

Office of the Chair

International strategy

KINGDOM OF BELGIUM

2018 report to be submitted pursuant to the 2012 SGEI Decision and the 2012 SGEI Framework of the European Commission

In accordance with Article 9 of the Commission Decision of 20 December 2011, Member States must draw up a report every two years on services of general economic interest with respect to State aid.

The Belgian report consists of annexes by the various entities which have drawn up specific reports on several sectors set out in the above Decision.

The Commission's guidelines on format have been taken into account as far as possible. The annexes making up this report are homogeneous from a linguistic point of view (they are either in French or in Dutch). Annex 4 (contribution by the Brussels-Capital Region) is drawn up in both languages, but each chapter is drafted in one language only.

The report is made up of the following contributions:

Annex 1: Contribution by the hospital sector, which comprises one report and six annexes (one for the Flemish region, one for the Walloon region, one for the German-speaking Community and three for the Brussels region).

Annex 2: Report by the Flemish Government (*Vlaamse overheid*) report, with contributions from the following administrations:

- Public health, welfare and family
- Employment and social economy
- Housing and social housing
- Energy and environment
- Audiovisual sector

Annex 3: Report by the Walloon Region, which covers the following sectors:

- Health and long-term care
- Childcare
- Access to reintegration into the labour market — Social care and inclusion of vulnerable groups — other social services: Employment promotion initiatives in the local social services sector (IDESS)

- Social housing
- Social inclusion of vulnerable groups
- Autonomous ports in Wallonia
- Waste collection and reuse of waste
- Other sectors

Annex 4: Report by the Wallonia-Brussels Federation (also known as the French Community of Belgium) on the following sector:

- Childcare

Annex 5: Report by the Brussels Capital Region on the following sectors:

- Economy — employment: social economy strand
- Economy — employment: employment strand
- Directorate for Equal Opportunities
- Bruxelles Environnement
- ERDF
- Villo
- SLRB — Brussels social housing
- Citydev (*Société de Développement de la Région de Bruxelles-Capitale*)
- Urban (Development and heritage)
- Actiris (employment administration — Brussels Capital Region)
- Commission Communautaire Commune (COCOM) (Joint Community Commission): hospitals (report also included in Annex 1).

Annex 6: Report by the German-speaking Community of Belgium on the following sectors:

- Childcare

Annex 7: Postal services (NB: the sections highlighted in yellow are confidential and cannot be included in the publication)

Annex 2 — SGEI Decision

SGEI Decision in your Member State		Total amount for whole Member State	
		2018	2019
Article 2(1), point (b)	Hospitals providing medical care, including, where applicable, emergency services	€9 192 626 278	€9 265 023 916
Article 2(1), point (c)	Health and long-term care	€24 132 150	€30 530 075
	Childcare	€580 952 414	€627 097 744
	Access and reintegration into the labour market		
	Access and reintegration into the labour market	€85 977 308	€103 551 424
	Social housing	€332 234 889	€359 948 650
	Care and social inclusion of vulnerable groups	€264 462 674	€270 337 150
	Other social services		
Article 2(1), point (d)	Air or maritime links		
Article 2(1), point (e)	Airports and ports	€4 788 200	€3 848 439
Article 2(1)a), under €15 million per year	Postal services		
	Energy	€63 000 000	€4 000 000
	Waste collection	€1 637 000	€1 835 000
	Water supply		
	Culture		
	Financial services		
	Other	€68 469 445	€66 605 757

Annex 2 — SGEI Framework

SGEI Framework in your Member State	Total amount for whole Member State	
	2018	2019
Postal services		
Energy		
Waste collection		
Water supply		
Air or maritime links		
Airports and ports		
Culture		
Financial services		
Other		

CONFIDENTIAL



Walloon Agency for Health, Welfare, Disability and Families

‘Well-Being and Health’ branch

Directorate for hospital treatment

**The Vice-President and Minister for Employment, Training, Health, Social Action,
Equal Opportunities and Women’s Rights,**

Approval A/...

AVIQ/BES/DSH/.../.../ProgAG

Having regard to the Constitution, particularly Articles 128 and 138 thereof;

Having regard to the Special Law on institutional reform of 8 August 1980, in particular Article 5 thereof;

Having regard to the Law on hospitals and other healthcare facilities, consolidated by the Royal Decree of 10 July 2008;

Having regard to the Order of the Executive of the French Community of 5 November 1987 laying down detailed rules for the approval, closure and appeal procedure for hospitals, hospital services, heavy-duty medical-technical services, sections, functions, protected housing initiatives and associations of institutions and psychiatric services, in particular Articles 9 and 10 thereof;

Having regard to the Order of the Walloon Government of 13 September 2019 establishing the division of powers between Ministers and regulating the signing of Government acts;

Having regard to the Order of the Walloon Government of 26 September 2019 regulating the functioning of the Government;

Having regard to the ministerial decision of... granting the hospital...(A/...) an extension to the approval for a period of five years from the date of the opinion of the Walloon Health Commission, in other words until

Having regard to the inspection reports drawn up following the inspections carried out on

Having regard to the report containing conclusions submitted to the organising authority and to the Walloon Health Commission dated;

Having regard to the letter dated ... from the hospital commenting on the report containing conclusions;

Having regard to the opinion of the Walloon Health Commission notified to the institution on ...;

Whereas the approval of the hospital... (A/...) may be extended in accordance with Articles 9 and 10 of the above Order of the French Community Executive of 5 November, provided that it complies with Article 4 of this Order;

Whereas, following the proposal of the Walloon Health Commission, the general approval will be extended by five years from the date of the opinion of the Walloon Health Commission;

HEREBY ADOPTS:

Article 1: Pursuant to Article 9 *in fine* of the Order of the French Community Executive of 5 November 1987, the approval of hospital ... (A/...) is extended from to

Article 2: The approval of hospital...(A/...) is extended for a period of five years from the date of the opinion of the Walloon Health Commission, in other words from ... to ... for the following beds: ...

Article 3: The approval of hospital...(A/...) is extended for a period of five years from the date of the opinion of the Walloon Health Commission, in other words from ... to ... for the following functions, services, medical-technical services and treatment programmes: ...

Article 4: Hospital ... (A/...) must have an action plan validated by the Administration within three months of receipt of this Ministerial Order together with a schedule intended to resolve the issues raised in the following comments: ...

Article 5: An appeal against this decision can be lodged by registered letter, or by other means conferring a definite date on the dispatch, within one month of its notification to the secretariat of the Commission responsible for issuing opinions on appeals relating to social action and health issues:

SPW (Walloon public service) responsible for Home Affairs and Social Action
Secretariat of the Commission responsible for issuing opinions on appeals relating to social action and health issues, Avenue Gouverneur Bovesse 100 à 5000 - NAMUR

This appeal contains: 1. The name, first name, residential or office address of the appellant.
2. The purpose of the appeal, a statement of the facts and pleas in defence.

