

The TAURON Polska Energia S.A. position on state aid – exemptions for small amounts of aid (de minimis aid)

The TAURON Polska Energia S.A. (hereinafter: “TPE”) welcomes the opportunity to provide feedback on the European Commission call for evidence on the general de minimis Regulation. The initiative of the European Commission aims to address two main aspects: 1) the revision of the de minimis threshold; and 2) the improvement of the transparency requirements.

1) TPE strongly supports raising the de minimis state aid threshold

It is crucial that the de minimis threshold represents the economic realities in the European Union. When the value was determined in 2006, the price level in the European Union has significantly increased. In the euro area HICP inflation is projected to average 8.4% in 2022, before decreasing to 6.3% in 2023¹. In Poland’s case, according to estimates from Statistics Poland (GUS) annual inflation reached 17.9% in October 2022², the highest figure in over 25 years. The National Bank of Poland (NBP) predicts that consumer price index (CPI) will be 13,1% in 2023³. Moreover, cumulative inflation from 2006-2021 in Poland has already reached over 47% and it is expected that inflation will remain high in the coming years.

Raising the general threshold will also contribute to accelerating economic growth and job creation across the European Union and strengthening innovation in businesses.

In addition to the inflationary forecasts, we must not forget the need to rebuild the European economy, which is heavily affected by the energy crisis (extremely high prices of energy sources). Furthermore, companies are struggling with a significant increase in the cost of labour as well as cost of services and materials.

Taking into account this extraordinary situation, caused mostly by the COVID-19 pandemic and Russia’s invasion of Ukraine, it is indisputably necessary to update the de minimis state aid threshold.

TPE also encourage the European Commission to consider **raising this level to at least EUR 375,000**.

Additionally, it is crucial that if the de minimis threshold is raised under Regulation 1407/2013, the threshold for services of general interest (SGEI) set in Regulation 360/2012⁴ must be raised as well.

2) TPE calls for appropriate transparency requirements that do not impose additional administrative burdens

TPE welcomes the European Commission’s suggestion to improve the transparency requirements with a mandatory public register. TPE supports all improvements in transparency that will not cause additional administrative burdens for companies.

¹ https://www.ecb.europa.eu/pub/projections/html/ecb.projections202212_eurosystemstaff~6c1855c75b.en.html#toc2

² [Statistics Poland](#)

³ [Narodowy Bank Polski - Internet Information Service \(nbp.pl\)](#)

⁴ [EUR-Lex - 32012R0360 - EN - EUR-Lex \(europa.eu\)](#)

Nevertheless, in the opinion of TPE, the European Commission should allow for flexibility in the rules so that each Member State can have a system in place suitable to its needs, administrative divisions of the country as well as economic sector structures.

The proposal to establish a central public register of de minimis aid with the simultaneous abolition of the obligations of entrepreneurs to obtain certificates of de minimis aid received each time may be the effective solution. However, the establishment and updating of this public register should in no case mean new administrative obligations for undertakings. In other words, **the creation of a national register in the field of de minimis aid should replace the obligation referred to in Article 6 of Regulation 1407/2013**, according to which:

"Before granting the aid, **the Member State shall obtain a declaration from the undertaking** concerned, in written or electronic form, about any other de minimis aid received to which this Regulation or other de minimis regulations apply during the previous two fiscal years and the current fiscal year."

Authorities granting de minimis aid should use such a register and not require a declaration from enterprises.

The granting authorities should be fully responsible for the registry and the accuracy of the data. The reporting of de minimis use has to be facilitated i.e. by introducing a mechanism for correcting errors and ensuring a high level of responsiveness of public institutions.

At the same time, a rapid mechanism should be provided for all granting authorities enabling them to correct incorrect or outdated information contained in the register.

TPE would like to emphasize that if the central public register is not kept up carefully, the legal uncertainty for companies only increases, while the administrative burden merely shifts from the companies involved to public authorities, e.g. on local, regional and central level.