

EUROPEAN ECONOMIC AREA
STANDING COMMITTEE
OF THE EFTA STATES

1/SA/W/003
13 June 1997
Brussels

WORKING GROUP ON STATE AID

Comments by the EFTA Working Group on the draft Commission proposal for a Council Regulation on the application of Article 92 and 93 of the EC Treaty to certain categories of horizontal state aid.

1. Within the framework of the EEA Agreement, the EEA EFTA States have assessed the draft Commission proposal for a Council Regulation on the application of Articles 92 and 93 of the EC Treaty to certain categories of horizontal state aid. The draft was presented by the Commission Services to the EEA EFTA States at a Multilateral meeting convened by the EFTA Surveillance Authority (ESA) on 6 June 1997.
2. In general, the EEA/EFTA States welcome the draft Commission proposal. The challenges facing the Commission and ESA in their state aid control policy require a change in the methods applied. The EEA/EFTA States are pleased with the introduction of block exemptions which will simplify the notification procedure. For the EEA/EFTA States, more binding rules would lead to more transparency and efficiency in the control of state aid. However, it is important that the block exemptions be subject to clear and applicable rules on state aid for each of the categories. Furthermore, the reporting requirement in Article 4 of the draft must be kept within strict limits to avoid an increase of the workload of national administrations compared to the present situation.
3. According to Article 8 of the draft, an Advisory Committee on State Aid will be established. This Committee will consist of the EU Member States and the Commission and shall be consulted before the adoption and publishing of a Commission Regulation. A similar procedure exists for the competition rules applicable to enterprises. The EEA/EFTA States participate in the Advisory Committees in the competition field and it is indeed equally important that the EEA/EFTA States are able to participate in an Advisory Committee in the State Aid field, should this be established. The participation by the EEA/EFTA States in the above Committees has proved to be functioning well. It is recalled that both the Advisory Committee on Restrictive Practices and Dominant Positions (Council Regulation (EEC) 17/62 and the Advisory Committee on Concentrations (Council Regulation (EEC) 4064/89) is included in Protocol 37 of the

EEA Agreement which contains the list provided for in Article 101 of the same Agreement. Article 101 (2) reads *“If it appears to the Contracting Parties that such an association should be extended to other committees which represent similar characteristics, the EEA Joint Committee may amend Protocol 37.”*

4. In conclusion, the EEA/EFTA States are in favour of the draft Commission proposal. However, the EEA/EFTA States must be able to participate in an Advisory Committee on State Aid, as is the case in the comparable situation in the field of competition rules.

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