

AMS [*Employment Service*] report on SGEIs 2016/2017

2a, (b) and (e) Health services and long-term healthcare, child care, care and social integration of vulnerable groups

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| Role of the service provider | Supporting qualification measures for people working in the field of social services of general interest (health and social services, early years education, from February 2017 also asylum and migration) by the Employment Service. |
| Form of entrustment | Funding agreement |
| Duration of the entrustment | Varies according to training, as a rule under three years |
| Exclusive or special rights | No |
| Compensation mechanism | Grant to the amount of actual costs for clearly defined eligible expenditure. Double funding is not permitted. A maximum of 60% of eligible expenditure may be funded by the AMS. |
| Arrangements for avoiding over-compensation | See above |
| Total financing provided | 2016 0.73 million EUR 2017 0.69 million EUR |

(2c) Access to and reintegration into the labour market

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|------------------------------|---|
| Role of the service provider | <p>Financing employment projects, advice and counselling services and training centres through the Employment Service</p> <p>The objective of non-profit employment projects and social enterprises is the integration of people who are at a disadvantage on the employment market. Creating relatively protected temporary jobs should encourage the sustainable integration of people who find it hard to find employment (placement support).</p> <p>The guidance and support services help to increase employability and to carry out specific placement activities using special</p> |
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| | <p>methods, to support professional integration and secure employment, or to support access to vocational training.</p> <p>In addition, some guidance and support services provide careers advice services for school children.</p> <p>The training centres make it possible to run training courses that are not necessarily profitable.</p> <p>In general they are non-profit organisations or social enterprises that are active at a very local level and as a result are definitely not in a position to distort trade between Member States. Therefore, in general, aid within the meaning of Article 107 TFEU is not involved. Should aid be involved, it would be compatible in accordance with the Commission Decision of 20 December 2011.</p> |
| Form of entrustment | Support contract |
| Entrustment period | Usually 1 year |
| Exclusive or specific rights | No |
| Compensation mechanism | Contribution to actual costs or public funding to cover the deficit ('Abgangsfinanzierung'). Any revenue reduces the amount of eligible costs. |
| Arrangements for avoiding over-compensation | <p>The parameters are set in the guidelines and agreements. A detailed statement is drawn up using these parameters. No more than the costs actually incurred can be financed.</p> <p>It is not permitted to make a profit.</p> |
| Total financing provided | <p>2016 395.7 million EUR</p> <p>2017 412.4 million EUR</p> |

Vienna, 22 March 2018



Office of the Lower Austria Provincial Government, 3019

Unit for International and European Affairs

RU3-EU-11/010-2018

Our reference (please quote in all
correspondence)

Attached

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Reference

**BMDW-57.008/0001 -
C1/5/2018; LAD4-I-
2130/010-2018**

Case officer:

(0 27 42) 9005

Direct line

15175

Date

29 May 2018

Subject

**BMDW-57.008/0001-C1/5/2018; Services of general economic interest, reports on the basis
of the SGEI Decision (2012/21/EU)**

Dear Sir/Madam,

In reply to your letter 'BMDW-57.008/0001-C1/5/2018; Services of general economic
interest, reports on the basis of the SGEI Decision (2012/21/EU)' dated 26.02.2018, the
Department for environment and energy informs you of the following:

Starting from 1 July 2014, the Government of Lower Austria concluded a contract agreeing
to provide compensation to Die Garten Tulln GmbH. The SGEI was entrusted by way of a
civil-law contract in accordance with the Commission Decision of 20 December 2011
(2012/21/EU).

The SGEI covers the operation of a show garden as part of the province's 'Natural Gardens'
project, the ecological management of the whole site in strict compliance with the project's
principles and criteria, showcasing the site and demonstrating the ecological approach to
visitors, in particular by raising awareness of garden ecology, botany, garden management,
plant protection and garden design, and by organising conferences and events. Specifically

in the light of the first indent of Article 191(1) TFEU, and given that protecting the environment is one of the Union's primary goals, the Province of Lower Austria assumes that these services can be classed as a service of general economic interest.

The compensation payments cover net costs, i.e. the difference between the actual costs of providing the SGEI and the revenue obtained from the SGEI.

The recipient of the compensation payments provides services of general economic interest only, so there is only one set of accounts and net costs are calculated and verified using the cost allocation method.

