into force of this Regulation, Regulation on the manner and procedure for submission to the Commission for state aid and state aid assessment (Official Gazette no. 81/2003) cease to be valid.

##### Article 9

This Regulation shall enter into force on the eighth day of its publication in the "Official Gazette of the Republic of Macedonia".

Appendix I

NOTIFICATION ON PLANNED GRANTING OF STATE AID

1. Identification of the aid provider

1.1 Name of the aid provider

Address.....

Tel .....

Fax .....

E-mail.....

Web page.....

1.2 Responsible Contact person:

Name and Surname.....

Address.....

Tel. ....

Fax .....

E-mail .....

2. Identification of the aid

2.1. Name of the aid

(Title of aid scheme or name of the beneficiary enterprise in the case of plan for granting individual aid)

.....

2.2. Legal act based on which aid is granted (submit a copy of the legal act or draft legal act)

.....

2.3. Brief description of the purpose of the aid

Designate the primary goal and, if applicable, secondary goal (s):

Primary goal<sup>1</sup>Secondary goal<sup>(2)</sup>

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<sup>1</sup>Choose only one option

<sup>(2)</sup>Secondary objective/goal is one that aid will be exclusive for, in addition to the primary objective/goal. For example, a scheme that

Regional development	<input type="checkbox"/>	<input type="checkbox"/>
R&D	<input type="checkbox"/>	<input type="checkbox"/>
Inovation	<input type="checkbox"/>	<input type="checkbox"/>
Protection of the environment	<input type="checkbox"/>	<input type="checkbox"/>
Energy savings	<input type="checkbox"/>	<input type="checkbox"/>
Rescuing firms in difficulty	<input type="checkbox"/>	<input type="checkbox"/>
Restructuring firms in difficulty	<input type="checkbox"/>	<input type="checkbox"/>
Aid for closing	<input type="checkbox"/>	<input type="checkbox"/>
SME's	<input type="checkbox"/>	<input type="checkbox"/>
employment	<input type="checkbox"/>	<input type="checkbox"/>
Training	<input type="checkbox"/>	<input type="checkbox"/>
Risk capital	<input type="checkbox"/>	<input type="checkbox"/>
Export promotion and internationalizator	<input type="checkbox"/>	<input type="checkbox"/>
SGEI	<input type="checkbox"/>	<input type="checkbox"/>
Sectoral development <sup>(3)</sup>	<input type="checkbox"/>	<input type="checkbox"/>
Social support to individual consumers	<input type="checkbox"/>	<input type="checkbox"/>
Надоместок на штета предизвикана од природни катастрофи или исклучителни настани	<input type="checkbox"/>	<input type="checkbox"/>
Execution of an important project of common economic interest for RM	<input type="checkbox"/>	<input type="checkbox"/>
Elimination of difficulties in the national economy	<input type="checkbox"/>	<input type="checkbox"/>
Promotion of culture	<input type="checkbox"/>	<input type="checkbox"/>
Protection of cultural heritage	<input type="checkbox"/>	<input type="checkbox"/>

### 2.3. Scheme / Individual aid<sup>(4)</sup>

#### 2.3.1. Does the notification is in relation with the aid scheme?

yes      no

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primary objective is research and development, as a secondary objective may be an SME's if the aid is designed exclusively for them. The secondary objective may also be sectoral, in case, for example, for research and development scheme in the steel sector.

<sup>(3)</sup>Please specify one of the sectors listed in section 3.2

<sup>(4)</sup>Article 4, paragraph (1) and (2) of the Law on State Aid Control

If yes, does that scheme is replacing the existing one?

yes no

If yes, does the conditions specified for the simplified notification procedure within the meaning of Article 3 of this Regulation are met?

yes no

If yes, please use Form 2 of Appendix II to this Regulation

If no, please specify whether the Commission is notified for the original aid scheme which is changing.

yes no

If yes, please indicate

- Number of the previous decision of the Commission for allowancefor granting the aid scheme:

.....