The appeal is supplemented by a copy of the contested decision.

Article 6: This Order is hereby notified:

a) by registered letter to:

b) by e-mail:

Namur, on...

The Vice-President and Minister for Employment, Training, Health, Social Action, Equal Opportunities and Women's Rights,

Christie MORREALE.

SPF (Federal public service) for Public Health, Food Chain Safety and the Environment

DG for Organisation of treatment facilities, accounts department and hospital management

Ms A. PONCE, General Adviser

Cité Administrative de l'Etat

Eurostation bloc 2

Place Victor Horta 40 bte 10

1060 BRUSSELS

Eupen,

Our ref.: FbGS.SP.CC/14.05-04.01/15.234

Your contact: Sarah Paquet, tel. +(32) 87 789.662, sarah.paquet@dgov.be

Hôpital St. Nicolas, Hufengasse 4-8, 4700 Eupen

Extension of the approval covering various services and functions

Dear Madam,

I wish to inform you that the approval of the establishment referred to above has been extended for the following services and functions:

- 51 C beds, 15 C-D beds, 50 D beds, 24 G beds;
- children's treatment programme (13 beds);
- 20 SP beds (specialised 'locomotor disorders');
- intensive care with 7 beds;
- imaging service with axial tomographic cross-section;
- specialised emergency service and SMUR (mobile emergency services);
- palliative care function;
- outpatient surgery;
- treatment programmes for A and P cardiac disease;
- chronic haemodialysis service;
- oncological treatment programme;
- mediation service;
- hospital blood bank function.

The approval is valid from 1 January 2015 to 31 December 2019.

Because of building alterations, the approval for the maternity service (12 M beds) will run from 1 January 2015 to 31 December 2016.

The decision is based on the legislation set out below.

Yours faithfully, Madame le

Antonios Antoniadis

Minister

Legal bases:

- Law on Hospitals, consolidated on 10 July 2008 plus annexes;
- Royal Decree of 23 October 1964 laying down the rules to be complied with by hospitals and hospital services;
- Decree of 20 October 1997 establishing and advisory committee for hospitals;
- Decree by the Government of the German-speaking Community of 19 April 1995 on the procedures for the approval and closure of hospitals and hospital services.

Name of addressee
Title
Organisation
Address + post code
City

Brussels,

Our References

Name of department
Contact in the department
Telephone No
e-mail
References: 20/xx xx

Your References

Addressee references

Annex(es): X

Approval number: X

Subject: Name of partnership:

- **Approval of the partnership between < name of hospital No 1 + approval number > and < hospital name No 2 + approval number >**

Dear Sir/Madam,

Having regard to the Consolidated Law of 10 July 2008 on hospitals and other healthcare institutions;

Having regard to the Royal Decree of 25 April 1997 specifying the description of a hospital partnership and the special standards with which it must comply;

Having regard to the order of the College of 9 July 2009 issued at the meeting of the Joint Community Committee on the procedure for the approval, withdrawal of approval and the closure of hospitals, hospital cooperation and hospital activities;

Having regard to the Agreement of < date of the Agreement > between < name of hospital No 1 > and < name of hospital No 2 > relating to < subject of the agreement >;

Having regard to the report by our Administration, the conclusions of which were forwarded to you on <TransConcl>;

Having regard to the opinion of the Advisory Council on Health and assistance to individuals of <date>, notified on <TransAvis>;

We wish to inform you that:

- we approve the Agreement of <date de la agreement> between < name of hospital No 1 > and < name of hospital No 2 > relating to < subject of the agreement >;
- the <standard approval> of the partnership < purpose of the partnership > is hereby granted for the period < DATE>.

We suggest that you make use of this period to comply with all legislative and regulatory requirements, and in particular with the comments made in the above-mentioned inspection report.

Yours faithfully,

Member of the College responsible for health
policy,

A. MARON

Het Lid van het Verenigd College, bevoegd voor
het Gezondheidsbeleid,

E. VAN DEN BRANDT

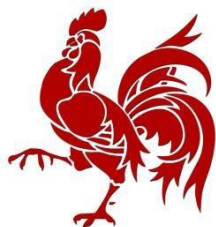
Annex 3

Services of General Economic Interest (SGEI) - Reports to be submitted under Article 9 of the Commission Decision of 20 December 2011 on State aid in the form of public service compensation

Walloon

Region

August 2020



I. Social services:

- **Health and long-term care**

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- *Access to and reintegration into the labour market — Care and social inclusion of vulnerable groups — Other social services: Employment development measures in the local social services sector (IDESS)* 14

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- *Social inclusion of vulnerable groups:*

<i>I. <u>Social care homes, communal homes and family-type shelters</u></i>	49
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2. Airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d): the <u>Wallon autonomous ports</u>	71
3. SGEI compensation not exceeding an annual amount €15 million (Art. 2(1)(a))	
• Waste collection services + other sectors (re-using waste) + access to and reintegration into the labour market: <u>Waste re-use companies</u>	77
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Section 2) social services¹

a) Health and long-term care

I. Nursing homes

Clear and comprehensive description of how the respective services are organised in your Member State²

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.

This is an establishment that, regardless of its name, is intended to accommodate older people who make this their habitual residence and who benefit, depending on their level of dependency, from family, domestic, daily living assistance and nursing or paramedical care community services (Article 334(2)(a) of the Walloon Social Work and Health Code).

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

¹ Article 2(1)(c) of the Commission Decision of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest.

² If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Ministerial order (working title).
All plans to open, extend or reopen a nursing home must be agreed in principle (except for changes of manager within the same sector where operation continues at the same site, temporary transfer to another site or establishment as a result of urgent work or circumstances, or transfer between sites in the same district, covered by the same manager). After obtaining this agreement in principle, the establishment must then submit an operating permit application, which must, in principle, be obtained within three years (Article 351 of the Walloon Social Work and Health Code). It is the minister who decides whether to grant or refuse the operating permit.
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 operating permit is granted for an unlimited duration, but the <i>Agence pour une Vie de Qualité</i> (Quality Life Agency) ensures that standards continue to be met by checking and inspecting the establishments concerned on a regular and impromptu basis.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Exclusive rights. An operating permit must be obtained in order to run a nursing home. Where it is found that an establishment for older people is being operated without an operating permit, a closure procedure is initiated (Article 1450 et seq. of the Regulatory Part of the Walloon Social Work and Health Code).
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Subsidies/guarantees
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Investment subsidy + the government can grant a guarantee for loans taken out to finance these operations (Articles 1504 to 1513 of the Regulatory Part of the Walloon Social Work and Health Code). Legal reference: Articles 1458 to 1503 of the Regulatory Part of the Walloon Social Work and Health Code.
Typical arrangements for avoiding and repaying any overcompensation.
For works contracts, the subsidy is made available in instalments: - a first instalment of 30% of the subsidy amount as soon as the order has been placed for the work and this has been effectively started, which is proven by the first progress report accompanied by the corresponding invoice; - the second instalment of 30% is made available as soon as the total of the progress reports and invoices submitted equals the total of the first instalment; - the third instalment of 30% is made available as soon as the total of the progress reports

and invoices submitted equals the total of the first two instalments;

- the balance of the subsidy is made available to the applicant on approval of the final account.