To verify net costs and avoid over-compensation, a budget forecast for the next year is submitted annually, by 30 September at the latest, by the recipient, and the Lower Austrian authorities then set a ceiling for the compensation payments. However, the contract limits the compensation to a maximum of EUR 950 000.00 for the reporting years 2016 and 2017, and this amount cannot be exceeded in any event.

The recipient is required to submit quarterly reports and an annual report to show that the SGEI has been provided and to allow net costs to be verified and traced.

In particular, the reports must cover:

- the services of general economic interest that have been provided;
- procurement procedures launched and/or completed;
- the number of people and/or organisations involved in providing the service;
- and any other information that may be important for the service provider and/or the province in connection with the SGEI that is the subject of the contract.

In addition, with a view to avoiding over-compensation, the recipient has to submit the annual accounts each year, audited and issued with an unqualified audit opinion.

For the reporting year 2016, the amount of the compensation was EUR 922 258, and for 2017 EUR 572 612 at present.

There were no difficulties with applying the Decision and no complaints from third parties of

any kind.

Sent to:

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Yours sincerely,

Head of Department



This document was signed electronically. Further information available at:
www.noe.gv.at/amtssignatur

Report under Article 9(a) to (d) of the SGEI Decision

Contract with the Tyrol Mountain Rescue Service

1. Description of the application of the 2012 SGEI Decision

(1) Hospitals providing medical care, potentially including emergency services and ancillary services (Article 2(1)(b))

- rescue organisation (Mountain Rescue Service)

Clear and comprehensive description of how the respective services are organised

*Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the **contents of the services entrusted as SGEI as clearly as possible**.*

The services are governed by Section 2(9) of the Act of 1 July 2009 regulating the public rescue service in Tyrol (Tyrol Rescue Service Act 2009), Provincial Law Gazette No 96/2009, as amended. The services comprise the provision of rescue and emergency medical assistance services to individuals who are injured, sick or otherwise require assistance in alpine or rough terrains, and their transport to a location where they can be transferred to the emergency services.

*Explanation of the (typical) **forms of entrustment**. If standardised templates for entrustments are used for a certain sector, please attach them.*

The entrustment is primarily by law (Section 2(9) in conjunction with Section 12 of the Tyrol Emergency Services Act 2009) and where appropriate also by concluding a contract.

No standardised templates are used for entrustments.

***Average duration of the entrustment (in years)** and the proportion of entrustments that are **longer than 10 years** (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?*

The contract with the Austrian Mountain Rescue Service Tyrol was originally concluded in 2016 for a period of ten years.

*Explanation whether (typically) **exclusive or special rights** are assigned to the undertakings.*

The amendment to the contract assigned the Tyrol branch of the Austrian Mountain Rescue Service special rights.

*Which **aid instruments** have been used (direct subsidies, guarantees, etc.)?*

Only direct subsidies have been used.

*Typical **compensation mechanism** as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.*

The compensation mechanism takes two forms: Firstly, actual costs are compensated on submission of an invoice together with justifying documents up to the maximum amount agreed.

Secondly, a lump-sum payment is made twice a year for an amount that corresponds to the resources actually required in the previous year. Evidence of the expenditure must be provided. This method also applies a ceiling in accordance with the contract.

*Typical **arrangements for avoiding and repaying any overcompensation.***

Over-compensation is not possible because only actual proven costs are compensated. The periodic capped lump-sum payments are based on the resources used in the previous year, which must be justified by the Austrian Mountain Rescue Service Tyrol with appropriate documentation. In the case of over-compensation, the recipient is obliged by the contract to repay such sums.

*A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references). Indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website). Alternatively, explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).*

Amount of aid granted

B: Total amount of aid granted (in millions EUR) paid by regional authorities

| 2016 | 2017 |
|---|--------------------------|
| EUR 1.053 million | EUR 0.93 million |
| Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available) | |
| 2016 | 2017 |
| Grants: EUR 1.053 million | Grants: EUR 0.93 million |

3. Complaints by third parties

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures in scope of the 2012 SGEI Decision or 2012 SGEI Framework. Please be as specific as possible in your reply and include the sector for which you have received the complaints, the contents of the complaints and the possible follow-up by your authorities or the likely outcome of the court proceedings.

- We are not aware of any complaints in relation to the contract amendment.

