

European Commission approves 7.4 million-euro Romanian scheme to support bovine breeding sector

The European Commission on Wednesday approved a 7.4 million-euro (approximately 35.7 million lei) Romanian scheme to support companies operating in the bovine breeding sector that are affected by the coronavirus outbreak.

According to a press statement released by the commission, the scheme was approved under the State aid Temporary Framework. Under the scheme, public support will be provided in the form of direct grants.

The aim of the scheme is to help companies operating in the bovine breeding sector address their liquidity needs and continue their activities in order to ultimately secure food and feed materials for the food industry and maintain jobs.

The scheme is expected to benefit over 1,000 companies active in the bovine breeding sector.

The European Commission found that the Romanian scheme is in line with the conditions set out in the Temporary Framework, meaning the grants do not exceed 100,000 euros per beneficiary as provided by the Temporary Framework for undertakings active in the primary production of agricultural products; and the support will be granted until December 31, 2020.

The European Commission concluded that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a member state, in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework. On this basis, the European Commission approved the measure under EU State aid rules.