For equipment and furniture contracts, the subsidy is paid on submission of the invoices.

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), or 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

Total amount of aid granted (in millions EUR)³. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁴	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁵	
2018	2019
€19 537 350	€25 653 875
<u>Commitment appropriations</u>	<u>Commitment appropriations</u>
=> Private nursing homes: 4 030 025.00	=> Private nursing homes: 3 955 375.00

³ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁴ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁵ See footnote 3.

(11 beneficiaries); => Public nursing homes: €13 265 100.00 (6 beneficiaries); <u>CRAC loans</u> => Private nursing homes: €2 210 550.00 (5 beneficiaries); => Public nursing homes: €31 675.00 (1 beneficiary).	(5 beneficiaries); => Public nursing homes: €20.953.775.00 (5 beneficiaries). <u>CRAC loans</u> => Private nursing homes: €41 775.00 (3 beneficiaries); => Public nursing homes: €702 950.00 (4 beneficiaries).
C: Total amount of aid granted (in millions EUR) paid by local authorities⁶	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁷	
2018	2019
	On 1 July 2019 there were 602 nursing home and care home establishments.

⁶ See footnote 3.

⁷ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

II. Integrated health associations

Clear and comprehensive description of how the respective services are organised in your Member State⁸

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.

This is an association that, through a multidisciplinary primary care team covering medical, psychological and social matters, hereinafter referred to as ‘the team’, provides: care through a holistic approach, both organic and also psychological and social care, in which the patient is regarded as a subject with a personal history who is integrated in a family, professional and socio-economic environment; integrated care by including prevention, which can be carried out either through individual contacts or through measures conducted among a defined population; and continuous care by summarising, managing and monitoring the information on all the health problems experienced by the patient throughout his or her care, at whatever level (Article 419(1°) of the Decree Part of the Walloon Social Work and Health Code).

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

Ministerial order for the quasi-regulated part and internal payment forms for the regulated part.

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?

Approvals are granted for an unlimited duration. As an exception, where the general practitioners in the association do not work mainly for the association and where this is a new integrated health association, provisional approval for up to three years is granted, provided that the integrated health association meets the other conditions for approval. At the end of the provisional approval period, unless otherwise decided, the integrated health association is regarded as approved.

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

None.

⁸ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Approval may be withdrawn from associations that no longer meet the required conditions or do not fulfil their obligations. The government determines the procedure for withdrawing approval (Article 432 of the Decree Part of the Walloon Code).
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Subsidy.
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>The subsidy is automatically linked to obtaining approval. It covers expenditure on:</p> <ul style="list-style-type: none"> - employees; - independent professionals; - operation. <p>A form is used to gather the information needed to calculate the subsidy. This form is sent to the administration no later than 1 March of each year.</p> <p>Legal references:</p> <ul style="list-style-type: none"> - Decree Part of the Walloon Social Work and Health Code, Articles 419 to 433; - Walloon Government Order of 27 May 2009 implementing the Decree of 29 March 1993 on the approval and subsidy of integrated health associations.
Typical arrangements for avoiding and repaying any overcompensation.
<p>The subsidy is paid as follows: an advance of 85% no later than 1 May of the current year; a second advance of 90% of the last checked and proven subsidy can be paid no later than 1 September of the current year; the balance is paid after the supporting dossier for the next year has been checked. If the advances paid are higher than the amount of expenditure proven by the operator, the latter must reimburse part of the advances.</p> <p>Some integrated health associations work on a fee-for-service basis, while others use flat-rate payments.</p>
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>

Amount of aid granted	
Total amount of aid granted (in millions EUR)⁹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹⁰	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹¹	
2018	2019
€4 594 800	€4 876 200
Commitment appropriations	Commitment appropriations
For private: €4 555 400	For private: €4 836 100
For public : €39 400	For public : €40 100
C: Total amount of aid granted (in millions EUR) paid by local authorities¹²	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)¹³	

⁹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹⁰ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹¹ See footnote 3.

¹² See footnote 3.

¹³ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector,

There were 90 approved integrated health associations in the Walloon Region on 1 January 2020.
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average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

b) Childcare

<div style="background-color: #FFFF00; display: inline-block; padding: 2px 10px;">Crèches¹⁴</div>
Clear and comprehensive description of how the respective services are organised in your Member State¹⁵
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.
Social services: childcare => category 2(b)
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
The DGO5 (Operational Directorate-General for Local Authorities and Social Work) does not manage the approval of crèches, but only subsidy applications submitted by an entity managing a crèche.
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?
///
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
///
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
Investment subsidies.

¹⁴ The documents forming the legal bases for the measures referred to under 'social work' can be found at <https://we.tl/t-GNdId6AWgQ>.

¹⁵ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Legal reference: Order of 8 July 1983 of the Executive of the French Community regulating, for the French Community, the granting of subsidies for the purchase or construction of buildings in order to set up crèches, and for the extension, conversion, major repair, equipment and initial furnishing of these buildings.	
Typical arrangements for avoiding and repaying any overcompensation.	
Since subsidies are released in line with the submission of supporting documents, there is no reimbursement of the resources allocated.	
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), or 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	
Total amount of aid granted (in millions EUR)¹⁶. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹⁷	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹⁸	
2018	2019
Commitment appropriations	
=> Private crèches: 48 €375 - 2 beneficiaries; => Public crèches: €947 600 -	=> Private crèches: €63 975 - 2 beneficiaries; => Public crèches: €199 875 -

¹⁶ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹⁷ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹⁸ See footnote 3.

1 beneficiary.	2 beneficiaries.
A CRAC (Regional Centre for the Assistance of Municipalities) loan was concluded in 2015 for €56 000 000 for the creation of new childcare places in the call for projects PC3V2.	
In 2018, the sum of €13 098 550 was made available to the beneficiaries of the call for projects.	In 2019, the sum of €9 905 250 was made available to the beneficiaries of the call for projects.
C: Total amount of aid granted (in millions EUR) paid by local authorities¹⁹	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ²⁰	
2018	2019
1 subsidised interpreting service.	

¹⁹ See footnote 3.

