

# NEW CHALLENGES OF EU STATE AID LAW: THE IMPACT OF THE PANDEMIC ON COMPETITION BETWEEN MEMBER STATES

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**ABSTRACT:** *The Covid-19 pandemic has generated an unprecedented economic and health crisis. Economic activity has decreased significantly in all Member States of the European Union. In order to avoid serious damage, the Commission has also relaxed the strict rules of state aid law. The State aid Temporary Framework was adopted on 19th March 2020 to mitigate negative economic effects of the pandemic situation. Although action by the Commission was needed, the wide and prolonged application of this measure is likely to distort competition in the internal market. The aim of this study is to explore the early effects of these preferential rules on the internal market and competition between Member States.*

**KEYWORDS:** *EU state aid law; coronavirus; Temporary Framework; internal market; competition between Member States*

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