

Course Syllabus

Course	The Law and Economics of State Aid
Lecturer(s)	Prof. Phedon Nicolaides
Course Description	<p>The course examines</p> <ol style="list-style-type: none"> 1) the concept of state aid, 2) the economic reasons which may justify the granting of state aid, 3) the general principles for assessing the compatibility of state aid with the internal market, and 4) the application of state aid rules to two important sectors of the economy [services of general economic interest and financial institutions].
Primary References and Additional Materials	<p>Articles 107-109 of the Treaty on the Functioning of the European Union. https://ec.europa.eu/competition/state_aid/legislation/provisions.html</p> <p>European Commission, Notice on the Notion of State Aid, OJ 262, 19/7/2016. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2016.262.01.0001.01.ENG&toc=OJ:C:2016:262:TOC</p>
Course Objectives	<p>Students will learn</p> <ol style="list-style-type: none"> 1) the criteria for determining whether a public measure constitutes state aid, 2) the likely economic impact of state aid, 3) when and how state aid may be considered compatible with the internal market, 4) how state aid rules are applied, with reference to two important sectors.
Prerequisite(s)	Knowledge of EU competition rules.
Teaching Method(s)	Lectures and in-class exercises.
Assessment Method(s) and Grading Policy	Written exam [essay type].

EXTENDED COURSE PLAN & REFERENCES		
<i>*Lecture Duration:3 hours</i>		
Lecture 1	<i>Topic</i>	Principles EU system of state aid control: Rationale, structure & main actors [1 hr] Concept of state aid [1hr]
	<i>References</i>	European Commission, Notice on the Notion of State Aid, OJ 262, 19/7/2016.
Lecture 2	<i>Topic</i>	The need for state intervention and identifying advantage in the financial transactions of the state The economics of state aid [1 hr] Concept of market economy operator [1 hr] Exercise on the concept of state aid [1 hr]
	<i>References</i>	P. Nicolaidis, A More Economic Approach to the Control of State Aid, in B. Nascimbene, A. Di Pascale (eds.), <i>The Modernization of State Aid for Economic and Social Development</i> , Springer, 2018.
Lecture 3	<i>Topic</i>	Compatibility and conditions for exemption The concept of de minimis aid (Regulation 1407/2013) [30 min] Principles of compatibility of state aid with the internal market [1 hr] The General Block Exemption Regulation, (Regulation 651/2014) [30 min] Special sectors The special character & role of services of general economic interest [1 hr] State aid rules and bank resolution under the Single Resolution Mechanism [1 hr] Exercise on the market economy operator [1 hr]
	<i>References</i>	De minimis Regulation https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.352.01.0001.01.ENG General Block Exemption Regulation https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710 Commission Guidelines on State Aid to Banks https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52013XC0730(01) SGEI Package https://ec.europa.eu/competition/state_aid/legislation/sgei.html