²⁰ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- c) Access to and reintegration into the labour market
- e) Care and social inclusion of vulnerable groups
- f) Other social services

Employment development measures in the local social services sector (IDESS)

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	2 096	2 965
(1) Compensation granted on the basis of the SGEI Decision	2 096	2 965
(2) Compensation granted on the basis of the SGEI Framework	0	0

Clear and comprehensive description of how the respective services are organised in your Member State²¹

The Employment development measures in the local social services sector (IDESS) were introduced by the Walloon Region.

The aim is twofold:

- to find work from people who have been far removed from the labour market (SINE, Art.60, Art.61); and
- to meet the needs not met by the private sector, primarily for individuals regarded as 'vulnerable'.

The intention, therefore, is to create jobs and strengthen social cohesion, as well as meet the needs of individuals who need small jobs done that are not of interest to private sector professionals.

To that end, approval and grants are awarded to undertakings which must be: (consortium of) CPAS/ASBL/SFS.

²¹ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>An IDESS can be approved to provide one or more of the following services:</p> <ul style="list-style-type: none"> - <u>minor maintenance, repair and renovation work in houses</u>: in other words, jobs that are too small to be of interest to a ‘traditional’ company and could be carried out by a handyman without any special qualifications. The jobs concern the beneficiary’s building and furniture. - <u>the fitting-out and maintenance of green areas</u>, involving minor jobs such as: <ul style="list-style-type: none"> ○ mowing lawns; ○ hedge-cutting; ○ weeding in the vicinity of the dwelling and courtyards; ○ digging in gardens and vegetable gardens; ○ cutting firewood; ○ collection and disposal of waste and/or leaves and branches; ○ cleaning gravestones; ○ removal of snow and weeding pavements. - <u>social transport</u> is transport for ‘vulnerable’ people who do not have a car or cannot travel by public transport or taxi. - <u>the social laundry</u> provides laundry services to ‘vulnerable’ people - <u>social shops</u> are shops for ‘vulnerable’ people; they sell food and basic necessities at 30% below the prices charged by ordinary retailers. Repair, recycling and re-use activities involving non-food and second-hand goods are also eligible. - <u>cleaning</u>: in the case of premises of small not-for-profit businesses (ASBL).
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>The entrustment is dependent on having a licence. The licence is granted for two years, and is renewable for periods of four years thereafter.</p> <p>Example of a licence granted: (see annex, ‘IDESSS 148’)</p>
<p>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?</p>

The entrustment is dependent on having approval. Approval is granted for two years, and is renewable for periods of four years thereafter. There is therefore no entrustment that lasts more than four years.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Rights are granted, as explained above. The approval granted entitles them to receive subsidies, but these rights are not exclusive.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
<p>Direct subsidies.</p> <p>Details of the subsidies granted in this framework:</p> <ul style="list-style-type: none"> ○ Operational costs: €1 000 / year / FTE SINE status, Art.60 or Art.61 <ul style="list-style-type: none"> ▪ 2 FTE at least in the structure ○ subsidy for workers' pay: €13 000/year/FTE SINE status or Art.61 ○ complementary subsidy (if services provided to vulnerable target group): €1 000 / year / FTE SINE status, Art.60 or Art.61 ○ Additional subsidy for SFS: €10 000/year/FTE APE status ○ single subsidy for disabled vehicles: €11 000 (once only in the lifetime of an IDESS) ○ Disabled vehicle points: 24 points maximum.
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>How it works: the undertaking applies for approval, specifying the sectors of activity and the number and profile of the workers employed in those activities; following this, the administration calculates the amount of subsidies to which the structure is entitled (this amount depends solely on the number and profile of workers, not the sectors of activity). Payment is made in two instalments: at the beginning of the calendar year, an advance is paid corresponding to 50% of the ceiling for subsidies; at the end of the year the company must justify the costs and receipts of its IDESS activities, and the administration calculates and pays the balance together with the advance payment for the following year. It is at this point that the 'cost — revenue + reasonable profit' is calculated.</p> <p>The number and profile of workers are therefore set down in the approval (which can be amended once a year²², with effect from the following 1 January), however, these posts can be taken by any worker with this profile. The posts do not therefore</p>

²² Proposal by the Social Economy Directorate: the deadline for receipt of requests for extensions should be set at 31 August of the current year, coming into effect on 1 January of the following year. This makes it possible to meet the deadlines for processing the request, and to set a deadline, after which the budgetary impact of the requests for extension is halted.

specify a name. If, for example, the structure plans to use 1.5 FTE (full-time equivalents) SINE (integration of unemployed, for whom it is very difficult to find jobs in the social economy) in the year, it can:

- either recruit two SINE workers throughout the year (one full-time and one part-time);
- or employ three SINE workers for 6 months full time;
- etc.

The aim in this example is therefore to employ SINE workers for a total of 18 months of full-time work over the year, spread over several workers.

The IDESS scheme is therefore a tool intended primarily for individuals in a vulnerable situation, for small jobs carried out by companies that are not expected to compete with private companies, which imposes a number of constraints (limitations on charges, benefits, etc.).

Typical arrangements for avoiding and repaying any overcompensation.

This method of calculation makes it possible to avoid dual subsidies (since the undertaking must also provide information on all subsidies received from other sources for the same expenditure).

Where an undertaking fails to justify the ceiling for its subsidies, and the balance to be paid is negative (i.e. where the undertaking provides evidence that the expenditure is lower than the advance paid), the amount of the negative balance must be recovered by offsetting it against the next payment(s).

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

There is no aid over €15 million in this scheme.

Amount of aid granted

Total amount of aid granted (in millions EUR)²³. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
2 096	2 965
A: Total amount of aid granted (in millions EUR) paid by central national authorities²⁴	

²³ As stipulated in Article 9(b) of the 2012 SGEI Decision.

²⁴ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities²⁵	
2018	2019
2 096	2 965
C: Total amount of aid granted (in millions EUR) paid by local authorities²⁶	
2018	2019
?	?
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Direct subsidies	Direct subsidies

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ²⁷	
2018	2019
<ul style="list-style-type: none"> - Number of workers given jobs (FTE, 2018 figures): <ul style="list-style-type: none"> o SINE: 180.29 ETP o Art.60: 133.80 ETP o Art.61: 0.00 FTE - Number of approved structures: <ul style="list-style-type: none"> o 62 IDESS in all, of which: <ul style="list-style-type: none"> ▪ 39 CPAS (= 62.5%) ▪ 15 ASBL (= 24.6%) ▪ 7 SFS (= 11.3%) ▪ 1 CPAS partnership (= 1.6%) - Number of IDESS active in 	Figures not yet finalised.

²⁵ See footnote 3.

²⁶ See footnote 3.

²⁷ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

different sectors of activity:		
<u>Activities</u>	<u>Number of IDESS active in this sector</u>	<u>Percentage of IDESS active in this sector</u>
DIY	45	72%
social transport	39	63%
gardening	39	63%
social shop	18	29%
social laundry	11	18%
cleaning asbl	3	5%

NB: IDESS can be approved for one or more areas of activity.

