WRITTEN QUESTION E-5956/08

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Subject: Privatisation of the Czech Republic's stake in the company OKD

Did the privatisation of the Czech Republic's stake in the company OKD give rise to unlawful state aid and exceed the maximum level of aid, thereby infringing Article 87 of the Treaty establishing the European Community, Commission Regulation (EC) No 1998/2006¹ and Commission Regulation (EC) No 69/2001²?

By its resolutions No 264 of 23 March 2004 and No 904 of 15 September 2004, the Government of the Czech Republic ruled on the privatisation of its stake in OKD without a transparent selection process on the basis of exclusivity. OKD's unproductive property included 43 759 flats. These flats were valued for accounting purposes at CZK 40 000 each, making a total of CZK 1 750 360 000. However, the average market price for a flat in the localities of Ostrava, Karvina and Frýdek-Místek in 2004 was CZK 414 000, and, taking into account reductions for wear and tear and occupation, it was CZK 176 000. The assignee Karbon Invest, a.s., now the company RPG Industries SE, is bound by the conditions of maintaining available housing and ensuring the tenants' right of first refusal at the valuation price of CZK 40 000 per unit. However, the assignee transferred the flats in 2006 to the company RPG Byty, s.r.o., which decided to use the flats commercially even though the assignee had acquired the flats at a price below market value, and was thus able to obtain state aid of approximately CZK 5 600 million, and at least CZK 2 600 million.

Is the Czech Republic responsible for unlawful state aid?

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¹ OJ L 379, 28.12.2006, p. 5.

² OJ L 10, 13.01.2001, p. 30.