

INT/196 State aid for training

Brussels, 29 October 2003

OPINION

of the European Economic and Social Committee

on the

Draft Commission Regulation amending Regulation (EC) No. 68/2001 on the application of Articles 87 and 88 of the EC Treaty to training aid

(OJ C 190, 12.8.2003)

Administrator: Mr Martinez

On 3 June 2003 the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the:

Draft Commission Regulation amending Regulation (EC) No. 68/2001 on the application of Articles 87 and 88 of the EC Treaty to training aid (OJ C 190, 12.8.2003).

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 7 October 2003. The rapporteur was **Mr Wolf**.

At its 403rd plenary session of 29/30 October 2003 (meeting of 29 October) the European Economic and Social Committee adopted the following opinion by 122 votes to one with one abstention:

1. **Introduction**

- 1.1 Articles 87 and 88 of the EC Treaty lay down the general ban on aid and define the content and procedures of the permissible exceptions to the general rule that state aid is incompatible with the principles of the common market. In this case we are concerned with a regulation exempting training aid under certain conditions from the otherwise applicable requirement for notification ("exemption directive").
- 1.2 This is dealt with in Regulation (EC) No 68/2001. The Commission draft amends this Regulation.
- 1.3 The reasons given by the Commission for preparation of the draft are as follows:
 - further need for clarification, arising from accumulated experience, with regard to aid granted before the Regulation entered into force and without the Commission's authorisation; and
 - the need to incorporate the new definition of "small and medium-sized enterprises" adopted by the Commission;
 - the desire to replace the specific reporting requirements hitherto laid down in Annex III with a uniform, simplified system of annual reporting.

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Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises, OJ L 124, 20.5.2003, p. 36, which will enter into force in 2005.

2. The Committee's comments

- 2.1 The Committee is glad that the Commission, in the interests of transparency, simplification and legal certainty, is also incorporating the new definition of small and medium-sized enterprises into the training aid exemption regulation.
- 2.2 The Committee also welcomes the Commission's intention of clarifying, concluding or definitively assessing as yet unclarified and possibly still pending issues relating to aid granted before the Regulation in question entered into force. In the interests of legal certainty, however, it should be ensured that the criteria applied are consistent with those which were current or applicable at the time the measures to be assessed were adopted², in the event that the criteria of the current draft regulation do not lead to a more favourable outcome for the parties concerned.
- 2.2.1 The Committee therefore recommends that the final subparagraph of Article 8(i)(a), which has been amplified by comparison with Regulation (EC) No. 68/2001, be clarified as follows: "Any aid which does not fulfil the conditions of this Regulation shall be assessed by the Commission in accordance with the regulations, frameworks, guidelines, communications and notices applicable at the time the notification was received, in accordance with Article 88(3) of the EC Treaty, or, where there has been no notification, at the time the measure was carried out or the aid granted, in the event that the criteria of the current draft regulation do not lead to a more favourable outcome for the parties concerned".
- 2.3 In the definition of small and medium-sized enterprises, microenterprises are for the first time listed as a separate category. In view of the great economic importance of such microenterprises, the Committee recommends that in the future policies of the Community and the Member States the establishment of such microenterprises be facilitated (e.g. by simplifying and reducing the preconditions) and, in general, that still more account be taken of the specific operating conditions of such enterprises.

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See also the Commission Notice on the determination of the applicable rules for the assessment of unlawful state aid of 7.5.2002, C(2002) 478 fin.

3. Conclusion

The Committee recommends that the Commission draft be approved subject to the comments set out in points 2.2 and 2.2.1 and that particular account be taken of the comment set out in point 2.3 when adopting future measures.

Brussels, 29 October 2003.

The President The Secretary-General of the of the European Economic and Social Committee European Economic and Social Committee

Roger Briesch	Patrick Venturini