The annual budget is referred to below.

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Not applicable

4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

Not applicable

5. MISCELLANEOUS QUESTIONS

- 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) to (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.

No particular problems encountered.

b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

Not applicable

c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

No particular comments.

d) Social housing

I. Société Wallonne du Logement

1. EXPENDITURE OVERVIEW

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
<i>Compensation for Services of General Economic Interest (1+2)</i>		
(1) Compensation granted on the basis of the SGEI Decision	€73 800 490	€89 205 618
(2) Compensation granted on the basis of the SGEI Framework	Not applicable	

Clear and comprehensive description of how the respective services are organised in your Member State ¹
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.

Under the Belgian institutional framework, social housing is a regional matter.

In the Walloon Region, the rules on social housing are laid down in the Walloon Code for Sustainable Living (the Code)² and the decrees implementing that Code³.

Social housing is described in the Code as ‘**public utility housing**’, defined in Article 1(9) of the Code as:

‘housing managed or leased by a property operator or over which it has rights in rem and intended as housing under **the social policy applied by the Region**’.

The social policy applied by the Walloon Region includes in particular the provision of accommodation to households whose income does not exceed certain ceilings.

More specifically, under Walloon law, public utility housing includes: housing allocated on the basis of household income (1), inclusive housing (2), and transit accommodation (3).

1) The following people may be granted public utility accommodation on the basis of their income:

- Category 1 households⁴, i.e. a single person with a total annual taxable income not exceeding €10 000 or a ‘household’ (i.e. several persons) whose total annual taxable income does not exceed €13 650. These amounts are increased by €1 860 per dependent child. This category mainly benefits from the supply of public housing, as the award rules

¹ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

² The Code was established by a Decree of 29 October 1998.

³ The most important order in this respect is obviously the Walloon Government Order of 6 September 2007 organising the rental of housing managed by the *Société wallonne du Logement* or by public service housing associations.

⁴ Article 1(29) of the Code.

on social housing provide for the allocation of at least 50% of dwellings to category 1 households. Better still, in practice, about 80% of the housing allocated is allocated to this category.

- Category 2 households⁵, i.e. a single person with a total annual taxable income not exceeding €20 000 or a ‘household’ (i.e. several persons) whose total annual taxable income does not exceed €25 000. These amounts are increased by €1 860 per dependent child.
- Category 3 households⁶, i.e. a single person with a total annual taxable income greater than that of category 2 households but not exceeding €31 000, or a ‘household’ (i.e. several persons) whose total annual taxable income does not exceed €37 500. These amounts are increased by €1 860 per dependent child. The construction of public utility housing for households in category 3 is subject to strict conditions, which is why this is very rare.

Moreover, all the above amounts are non-indexed amounts⁷.

(2) Public utility housing also includes inclusive housing

Inclusive housing, as the name indicates, is intended to be inclusive. Inclusive housing is used exclusively to accommodate category 1 households, who are in addition given social support⁸.

(3) Public utility housing also includes transit accommodation

Transit accommodation is intended exclusively for the temporary accommodation of category 1 households or households deprived of housing for reasons beyond their control. The provision of temporary housing is accompanied by social support.

Thus public utility housing — housing granted on the basis of the income of the applicants, inclusive housing and transit accommodation — is, under Walloon law, housing managed or leased by a property operator or over which it has rights in rem and intended as housing under the social policy applied by the Region⁹.

Public utility housing is thus managed by **property operators** who may be a local authority, an independent public authority, the *Société wallonne du logement*, a **public service housing association**, the *Fonds du logement des familles nombreuses de Wallonie* (housing fund for large families), a social housing agency, a housing promotion association, or the *Société wallonne du Crédit social* (Walloon social credit company)¹⁰.

⁵ Article 1(30) of the Code.

⁶ Article 1(31) of the Code.

⁷ For the amounts applied in 2020 following indexation, see Circular SWL 2019/14 of 8 July 2019.

⁸ Article 1(7) of the Code.

⁹ Article 1(9) of the Code.

¹⁰ Article 1(23) of the Code.

The main part of Walloon social housing policy is the responsibility of the *Société wallonne du logement* (Walloon Housing Company - hereinafter the SWL) and the **public service housing corporations** (SLSP), both of which were set up under the Code.

The SWL is a legal entity governed by public law taking the form of a limited liability company (*société anonyme*). It does not make public utility housing available directly to the target group. In fact, it acts as a regulatory body: it approves, advises and monitors the SLSPs, which act directly at local level for the benefit of the target group. In particular, the SWL ensures that the activities of the SLSPs cover the entire territory of the Walloon Region.

The tasks of the SLSPs are also defined in Article 131 of the Code. These tasks include, in particular:

- the management and rental of public utility housing;
- the reception of tenants when they move into public utility housing;
- the purchase, construction, renovation, maintenance, improvement and adaptation of housing and the restructuring of buildings owned by the association, or over which it has rights in rem, so that these buildings can be used mainly as housing;
- any property operation, including design, preparation and monitoring of property projects, and any building management or leasing operation so that these buildings can be used partly as housing;
- the sale of property owned by the association, under certain conditions;
- the examination of applications from households wishing to purchase housing and the monitoring of contracts;
- the leasing or management of housing or buildings for use as housing;
- participation in the creation, management and operation of public or private legal persons involved in implementing regional housing policy objectives;
- the reservation of land needed for the harmonious development of housing;
- assisting local authorities with implementation of local housing policy.

In view of the above, the SLSPs thus endeavour to provide social housing (or public utility housing, to use the expression from the Code) for **disadvantaged citizens or socially less advantaged groups** who, due to solvency constraints, are unable to obtain housing at market conditions, while ensuring a certain social mix where this is appropriate.

Under the regional policy, the SLSPs therefore help to ensure the **right to decent housing** as a place for individuals and families to live, be free and grow, as provided for by Article 2 of the Code and Article 23 of the Constitution.

To dispel any doubt regarding the mission of the SLSPs — and the SWL incidentally — Article 209 of the Code states that:

This Code partly implements the provisions of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market and provides that said Directive shall not apply to the social services of general economic interest referred to in Article 1(7) to (11) or to property operators providing those services. Under this Code, the tasks entrusted to the property operators defined in Article 1(23) are general interest service tasks that guarantee people's right of universal and equal access to those services under defined conditions ensuring quality and transparency.

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

It is a fact that: an entrustment within the meaning of Article 106(2) TFEU and of the Altmark judgment requires only that the act of entrustment take the form of one or more acts having binding legal force under national law¹¹. The specific form of the act (or acts) can be determined by each Member State: there is therefore no standard 'one size fits all'¹².

