


Procedure file

Basic information	
CNS - Consultation procedure Regulation	1997/0203(CNS) Procedure completed
Horizontal state aid: application of Articles 92 and 93 of the EC Treaty	
See also 2002/2126(COS) Amended by 2012/0344(NLE) Repealed by 2014/0192(NLE)	
Subject 2.60.03 State aids and interventions	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	PSE BERÈS Pervenche	16/09/1997
Council of the European Union	Council configuration	Meeting	Date
	Industry	2091	07/05/1998
	Industry	2043	13/11/1997

Key events			
15/07/1997	Legislative proposal published	COM(1997)0396	Summary
20/10/1997	Committee referral announced in Parliament		
13/11/1997	Debate in Council	2043	
18/03/1998	Vote in committee		Summary
18/03/1998	Committee report tabled for plenary, 1st reading/single reading	A4-0100/1998	
31/03/1998	Debate in Parliament		
01/04/1998	Decision by Parliament	T4-0196/1998	Summary
07/05/1998	Act adopted by Council after consultation of Parliament		
07/05/1998	End of procedure in Parliament		
14/05/1998	Final act published in Official Journal		

Technical information	

Procedure reference	1997/0203(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	See also 2002/2126(COS) Amended by 2012/0344(NLE) Repealed by 2014/0192(NLE)
Legal basis	EC before Amsterdam E 094
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/09355

Documentation gateway

Legislative proposal	COM(1997)0396 OJ C 262 28.08.1997, p. 0006	15/07/1997	EC	Summary
Economic and Social Committee: opinion, report	CES0295/1998 OJ C 129 27.04.1998, p. 0070	25/02/1998	ESC	
Committee report tabled for plenary, 1st reading/single reading	A4-0100/1998 OJ C 138 04.05.1998, p. 0005	18/03/1998	EP	
Text adopted by Parliament, 1st reading/single reading	T4-0196/1998 OJ C 138 04.05.1998, p. 0077-0100	01/04/1998	EP	Summary
Follow-up document	C(2011)9381	20/12/2011	EC	

Additional information

European Commission	EUR-Lex
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Final act

Regulation 1998/994 OJ L 142 14.05.1998, p. 0001 Summary

Horizontal state aid: application of Articles 92 and 93 of the EC Treaty

OBJECTIVE: to introduce more effective control of State aid in response to the new challenges facing the Commission (completion of the single market, establishing EMU, enlargement, rising unemployment, etc.). **SUBSTANCE:** The proposal concerns a Regulation establishing a framework for the adoption by the Commission of individual Regulations granting exemptions by category. This additional instrument is intended to enable the Commission to establish ex ante the compatibility of State aid with the conditions it has laid down in the exemption Regulations. The Regulation defines the categories of aid in respect of which the Commission is empowered to adopt exemptions, namely aid to: small and medium-sized enterprises; research and development; environmental protection; employment and training; regional aid which complies with the national maps approved by the Commission. The proposal stipulates that the Commission may also adopt a Regulation exempting aid below a certain threshold from the notification obligation ('de minimis' aid). The possibility of adopting Regulations exempting the following categories from the notification obligation is also provided for: - export credit insurance covering non-marketable risk in so far as it has been harmonized by EC law; - export credit, including that for tied aid, in so far as it is subject to precise rules established in agreements to which the Community is a party. The proposed Regulation establishes conditions and thresholds that must be specified in every Commission group exemption Regulation. These relate to: - the admissible purposes of the aid, - categories of beneficiaries, - thresholds expressed either in terms of aid intensities in relation to a set of eligible costs or in terms of maximum aid amounts, - monitoring conditions. These conditions and thresholds will be defined on the basis of experience with those used in the existing guidelines and frameworks. The proposed Regulation will also allow the Commission to attach other additional conditions and thresholds which it may specify in an exempting Regulation; it may for example: - attach further conditions for the compatibility of aid exempted under the Regulation, - set thresholds for the notification of individual awards of aid, - exclude certain sectors from the scope of the Regulation, - attach conditions to the cumulation of aid. Lastly, with regard to monitoring of aid exempted from notification, the Commission will lay down in its Regulations precise obligations regarding reporting of information required concerning the application of group exemptions. Member States will, in particular, be required: - to facilitate monitoring of the application of group exemptions (system to record and store all relevant information); - to supply the Commission

with information regarding the application of the group exemptions in a computerized form; - to publish in their national official journals information regarding their application of the group exemptions.?

Horizontal state aid: application of Articles 92 and 93 of the EC Treaty

The number of cases involving state aids notified to the Commission has risen sharply over the last years. Many of these are standard cases where Commission approval raises no legal problems. To lighten its administrative burden, the Commission has put forward a proposal to introduce a system of group exemptions for state aid, similar to those used for agreements or mergers and acquisitions. Under the proposal, the Commission (assisted by an advisory committee) will be able to adopt group exemption decisions in the case of state aids coming under regional policy and granted in accordance with EC regulations in respect of aid to SME:s, R&D, environmental protection, employment and training, and for export credits and credit insurance. Reporting for the Committee, Pervenche Berès (PES, F) supports the Commission proposal but has introduced a number of amendments seeking to ensure that the Commission informs the EP before it adopts any group exemptions. Other amendments seek to increase the transparency, eg. by obliging the Member States to inform the Commission of aid granted falling below the threshold value mentioned above, as well as publish details about the it in the Official Journal.

Horizontal state aid: application of Articles 92 and 93 of the EC Treaty

In adopting the report by Mrs Pervenche BERES (PSE, F) Parliament approved the proposal seeking to define certain categories of horizontal state aid for which the Commission is authorized to adopt exemptions. It considered that aid should be granted in favour of: - small and medium-sized undertakings; - research and development; - environmental protection; - employment and training; - local public services; - regional aid schemes respecting the maps for each Member State approved by the Commission. Parliament also called for the exemption regulation to be adjusted every three years and not every five years as proposed by the Commission. ?

Horizontal state aid: application of Articles 92 and 93 of the EC Treaty

OBJECTIVE: to institute a more effective policy on monitoring State aid. COMMUNITY MEASURE: Council Regulation (EC) No 994/98 on the application of Articles 92 and 93 of the Treaty establishing the European Community to certain categories of horizontal State aid. SUBSTANCE: the Regulation provides a framework for the adoption by the Commission of individual Regulations granting group exemptions. It lays down the categories of aid in respect of which the Commission may grant exemptions, namely aid to the following sectors: - small and medium-sized enterprises; - research and development; - environmental protection; - employment and training; - regional aid schemes which comply with the map approved by the Commission for each Member State. Exemption Regulations must specify for each category of aid: - the purpose of the aid; - the categories of beneficiaries; - thresholds expressed either in terms of aid intensities in relation to a set of eligible costs or in terms of maximum amounts; - the conditions governing the cumulation of aid; - conditions of monitoring. In addition, exemption Regulations may notably: - attach further conditions for the compatibility of aid exempted under such Regulations; - set thresholds for the notification of awards of individual aid; - exclude certain sectors from the scope of the Regulation. The Regulation lays down that the Commission may also adopt a Regulation granting exemption from the notification procedure for aid below a certain amount ('de minimis' aid). As regards monitoring of aid exempted from the notification obligation, the Commission will in its Regulations impose detailed rules on Member States regarding the communication of the required information on the application of group exemptions; in particular they will be required to: - facilitate monitoring of the application of group exemptions (system for recording and compiling all relevant information); - provide the Commission with information on the application of group exemptions in computerised form; - publish in their national official journal information on the application of group exemptions. ENTRY INTO FORCE: 15/05/1998. ?