



Le Secrétaire Général / The Secretary General

Mr. Humbert Drabbe  
Director  
European Commission  
DG COMP G  
Rue de la Loi, 200  
1049 Brussels

Brussels, 7<sup>th</sup> November 2005

Subject: European Chambers' position on the EC State Aid Action Plan

Dear Mr. Drabbe,

I have the pleasure to send you EUROCHAMBRES' position on the State Aid Action Plan that was presented by the European Commission, DG Competition, this summer.

European Chambers welcome the Commission's efforts to review and modernise European state aid policy. Political and economic realities require a revision aimed at simplification, de-bureaucratisation, increased efficiency and effectiveness and especially aimed at strengthening and renewing our economies. Other ongoing and announced initiatives on state aid and R&D, Services of General Interest and regional aid guidelines will be monitored with equal interest. Chambers also approve the manner in which the EC intends to go about the review. A road map has been presented and consultations with stakeholders are foreseen.

Although generally supporting the aims and key priorities set by the plan, Chambers strongly stress that the market is the most efficient way of resource allocation and that state aid must remain a temporary, proportionate "instrument of last resort". Consequently, aid must be strictly controlled. The ability to control and approve aid must remain firmly in the Commission's hands. Finally, the review should put the needs of SMEs in a more central position. Rules and procedures should encourage SMEs to use and benefit from state aid. The full document can be accessed by using the following link: [EUROCHAMBRES Position on the State Aid Action Plan](#).

I hope our comments will be of use to your work and can contribute to the discussions on the reform of EC State Aid policy and competitiveness in Europe. EUROCHAMBRES is looking forward to discuss its position and views with you. Those directly responsible at EUROCHAMBRES are Paul Skehan, Deputy Secretary General, and Wim Martens, Advisor European Affairs. If you have any questions in the meantime, please do not hesitate to contact us.

Yours sincerely,

Arnaldo Abruzzini