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*Plenary sitting*

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**A8-0315/2018**

11.10.2018

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## **REPORT**

on the proposal for a Council regulation amending Council Regulation (EU) 2015/1588 of 13 July 2015 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid  
(COM(2018)0398 – C8-0316/2018 – 2018/0222(NLE))

Committee on Economic and Monetary Affairs

Rapporteur: Sander Loones

(Simplified procedure – Rule 50(1) of the Rules of Procedure)

### ***Symbols for procedures***

*	Consultation procedure
***	Consent procedure
***I	Ordinary legislative procedure (first reading)
***II	Ordinary legislative procedure (second reading)
***III	Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

#### **Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

#### **Amendments by Parliament in the form of a consolidated text**

New text is highlighted in ***bold italics***. Deletions are indicated using either the ■ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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## **DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION**

**on the proposal for a Council regulation amending Council Regulation (EU) 2015/1588 of 13 July 2015 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid (COM(2018)0398 – C8-0316/2018 – 2018/0222(NLE))**

### **(Consultation)**

*The European Parliament,*

- having regard to the Commission proposal to the Council (COM(2018)0398),
  - having regard to Article 109 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0316/2018),
  - having regard to Rule 78c of its Rules of Procedure,
  - having regard to the report of the Committee on Economic and Monetary Affairs (A8-0315/2018),
1. Approves the Commission proposal;
  2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
  3. Asks the Council to consult Parliament again if it intends to substantially amend the text approved by Parliament;
  4. Instructs its President to forward its position to the Council and the Commission.

## EXPLANATORY STATEMENT

While the differences in the legal status of EU money directly paid to final beneficiaries (no state resources) and EU money indirectly paid via national authorities (state resources) are well-established, national or regional authorities often lack appreciation of the fact that EU money is not automatically excluded from State aid rules nor automatically qualifies as State aid. The confusion arises largely from the fact that EU money falls within the scope of Article 107(1) TFEU only if a public authority can exercise control over it.

The Rapporteur welcomes the initiatives taken by the European Commission to improve the interplay of EU funding programmes with State aid rules. The proposed amendment to the EU's State aid Enabling Regulation<sup>1</sup> contributes to this goal, as it will enable the Commission to make targeted modifications to the General Block Exemption Regulation (GBER)<sup>2</sup> so that nationally managed funds and centrally managed EU funds can be combined as smoothly as possible, without distorting competition in the Single market.

The Commission's proposal to include two new categories in the Enabling Regulation (national funds combined with EU centrally managed funds; and projects by EU European Territorial Cooperation programmes) with a view to amend the GBER will contribute to administrative simplification. It makes sense not to subject projects and funding approved by the Commission based on other rules, which also aim to avoid distortions of competition in the Single market, to additional checks under State aid rules.

The Rapporteur thus welcomes the Commission proposal and suggests adopting it by means of the simplified procedure under Rule 50 of Parliament's Rules of Procedure.

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<sup>1</sup> Council Regulation (EU) 2015/1588 of 13 July 2015 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid, Pb. L. 24.9.2015, 248/1.

<sup>2</sup> Commission Regulation (EU) 651/2014 of 17 July 2014 declaring certain categories of aid compatible with the internal market in application of Article 107 and 108 of the Treaty on the Functioning of the European Union, Pb. L. 26.6.2014, 187/1.

## PROCEDURE – COMMITTEE RESPONSIBLE

<b>Title</b>	Application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid
<b>References</b>	COM(2018)0398 – C8-0316/2018 – 2018/0222(NLE)
<b>Date of consultation / request for consent</b>	9.7.2018
<b>Committee responsible</b> Date announced in plenary	ECON 10.9.2018
<b>Rapporteurs</b> Date appointed	Sander Loones 20.6.2018
<b>Simplified procedure - date of decision</b>	9.10.2018
<b>Discussed in committee</b>	9.10.2018
<b>Date adopted</b>	9.10.2018
<b>Date tabled</b>	11.10.2018