4. Remaining questions

(A) We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision and ask you to in particular consider the following issues:

- *drawing up an entrustment act that complies with Article 4 of the SGEI Decision;*
- *specifying the amount of compensation in line with Article 5 of the SGEI Decision;*
- *determining the reasonable profit level in line with Article 5(5)-(8) of the SGEI Decision;*
- *regularly checking overcompensation as required by Article 6 of the SGEI Decision;*

Please be as specific as possible in your reply, include relevant examples and, if applicable, the sector for which the difficulties are (most) relevant.

- Concluding the contract did not pose any problems with respect to the application of the SGEI Decision.

Report under Article 9(a) to (d) of the SGEI Decision

Contract ‘Tyrol Mountain Rescue Service’ between the Tyrolean authorities and the tenderer ‘Tyrol Mountain Rescue Service’ (currently Red Cross Tyrol gemeinnützige Rettungsdienst GmbH)

1. Description of the application of the 2012 SGEI Decision

(1) Hospitals providing medical care, potentially including emergency services and ancillary services (Article 2(1)(b))

- Public rescue service (qualified transport of patients and rescue service)

Clear and comprehensive description of how the respective services are organised

*Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the **contents of the services entrusted as SGEI as clearly as possible.***

The services are governed by Section 2(1) and (9) of the Act of 1 July 2009 regulating the public rescue service in Tyrol (Tyrol Rescue Service Act 2009), Provincial Law Gazette No 96/2009, as amended.

The SGEIs in question include on one hand ground-based emergency rescue, in other words initial medical treatment of people who are sick, injured or otherwise in need of assistance and who are at risk of death or severe injury if they do not receive the required treatment immediately, as well as determining whether they can be moved safely and transporting them under qualified medical supervision in specifically equipped rescue vehicles to an appropriate care facility for further medical treatment.

They also include ground-based qualified patient transport, in other words the transport judged necessary by a doctor of people who are sick, injured or otherwise in need of assistance but who are not emergency patients, under the supervision of doctors and/or paramedics in a rescue vehicle.

*Explanation of the (typical) **forms of entrustment.** If standardised templates for entrustments are used for a certain sector, please attach them.*

In accordance with Section 3(3) of the Tyrol Rescue Service Act 2009, the provision of the services in question can be delegated by contract to appropriate rescue organisations *inter alia*.

To this end, a tender procedure was organised, following which a contract for the SGEI in question was concluded with the best bidder. In 2012, contractually permitted and necessary modifications were made to adapt the services to new conditions.

Average duration of the entrustment (in years) and the proportion of entrustments that are **longer than 10 years (in %)** per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?

The contract with the bidder 'Tyrol Rescue Service' (now Red Cross Tyrol gemeinnützige Rettungsdienst GmbH) was concluded for ten years.

Explanation whether (typically) **exclusive or special rights** are assigned to the undertakings.

Special rights are assigned to Red Cross Tyrol gemeinnützige Rettungsdienst GmbH.

Which **aid instruments** have been used (direct subsidies, guarantees, etc.)?

Monthly interim payments are made in the form of direct subsidies.

Typical **compensation mechanism** as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.

The prices for the SGEI provided are set on a market economy basis through an open call for tenders and are fixed by the contract, with the costs being borne on a pro rata basis by the Province of Tyrol and the statutory social insurers. The monthly interim payments are made on presentation of invoices. Settlement occurs at the end of the year based on an annual balance sheet.

Typical **arrangements for avoiding and repaying any overcompensation**.

Overcompensation is avoided by the presentation of annual balance sheets and their verification by the contracting authority. In the case of over-compensation, the recipient is obliged by the contract to repay such sums.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references). Indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website). Alternatively, explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

| Amount of aid granted | |
|--|------|
| B: Total amount of aid granted (in millions EUR) paid by regional authorities | |
| 2016 | 2017 |
| | |
| Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available)available | |
| 2016 | 2017 |
| | |

3. Complaints by third parties

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures in scope of the 2012 SGEI Decision or 2012 SGEI Framework. Please be as specific as possible in your reply and include the sector for which you have received the complaints, the contents of the complaints and the possible follow-up by your authorities or the likely outcome of the court proceedings.

- The contract 'Rescue Service Tyrol' concluded between the Province of Tyrol and the bidder 'Tyrol Rescue Service' (now Red Cross Tyrol gemeinnützige Rettungsdienst GmbH) was adapted to the SGEI Decision following a complaint in 2016. As a result of this, the complaint was withdrawn.