- Date of the allowance for granting state aid:

.....

- Duration of the original scheme:

.....

- Which elements of the original scheme are changing andwhy:.....

.....

2.3.2. Does the notification is in relation with individual help?

yes no

If yes, please choose between the following options:

Aid is granted on the basis of an aid scheme, but with a commitment to further approval of each individual granting.

- Name / Title of the previously approved aid scheme

.....

- Number of the previous decision of the Commission for allowance for granting the aid scheme:

.....

Individual aid that is not awarded on the basis of an aid scheme

3. Aid Beneficiary

4.1. Name of the beneficiary(ies)

Address.....

.

Tel.....

Fax .....

E-mail.....

Web page.....

3.2. Sector/s of beneficiary /ies:

- not refer to a particular sector
- Sector (please specify sector according to the National Classification of Activities - NKD Rev.2)



3.3. In the case of granting individual aid

Name / Title of the beneficiary: .....

Type of beneficiary.....

- SMS's**

Number of employees .....

Annual turnover  
: .....

Annual Balance Sheet  
: .....

(please submit proof for the above data):

- large enterprise
- enterprise in difficulty

3.4. In the case of aid scheme:

Type of beneficiaries:

- all types of enterprises (both large and **SMS's**)
- only large enterprises
- SMS's**
- only medium size enterprises
- only small enterprises
- micro enterprises
- following listed beneficiaries:

Estimated number of beneficiaries:

- less than 10
- from 11 to 50
- from 51 to 100
- ofrom101 to 500
- from 501 to 1000
- more than 1000

4. Amount of aid / Annual Costs

In the case of individual aid, please state the total amount of aid for each measure concerned(in MKD and EUR).....

In the case of the scheme, please state the amount of the projected annual budget of the scheme and the total amount of aid granted through the scheme (in MKD and EUR).....

For tax measures, please indicate the estimated annual and total revenue reductions due to tax incentives and exemptions for the period covered by the notification (in MKD and EUR).....  
.....

If the budget is not an annual one, please indicate the covered period.....

If notification concerns changes to the existing scheme, please state the impact that such changes will have on the budget of the scheme.....

5. Form of aid and funding:

Please state the form of aid available to the beneficiary:

- Subsidies;
- Write-off or takeover of debt;
- Exemption, reduction or postponement of the payment of public taxes;
- granting loans under favorable conditions;
- Awarding guarantees by the state aid providers under favourable conditions;
- Investments by the state aid providers at a rate of return lower than the expected rate of return for investments when investing under regular market conditions
- Reduction of the price of goods and/or services by the state aid providers below the market prices, in particular in the event of the sale of shares, facilities or land owned by the state aid providers.
- Other. ....

(For each form of aid, please indicate an exact description of its rules and conditions of application, especially for the tax treatment and whether aid is automatically obtained once the certain objective criteria are met (if yes, please indicate concerned objective criteria), or an element of discretion by the lender is existing)

6. Sources for funding aid

.....

If aid is not funded through the budget of the state / municipality, please explain the way of funding:

- Through parafiscal duties and taxes

(Please specify details for such duties, taxes and the products / activities on which they are imposed. Especially, please statedoes imported products from other countries are subject to these charges and taxes)

- Accumulated reserves
- Public Enterprises
- Other.....

7. Duration

7.1. In case of individual aid:

Please state the startingdate of granting of aid (if aid is granted in tranches, please specify the date of each tranche)

.....

If possible, please also state duration of the granted aid measure

7.2. In case of scheme:

Please state the starting date of granting aid.....

Pleas state the ultime date until when aid may be granted.....

