

European Commission approves Flemish aid scheme for organisers of festival in the summer of 2021 in the context of the COVID-19 crisis



On 11 March 2021, the European Commission gave green light to support, with a total budget of 10 million EUR, from the Flemish Community to companies wishing to organise festivals in the summer of 2021.

On the basis of its «Flanders is a festival 2021» project, the Flemish Community has set up an aid scheme in the form of direct grants of a maximum amount of 500.000 EUR per company. The scheme was notified on the basis of Article 107.3 b) of the TFEU and the Temporary Framework for State aid measures to support the economy in the context of coronavirus pandemic.

The beneficiaries are the organisers of cultural or creative festivals, in particular in the sectors of music, design, theatre, dance, visual arts, literature or films, wishing to set up a festival in Flanders or in Brussels between 15 June and 31 October 2021. To benefit from the aid scheme, the event must have international scope and be held outside for at least 60%.

The aid is intended to cover the costs of organizing and producing festivals (100% of eligible costs covered) as well as the implementation of the measures that the Belgian authorities had to impose to limit the spread of the coronavirus (50% of eligible costs covered) and may be granted until 31 December 2021.

The grant will be paid in two stages, 70% of the amount of the direct grant being granted before the start of the event and 30% after the event has taken place and the business accounts have been audited.

The notified aid scheme also specifies that if the capacity limitations for events of this type due to COVID-19 have been lifted before the organisation of the festival, all aid must be reimbursed, with the exception of the aid used to organise rapid tests for participants.

The European Commission has examined the scheme and estimated that it met the conditions set out in the Temporary Framework.

Among other things, the aid measure does not exceed the maximum aid of 1.8 million EUR per company and per country set out in the Framework and will not be granted to companies which were already in difficulty within the meaning of the GBER as of 31 December 2019.

The Commission therefore considered that the measure is necessary, appropriate and

proportionate to remedy a serious disturbance in the economy of a Member State in accordance with Article 107.3 b) of the TFEU since it fulfils all the conditions of the temporary Framework.

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