



HELLENIC REPUBLIC
MINISTRY OF FINANCE
GENERAL SECRETARIAT OF ECONOMIC POLICY
DG STATE AID
CENTRAL STATE AID UNIT
Email : kemke@minfin.gr

9/1/2023

HT.5647 - 1st Advisory Committee meeting on a revision of the General de minimis Regulation

With regard to the draft revision of the de minimis Regulation and following the 1st Advisory Committee meeting that took place on 14 December 2022, we would like to submit the following comments:

A. Increase of de minimis ceilings

Given the fact that the *de minimis* ceilings have not been updated since 2006, and as such, they do not reflect the inflation or financial developments which took place since the entry into force of Commission Regulation No 1407/2013 or business needs as evolved over the past 16 years, they are considered to be outdated and need to be reconsidered. Thus, we welcome the increase of the ceiling for all the aid amounts stipulated in the *de minimis* Regulation. However, taking into consideration the likely estimated developments during the period of validity of the new *de minimis* Regulation, we believe that the Commission's proposal to increase the ceiling of *de minimis* aid, which a single undertaking may receive over a period of 3 years, to EUR 275 000 is not sufficient to cover the particularly increased needs of SMEs in a period of repeated crises (pandemic, energy crisis, Russian-Ukrainian war).

In particular, it is estimated that the inflation rates, which affect not only the increased prices of raw materials, manufactured goods and services, but also the increased interest rates especially for SMEs, will remain high in the coming years, while financing costs tend to increase. For this reason, we would suggest that serious consideration be given to raising the ceiling to EUR 500 000 along with a provision for review of the threshold within three years. Similarly, we would suggest an increase of the aid ceiling for undertakings performing road freight transport to EUR 250 000. Further, we would like to note that we are of the view that the different treatment of the transport sector should be eliminated.

In the same vein, it would be necessary to increase the ceilings of aid in forms other than direct grants, i.e. loans and guarantees since the de minimis Regulation could possibly be the sole framework providing for the possibility of granting aid for working capital loans, which are necessary to cover the liquidity needs of undertakings and especially SMEs. In addition, in recent years, more and more undertakings join subsidized programmes involving forms of aid that lead to gross grant equivalent, and as a result their eligibility for new aid is limited, which further weakens their competitiveness. For these reasons, regarding aid in the form of loans, we would suggest that loans should not exceed EUR 2 500 000 (or EUR 1 250 000 in case of

undertakings performing road freight transport), while their maximum duration could be extended to 15 years. Similarly, regarding aid in the form of guarantees, we would suggest that the amount guaranteed should not exceed EUR 3 750 000 (or EUR 1 875 000 in case of undertakings performing road freight transport), while their maximum duration could be extended to 15 years.

Lastly, it could be considered to set even higher ceilings depending on the size of the undertakings.

B. Central de minimis aid registry

With regard to the proposed amendment making the establishment of a central registry of de minimis aid at a national (or Union) level mandatory, we have strong reservations since we believe it would create additional administrative burden for the member – states. We consider that it would be more appropriate to maintain in any case the option of obtaining a declaration from the undertaking concerned about any de minimis aid received during the previous two fiscal years and the current fiscal year, as foreseen in par. 1 of Article 6 of the draft Regulation.

In any case, and without prejudice to our view as above, we consider that the 6-month time frame, as provided for in par. 2 of Article 6 of the draft Regulation, is extremely short for the proper design and operation of a registry and it should be extended to a period of at least one year and a half.