

WRITTEN QUESTION P-4031/06
by Bogdan Klich (PPE-DE)
to the Commission

Subject: Possible application of de minimis aid after 31 December 2006

The application of public de minimis aid is currently regulated by Commission Regulation (EC) No 69/2001¹ of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid. Article 4 of that Regulation stipulates that it will remain in force until 31 December 2006 and that there will be an adaptation period of six months.

The Commission Regulation allows local authorities to grant public aid to entrepreneurs, inter alia in the form of tax exemptions authorised under local law. Of the different kinds of public aid, de minimis aid is among those subject to the fewest restrictions and is most frequently granted to entrepreneurs, particularly where microenterprises and small and medium-sized enterprises are involved.

Once the period of application of Regulation (EC) No 69/2001 has expired, it will only be possible for local tax breaks to be applied under so-called block exemptions or exemptions granted for other types of aid, of which the Commission must be notified. However, the criteria that entrepreneurs must satisfy in order to obtain such aid are far broader in scope than those relating to the granting of de minimis aid, and they are disproportionate compared with the amount of aid the entrepreneur can obtain in order to benefit from exemption from local taxes.

In these circumstances, the regional aid programmes adopted by local authorities, for example – in particular small and medium-sized local authorities – are not providing any real support for entrepreneurs. The way in which entrepreneurs really can take advantage of aid from local authorities is therefore via de minimis programmes.

In the light of the above, could the Commission answer the following questions:

1. Does the Commission intend to extend the period of validity of Regulation (EC) No 69/2001?
2. What does the Commission intend to do to maintain de minimis aid? Will the decision it intends to take allow local authorities to act in the near future to take decisions at local level in respect of the long-term policy to support entrepreneurs?

¹ OJ L 10, 13.1.2001, p. 30.