4. Remaining questions

(A) We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision and ask you to in particular consider the following issues:

- *drawing up an entrustment act that complies with Article 4 of the SGEI Decision;*
- *specifying the amount of compensation in line with Article 5 of the SGEI Decision;*
- *determining the reasonable profit level in line with Article 5(5)-(8) of the SGEI Decision;*
- *regularly checking overcompensation as required by Article 6 of the SGEI Decision;*

Please be as specific as possible in your reply, include relevant examples and, if applicable, the sector for which the difficulties are (most) relevant.

Report under Article 9(a) to (d) of the SGEI Decision

Tyrol Disaster Management Contract signed with the Tyrol branch of the Austrian Red Cross

1. Description of the application of the 2012 SGEI Decision

(1) Hospitals providing medical care, potentially including emergency services and ancillary services (Article 2(1)(b))

- Civil protection (organising disaster prevention and relief)

Clear and comprehensive description of how the respective services are organised

*Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the **contents of the services entrusted as SGEI as clearly as possible**.*

Disaster prevention and relief services within the meaning of Section 15(1) of the Act of 8 February 2006 on disaster management in Tyrol (Tyrol Disaster Management Act, Provincial Law Gazette (LGBl.) No 33/2006; as amended).

This includes in particular purchasing and maintaining - technically up to date - command and control resources; medical equipment; the initial and ongoing training of management and operational staff; and ensuring operational capacity.

*Explanation of the (typical) **forms of entrustment**. If standardised templates for entrustments are used for a certain sector, please attach them.*

The entrustment is primarily by law (Section 15(1) of the Tyrol Disaster Management Act) and where possible also by concluding a corresponding contract (Section 15(2) of the Tyrol Disaster Management Act). Substantive changes to the contract between the Tyrolean authorities and the Tyrol branch of the Austrian Red Cross were introduced when the contract was amended in 2014.

No standardised templates are used for entrustments.

***Average duration of the entrustment (in years)** and the proportion of entrustments that are **longer than 10 years** (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?*

The contract with the Tyrol branch of the Austrian Red Cross was originally concluded for an indefinite period. The amended contract was concluded for a period of 10 years from the date of signature.

*Explanation whether (typically) **exclusive or special rights** are assigned to the undertakings.*

The amendment to the contract assigned the Tyrol branch of the Austrian Red Cross special rights.

Which **aid instruments** have been used (direct subsidies, guarantees, etc.)?

Only direct subsidies have been used.

Typical **compensation mechanism** as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.

Compensation for the Tyrol branch of the Austrian Red Cross is calculated in two ways:

Firstly, actual costs are compensated on submission of an invoice together with justifying documents up to the maximum amount agreed (this is the only compensation mechanism allowed by the amendment to the contract).

Secondly, a lump-sum payment is made twice a year for an amount that corresponds to the resources actually required in the previous year. Evidence of the expenditure must be provided. This method also applies a ceiling.

Typical **arrangements for avoiding and repaying any overcompensation**.

Over-compensation is not possible because only actual proven costs are compensated. The periodic lump-sum payments are based on the resources used in the previous year, which must be justified by the Tyrol branch of the Austrian Red Cross with appropriate documentation. In the case of over-compensation, the recipient is obliged by the contract to repay such sums.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI) are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references). Indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website). Alternatively, explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

| Amount of aid granted | |
|---|---------------------------|
| B: Total amount of aid granted (in millions EUR) paid by regional authorities | |
| 2016 | 2017 |
| EUR 0.351 million | EUR 0.297 million |
| Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available) | |
| 2016 | 2017 |
| Subsidy EUR 0.351 million | Subsidy EUR 0.297 million |

3. Complaints by third parties

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures in scope of the 2012 SGEI Decision or 2012 SGEI Framework. Please be as specific as possible in your reply and include the sector for which you have received the complaints, the contents of the complaints and the possible follow-up by your authorities or the likely outcome of the court proceedings.

- We are not aware of any complaints in relation to the contract amendment.

4. Remaining questions

(A) We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision and ask you to in particular consider the following issues:

- *drawing up an entrustment act that complies with Article 4 of the SGEI Decision;*
- *specifying the amount of compensation in line with Article 5 of the SGEI Decision;*
- *determining the reasonable profit level in line with Article 5(5)-(8) of the SGEI Decision;*
- *regularly checking overcompensation as required by Article 6 of the SGEI Decision;*

Please be as specific as possible in your reply, include relevant examples and, if applicable, the sector for which the difficulties are (most) relevant.