

Objective and methodology: The course aims to provide students with an understanding of how State aid fits into general EU competition law, of its main policy objectives and of its structure. By the end of the course, students will be able to identify State measures that may constitute State aid under EU law. Students will also be able to understand jurisdictional issues, in particular which authorities are competent to deal with State aid measures both at national and at EU level and will be familiar with the main features of State aid procedure. The course would be mainly built on Court cases, Commission decisions and guidelines. Students would be requested to submit a short reasoned paper on any on-going potential State aid case reported by the press either in Hungary or abroad (e.g. nationalisation of the Hungarian Airlines, Hungarian Crisis tax, French State measures in favour of Renault) in which they would assess whether the measures in question constitute or do not constitute State aid under EU law.

Course outline:

1. The concept of State aid under Article 107 of the Treaty on the Functioning of the European Union (TFEU) – Overview

- Definition of State aid – legal consequence – compatibility
- Competency allocation: who can qualify a State measure as State aid – who can establish the legal consequence of a State measure qualifying as State aid – who can declare a State aid compatible with the Internal Market

2. Notion of State aid – Elements

- The Concept of State aid – Advantage
 - Could the privatisation of State property constitute an advantage and fall under Article 107 TFEU?
- The Concept of State aid – Selectivity
 - Could tax measures (e.g. Hungarian Bank tax and crisis tax) fall under Article 107 TFEU?
- The Concept of State aid – State resources and imputability
- The Concept of State aid – Distortion of competition
- The Concept of State aid – Affection of trade between Member States

3. Overview of State aid procedures

- Notified aid - Unlawful aid - Existing aid - Formal investigation
- Recovery
- De minimis and Block exemption regulations

4. Complaints

- Role of complainants
- Legal status of complainants in the State aid investigation
- Standing of complainants/third parties in a Court proceeding

5. Case handling in practice in DG Competition

6. Basic notions of compatibility of State aid with the Internal Market