Under Walloon law, the entrustment consists of two separate instruments: Article 131 of the Code and the decision on approval of the SLSP by the SWL.

For the record, Article 131 of the Code defines the SGEI obligations of the SLSPs. It is in fact the SWL which approves the SLSPs.

Having said that, as regards approval, in order to cover the entire Walloon territory, 63 (sixty-three) SLSPs have been approved by the SWL, based on the Walloon Government Order of 8 June 2001 (the Order) laying down the conditions of approval of public service housing associations.

Article 2 of this Order states that the object of the SLSP must exclusively consist of all the tasks laid down by the Code.

Under Article 162 of the Code, each approved SLSP must also conclude a contract of objectives with the SWL for a period of five years.

¹¹ Guide to the application of the European Union rules on State aid, public procurement and the internal market to services of general economic interest, and in particular to social services of general interest, SWD (2013) 53 final/2, No 47, p. 40.

¹² *Idem*.

Accordingly, it can be assumed that the SLSPs' entrustment is set down in Article 131 of the Code (which defines the SGEI obligations), read in conjunction with the SWL's approval decision.

Moreover, public housing made available for rental by the SLSPs must be allocated in accordance with the Walloon Government Order of 6 September 2007 organising the rental of housing managed by the *Société wallonne du Logement* or by public service housing associations. This Order determines in particular:

- the qualifying income ceilings to obtain housing;
- the priority points awarded to potential tenants (based on aspects of their social and economic situation and their housing situation);
- the rent calculation, based on the household's income and the purchase price of the property.

The SWL's Commissioners take part in the meetings of the SLSPs' housing committees — and, in general, meetings of the governing bodies of SLSPs — in order to check that the housing is allocated in strict compliance with the rules laid down by the Walloon Region, in particular in the Order of 6 September 2007.

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?

In theory, the entrustment — at least the approval given to the SLSPs — has an unlimited duration because the period of depreciation of property operations is much longer than 10 years.

However, if the SLSPs fail to observe the applicable laws and regulations, they can incur various penalties laid down in Article 174 of the Code, namely:

- a reprimand;
- an injunction to cease the unlawful acts within a time-limit set by the SWL (maximum of three months);
- the annulment, by the SWL's Commissioner, of one or more decisions taken by the association. For the record, within each SLSP there is one SWL Commissioner who attends meetings of the SLSP bodies;
- a financial penalty set by the Walloon Government on a proposal from the SWL;
- supervision of the SLSP's management, on a proposal from the SWL;

- supervision of the association by the Walloon Government, which involves a special commissioner being appointed to the SLSP;
- adoption of a management plan for the association;
- withdrawal of the SLSP approval.

In practice, therefore, the approval is not granted to SLSPs in an unlimited manner: it is granted to them only while they comply with all the legal and regulatory conditions governing the performance of their public service tasks.

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

The SLSPs do not have any **exclusive rights** over social housing (or public utility housing, to use the same term as used in the law). As a result, local authorities can develop social housing if they wish. In absolute terms, there is also nothing to prevent the private sector from creating social housing units in the Walloon Region, provided that they comply with the requirements of the SWL approval.

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

Even if they do not have exclusive rights, for an approved SLSP, the act of obtaining its approval from the SWL requires compliance with a series of strict rules, in return for which they can benefit from various regional public funding sources.

Before examining the aid to the SLSPs, we should state that Article 29 of the Code also provides for various types of aid that can be granted, under certain conditions, to other legal entities (other than the SLSPs) for operations aimed at providing certain households with public utility housing meeting the health and safety conditions laid down by the Code or allowing them to improve its energy performance. The households in question are the same as those eligible to obtain public utility housing from an SLSP.

This aid to entities other than the SLSPs can be granted in the form of incentives, repayable advances, subsidies or allowances towards the rent of managed or leased housing or in any other form determined by the Walloon Government.

Having said that, we can now turn to the aid granted to the SLSPs. This involves the following: subsidies for investments in property (1), and advances granted by the SWL (2) and the Solidarity Fund (3).

1) Property investment subsidies

The 63 (sixty-three) SLSPs supervised by the SWL can receive subsidies covering much of the cost of work to a) develop new housing, b) renovate their stock, and c) infrastructure work.

a) Subsidy for developing new housing

Since 2012 the subsidy has been a fixed amount per dwelling created, based on the number of bedrooms. The main subsidies amount to:

- €65 000 for one-bedroom accommodation;
- €84 500 for two or three bedrooms; and
- €104 000 for four-bedroom accommodation;
- Supplements are granted for housing adaptable for persons with reduced mobility.

b) Subsidy for the renovation of property

Work carried out under a €400 million energy renovation programme launched in 2012 is 75% subsidised.

c) Subsidy for infrastructure work

Infrastructure work such as work on the surrounding areas, pavements, adjacent roads, are subsidised (in part or in full, as the case may be), in accordance with the Order of 11 February 1999 on assistance granted by the SWL to the SLSPs with a view to servicing housing units¹³. It should be stressed that the infrastructure work that can be subsidised is that which relates to social housing.

2) Advance payments by the SWL to SLSPs

To fully or partly fund their property investments, the SLSPs can receive advance payments from the SWL at a preferential rate.

The advance payments granted by the SWL are in fact loans to the SLSPs to be repaid over 20 years, except for 'advance payments for housing for sale' which must be repaid within much shorter time limits, or immediately following the sale of the dwelling concerned.

3) Solidarity allowance

In order to provide help each year to the SLSPs in difficulty, a 'Regional Solidarity Fund' has been set up. Article 172 of the TFEU states that:

¹³ *Moniteur Belge* (Belgian Official Gazette) of 13 March 1999, p. 8254.

A Regional Solidarity Fund is hereby established to assist companies in difficulty.

The funds are distributed according to the number of households in categories 1 and 2 covered by the companies, and in accordance with the structural criteria laid down by the Government based on advice from the SWL (*Société Wallonne du Logement*).

The Fund will be financed by sums paid by the companies and by a regional allocation.

The Regional Solidarity Fund is therefore funded by the SLSPs and the Region¹⁴. The Region's contribution was €3 789 000 for 2018, with the same amount for 2019.

An annual **solidarity allowance** is granted to SLSPs from the Solidarity Fund.

In addition to the aid thus provided — subsidies for investments in property, SWL advance payments and solidarity allowance — other subsidies may be provided via the ordinary current account which each SLSP has access to at the SWL (see below: Centralisation at the SWL of a significant part of the SLSP cash flow) and, as the case may be, from the capital gains on the sale of social housing¹⁵.

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

Almost all the income of the SLSPs consists of rent received for the rental of social housing. In view of the very marginal nature of housing for tenants in category 3 (i.e. tenants on average incomes), most of the rental revenue of the SLSPs comes from tenants in category 2 (tenants on modest incomes) and category 1 (tenants living on precarious incomes). That is the case even though the rent for the tenants in categories 1 and 2 is based on the updated cost of the accommodation and income of the tenants; however the rent cannot exceed 20% of the income of those tenants (in categories 1 and 2).