If the duration of the scheme is more than six years, it shall be stated the reasons why such a long period of duration of the

scheme is necessary for achieving the scheme purpose (s) for which aid is granted

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8. Cumulation of different types of aid

Is there a possibility that aid for which notification is submitted to be cumulated with the aid that beneficiary receives from other sources to compensate for the same eligible costs?

yes no

If yes, please indicate the mechanisms that exist to ensure compliance with the rules for accumulation:

.....

9. Business secret

Does the notification contains confidential information which should not be disclosed to third parties?

yes no

If yes, please clearly mark confidential data by indicating justifiable reasons for designat them as confidential

.....

10. Permissibility of granting aid

Please state the legal act for each type of state aid, which by the aid provider, contains the rules according to which granting of aid in this case is allowed.....

11.Recovering the granted aid

In case of granting an individual aid to some potential beneficiary, was there previously granted state aid for which the Commission ordered the provider to take action to recover it?

yes no

If yes, please indicate the details of the procedure:

.....

12. Other data / information

Please state all other information which by the provider are relevant for the assessment of the measure (s) in accordance with the legislation on state aid control

.....

13. Attachments

Please state all documents attached to the notification which shall be submitted to the Commission in the form of paper copies or direct internet links to all documents concerned.

.....

14. Confirmation for the accuracy of the data

I certify that, to my knowledge, the information given in this form, its annexes and attachments are accurate and complete.

Date and place of signing: .....

Signature:.....

Name and position of signatory: .....

## SIMPLIFIED REPORTING

This form is applicable when submitting a simplified notification pursuant to Article 3 of this Regulation

1. Previously allowed granting aid scheme<sup>(1)</sup>

1.1. Number of previous decision of the Commission for allowing the granting of aid scheme.....

1.2. Name / Title of the scheme.....

1.3. Date of allowance .....

1.4. Date of publication of the decision in the Official Gazette.....

1.5. The main purpose of the granting.....

1.6. Legal basis for granting aid .....

1.7. Overall budget.....

1.8. Duration of the scheme.....

2. Type of change to the existing scheme for which the notification is submitted:

- New budget (the overall and annual budget in euros, and MKD);
- New duration (state the beginning and end of the granting of state aid);
- tightening of the criteria for the application of previously permitted aid scheme (indicate whether the intensity of the previously permitted aid scheme or the scope of eligible costs which compensation is allowed with prior allowable aid scheme are reducing)

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<sup>(1)</sup> If there are more than one notification provided for the aid scheme, please state all data for the last full notification for which a decision on the permissibility of the granting of aid has been issued.

Annual report of the allowed state aid granted in the previous year

Annual Report on allowed granted in the previous year should contain:

1. Provider (body / institution) who is submitting the report (name/title, address, telephone, fax, e-mail, website)
2. Responsible person for submitting the report by the provider (name, address, tel, fax, e-mail)
3. Total amount of the state aid granted by the provider in the previous year
4. Data about the measures that constitute State aid, whereby data for each measure which constitute State aid (hereinafter: aid) shall be individually submitted
  - Name / Title of the aid
  - Authority / institution responsible for the implementation of the aid.
  - Funds paid on the basis of granted aid in the last year
  - The number of the Commission's decision which allows the aid granting and date of allowance of the
  - Description of the aid
    - Was it granted as an individual as the aid scheme
    - Shape/type of granted aid (Article 5, paragraph (2) of the Law on State Aid Control)
    - Data on aid recipients (name, address, tel, fax, e-mail, website);
    - Is it micro, small, medium or large enterprise
    - Type and sector of economic activity
    - Amount, form and purpose of allowed / granted state aid to each beneficiary
    - Aid intensity for each beneficiary;
    - Number of newly opened or remained jobs for each beneficiary (if appropriate);
    - In case of an aid scheme, please also state projected budget for next year

Бр.	Aid beneficiary (name / title, address, tel, fax, e-mail, web)	Code identification of the aid beneficiary's activity	Type of aid	No. of the CPC decision for approval the granting of the aid	Amount of aid	Notes
1	2	3	4	5	6	7

