

CEEP comments on the Public Consultation “Essential public services – allowing small-scale government subsidies”

General remarks:

- The principle of a two-years extension of Regulation (EU) 360/2012 (also known as SGEI De Minimis Regulation) appears as an adequate mean to avoid greater legal uncertainty and red tape for public services and SG(E)I providers. Those entities frequently are small structures with limited administrative capacity available to deal with the constraints of many EU regulation frameworks – let alone with an evolving one. The overall philosophy of the current framework under the SGEI De Minimis is rather satisfactory, difficulties are rather located at the level of implementation.
- In particular, CEEP members’ feedback indicates that SGEI providers are too often insufficiently aware of the possibilities the SGEI De Minimis Regulation provides them. Part of the solution to overcome this lack of awareness lays also with government administrations, which also need to develop their own awareness of and their capacity to make good use of the possibilities provided by this Regulation, ensuring that the positive impact it could have for SG(E)I providers materialises eventually.
- The prospect of reducing the threshold of Article 2.2 from 500 000 to 200 000 euros would in all probability prove counterproductive, since a lower threshold would make it more difficult to apply the legislation.
- The additional two-years period could be used to progress in terms of awareness-raising and technical support measures targeting end-users of public subsidies under the SGEI De Minimis Regulation.
- CEEP also advocates to make good use of this additional two-years time until December 31st 2020 to prepare for an effective, carefully thought through but not necessarily deep reform of the De Minimis regulatory framework (both SGEI and General Regulations). Such a reform move should take into account the work done in the meantime in terms of capacity-building and leave to such “end-users” sufficient time to adapt and by pushing for incremental evolutions instead of abrupt changes.