The method of calculating the rent thus results in a significant differential between the rent actually received and the theoretical 'cost' rent (the rent needed to cover the cost of developing and maintaining the housing over a long period).

A study carried out a few years ago showed that, because of the rules for calculating the rent based on household income, social housing was rented out at a rate 45% lower than the equivalent for private dwellings. The study further estimated the difference between the actual rent and the theoretical 'cost' rent at €40 million per year for the SLSPs as a whole.

¹⁴ The rules governing contributions to and distribution of the Regional Solidarity Fund are governed by the Walloon Regional Government Order of 13 June 1991 (laying down the arrangements for contributions to and distribution of the Regional Solidarity Fund) and the Order of 20 November 1997 (concerning the granting of solidarity allowances to tenants of housing units managed by public service property companies).

¹⁵ The use of capital gains on the sale of social housing is governed by the Order of 23 April 2009 on the procedure for placing public service housing stock on the market and on the use of the net proceeds from the transfer of rights in rem in immovable property.

It is vital to offset this difference in order to be able to continue providing social housing. To this end, the **compensation** granted to the SLSPs essentially comes from **two mechanisms**: subsidies (1) and central management by the SWL of a large part of the SLSP cash flow.

1) Subsidies

For the record, there are three kinds of subsidies: subsidies for developing housing and associated infrastructure, renovation subsidies and a regional allocation from the Solidarity Fund as stated above.

By **granting subsidies for the development of housing and associated infrastructure**, the cost of the housing actually borne by the SLSPs is reduced by 65-75% depending on the size of the dwelling. The above differential is thus reduced as a result.

Likewise, **some of the renovation work is 75% subsidised**, which also reduces the actual cost of the work and therefore a large part of the above differential.

Finally, the abovementioned Solidarity Fund shares the risk in the sector, allowing account to be taken of the situation of SLSPs in difficulty. Thus the Solidarity Fund is distributed to the SLSPs by what is known as a 'solidarity allowance' via the SWL which helps to compensate the SLSPs for the absence of earnings as a result of their target tenant group.

2) Central management by the SWL of a large part of the SLSP cash flow

The SLSPs are required to pay the proceeds from the rent received, after deducting their management costs, into a specific current account held in the name of each SLSP with the SWL.

These current accounts fund the repayment of advances granted by the SWL, some work authorised by the SWL, property taxes, and so on.

All withdrawals made by an SLSP from its current account must be authorised by the SWL.

At 31 December 2019, the total balance of the current accounts stood at €63.07 million. This total amount for the sixty-three (63) SLSPs is, however, made up of current accounts with a positive balance (46) and others with an overdraft (18). The largest positive balance is €22.08 million, and the highest overdraft is €-36.03 million.

This central management by the SWL therefore forms a **very effective method of compensation**. Although the SLSPs do receive overcompensation, they must pay these excesses into their ordinary current account. As withdrawals from their account must be authorised by the SWL, positive balances are formed for some of the SLSPs.

The SWL must ensure that the total balance of these current accounts remains positive, i.e. that the total of the positive balances is higher than the total of the overdrafts.

Subject to this constraint, the SWL can allow all SLSPs, including those with an overdraft, to borrow in order to finance their work.

Typical arrangements for avoiding and repaying any overcompensation.	
<p>As explained above, the central management by the SWL of all the SLSP current accounts regulates the compensation mechanism.</p> <p>By their very nature, the compensation mechanisms do not result in accurate compensation, which would be the difference between the rent for the dwelling developed or renovated and the cost of the work excluding subsidies.</p> <p>The subsidies are in fact fixed amounts determined solely on the basis of the dwelling size or a fixed percentage of the cost of the work, with a ceiling set at the amount proposed by the government. This therefore means that each operation results in under-compensation or overcompensation as a matter of fact.</p> <p>However, a balance is achieved by consolidating the current accounts in the SWL balance sheet, firstly through the compulsory monthly payments made by the SLSPs into their current accounts, and secondly through the SWL controlling the options for withdrawal from these accounts.</p>	
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
Not applicable	
Amount of aid granted	
Total amount of aid granted (in millions EUR)¹⁶. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
€73 800 490	€89 205 618

¹⁶ As stipulated in Article 9(b) of the 2012 SGEI Decision.

A: Total amount of aid granted (in millions EUR) paid by national central authorities¹⁷	
2018	2019
Not applicable	Not applicable
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹⁸	
2018	2019
€70 011 490	€89 205 618
C: Total amount of aid granted (in millions EUR) paid by local authorities¹⁹	
2018	2019
Not applicable	Not applicable
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Not applicable	Not applicable

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)²⁰	
2018	2019
See below.	See below.

Under ‘Additional quantitative information’, it should be noted that, in the Walloon Region, on 1 January 2020, there were 3 633 795 inhabitants (of whom 77 527 were from the German-speaking Community), spread over a territory of 16 901 km²²¹. At the same date, there were 1 628 547 dwellings (including 104 696 social housing units²³). The social housing units managed by the SLSPs thus represents around 8.64% of the total stock in the Walloon Region, which is well below the average for the Member States of the European Union as a whole.

¹⁷ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹⁸ See footnote 3.

¹⁹ See footnote 3.

²⁰ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

²¹ See Statbel (<https://statbel.fgov.be/fr>).

²² *Idem*.

²³ *Rapport d'activité SWL 2019* (SWL 2019 activities report), p. 34 (https://www.swl.be/images/2020/SWL_RA2019_FINAL.pdf).

Access to social housing is dependent on the income and social situation of applicants as stated above (section 2.). The average monthly rent for these dwellings is €272²⁴.

More detailed information on the aid is presented below (1). Also give below are the key figures concerning finances (2) and the number of dwellings in the sector (3).

1) Aid granted on the basis of the SGEI Decision

Types of financing	2017	2018	2019
Housing development subsidies	€39 287 161	€32 618 261	€26 615 939
Infrastructure subsidies (surroundings and roads)	€6 595 323	€6 755 222	€6 140 789
Subsidies for the renovation of stock	€45 964 147	€30 638 006	€52 659 890
TOTAL Subsidies	€91 846 632	€70 011 490	€85 416 618
Solidarity allowance	-	€3 789 000	€3 789 000
OVERALL TOTAL	€91 846 632	€73 800 490	€89 205 618

2) Payments made to SLSPs in 2017, 2018 and 2019 by type of financing.

