



AECM

*Association Européenne du Cautionnement Mutuel
Associação Europeia de Caucionamento Mútuo
Associazione Europea di Garanzia Mutua
Europäischer Verband der Bürgschaftsbanken
Asociación Europea de Caución Mutua
European Mutual Guarantee Association¹*

STATE AID ACTION PLAN

Consultation Document of the European Commission.

Position of the European Mutual Guarantee Association.

1. We welcome the consultation of the Commission, in which we underline the aspects of **competitiveness and sustainable growth for SMEs**.
We keep in mind that the Commission intends to “create an environment more supportive to business... by facilitating the rapid start-up of new enterprises”.
2. Without going into details about the place and role of SMEs in the European economy, a topic widely commented upon by experts, we consider that **their difficulty to access funding resources is a particular hindrance for which they can receive various supports**.
3. The **guarantee instrument** is one of the tools that help SMEs accessing credit at affordable terms and conditions.
Many guarantee societies function as a Public Private Partnership including elements of State Aid.
4. Generally speaking, the Commission is aiming for “simplification and codification of the regulations” whilst maintaining “fair rules of the game”.
AECM members support this approach.
They agree that the Commission can adopt an overall group exemption regulation (Council Regulations 994-98).

AECM members adhere to the general regulations put forward in the consultation memo:

- the code of good conduct (§50)
- proper application (§53)
- the possibility of suspension and recovery of aid (§55)
- transparency (§58).

AECM would like to be involved in consulting market participants (§58), focusing on the different forms of aid (“All money is not the same”- §63) and more particularly in view of the announced publication on aid in the form of guarantees (§64).

What is AECM ?

On 31/12/2003 the 29 member societies of AECM² represented:

- equity capital of 3,847,362,000 EUR
- outstanding guarantees of 37,351,603,000 EUR
- a volume of guarantees granted in 2003 of 14,467,731,000 EUR.

Brussels, 28/07/2005.

² AECM Activity Report 2003, available for website www.aecm.be