Types of financing	2017	2018	2019
Advances for housing intended for sale	€5 616 355	€5 169 035	€4 072 424
Advances for housing development	-	-	-
Advances supplementing the housing development subsidy	€4 954 841	€2 565 461	€1 122 992
Advances for the renovation of stock	€13 074 917	€10 152 209	€16 507 458
(Other) SWL advances	€40 365 451	€55 062 628	€59 237 766
TOTAL Repayable advances	€64 011 564	€72 950 333	€80 940 640
TOTAL Resources of the SLSPs	€30 077 711	€20 089 924	€30 687 336
TOTAL Subsidies (details above)	€91 846 632	€70 011 490	€85 416 618
OVERALL TOTAL	€185 935 907	€163 051 747	€197 044 597

²⁴ *Idem*, p. 2.

3) Figures for the number of subsidised houses:

Summary of housing development activity in 2019	Dwellings for rental	Dwellings for purchase	Total
Completed dwellings	333	27	360
Housing sites under development	399	19	418
Dwellings planned in 2018-2019	0	0	0

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Not applicable

4. COMPLAINTS BY THIRD PARTIES

There has been no State aid complaint against the SWL and/or SLSPs.

5. MISCELLANEOUS QUESTIONS

Not applicable

II. *Société wallonne du Crédit social (Walloon social credit agency)*

Clear and comprehensive description of how the respective services are organised in your Member State²⁸

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.

²⁸ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

The *Société wallonne du crédit social* (SWCS - Walloon social credit agency) is a public interest body that, with the help of its partners (social credit offices and local entities), offers alternative financing enabling people to own a property and renovate it in terms of energy efficiency.

The SWCS grants two types of loan:

- **The ‘Accepack’ social mortgages** are used to finance the purchase, construction, renovation, restructuring, adaptation, conservation, improvement and preservation by the owner, or by someone holding a similar right to ownership, of a first dwelling in Wallonia. The interest rate (a fixed rate) is set according to the household’s income. Social mortgages are granted under strict conditions in terms of household income and property value. The mortgage amount can be up to 110% of the market value of the property in order to cover notary costs and registration fees. Work and compulsory life assurance can also be funded.

The main aim of the social mortgage is to allow as many people as possible to access property ownership, including those categories less favoured by the traditional system (households on insecure and low incomes, single people, young people, etc.).

- ‘Rénopack’ and ‘Rénoprêt’ zero interest rate **instalment loans**.

The ‘Rénopack’ is a product consisting of a zero interest rate instalment loan and a grant intended to finance renovation works (energy savings, health/safety). It paves the way for the right to a grant to be paid to individuals promoting energy-saving and the renovation of housing. The SWCS manages the grants making up the Rénopack and carries out the relevant checks. The grants received must be used for partial early repayment of the loan.

The ‘Rénoprêt’ loan is a zero interest rate instalment loan intended to finance renovation work on housing (energy savings, health, safety, adaptation for the disabled) for which no grant is sought.

The activities of the SWCS are supported throughout Wallonia by 29 partners: 22 social credit offices and 7 local entities.

Mortgage applications are made exclusively through social credit offices.

Social credit offices and local entities are the local contacts for potential borrowers. Their task is in particular to inform potential borrowers and help them with their loan application. The Walloon Government determines the approval criteria and the management and operating rules of the social credit offices.

Social credit offices can act either as broker for the SWCS or as lender for the potential borrowers.

Local entities act exclusively as brokers for the instalment loans.

In their role as broker, social credit offices act as intermediaries between the SWCS and potential borrowers. In their role as lender, social credit offices themselves grant the loans, from their own cash flow or with full or partial funding from the SWCS, in the form of repayable advances.

The Decree of 15 May 2003 amending the Walloon Housing Code gives the SWCS the following public service tasks:

- financial and administrative management of the social mortgage;
- promotion of the social mortgage;
- assistance to applicants with social mortgages;
- carrying out the property operator tasks (Decree of 9 February 2012);
- promotion of experimentation and research with regard to social mortgages;
- ensuring the efficient functioning and sound management of the social credit offices, and the quality of the services provided by them;
- supporting access to property ownership or maintenance of a first home.

Pursuant to this provision of the Walloon Housing Code, the government has adopted a series of orders:

- the Walloon Government Order of 16 May 2019 adopting the general regulation defining the general principles for the granting of loans by the *Société wallonne du Crédit social* and social credit offices;
- the Ministerial Order of 28 May 2019 adopting the specific regulation on loans granted by the *Société wallonne du Crédit social* and social credit offices;
- the Walloon Government Order of 17 December 2015 adopting the general regulation on the approval of social credit offices and laying down the penalty procedures pursuant to Article 178.1 of the Walloon Sustainable Homes Code;
- the Walloon Government Order of 17 December 2015 adopting the management and operating rules for social credit offices.

Furthermore, Article 175.2(2) of the Walloon Sustainable Homes Code provides that: ‘The Association may carry out any other task connected with those listed in this article, with authorisation from the government’.

Among these delegated tasks, the *Société wallonne du Crédit social* has been given the task – through Article 5 of the Walloon Government Order of 26 March 2015 establishing an incentive scheme for private individuals to encourage energy savings and property renovation and Article 13 of the 2013-2018 management contract concluded on 1 October 2013 between the Walloon Region and the *Société wallonne du Crédit social* – of granting energy-saving loans that can give entitlement to an incentive to encourage energy savings and property renovation.

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

The SWCS has been granted a permanent entrustment in the social housing sector, social mortgage section, through the Decree of 15 May 2003 amending the Walloon Sustainable Homes Code.

The tasks connected with energy-saving loans and renovation work (Rénopack/Rénoprêt) are delegated tasks – with authorisation from the government – based on Article 175.2(2) of the Walloon Sustainable Homes Code.

The 2013-2018 management contract concluded on 1 October 2013 between the Walloon Region and the *Société wallonne du Crédit social* sets out and details the tasks and activities of the SWCS, its governance, management practices and financing, and the arrangements for implementing, monitoring, evaluating, reviewing, amending and ending the contract.

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?

This management agreement was extended by the Ministerial Orders of 31 January 2019 and 4 April 2019 (extension of 6 months). In the absence of a new management contract, the above agreement is still applicable at present.

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

Only the *Société wallonne du Crédit social* (with the *Fonds du Logement des Familles nombreuses de Wallonie* (Walloon Housing Fund for Large Families)) has the right to grant (possibly also through the social credit offices) social mortgages in the Walloon Region

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

The activity of the SWCS is funded through two types of instrument:

- An **annual grant**. This subsidy is intended to cover the updated flow differential between the payments by the SWCS for its financing sources and the payments received on new loans and advances granted during the programme year. It also takes into account the cost of covering the sectoral operating costs (commission paid to broker offices for mortgages).

- A **subsidy** covering the operating costs of the instalment loans.

The SWCS also benefits from guarantees granted by the Walloon Region:

- **Senior security**. The SWCS can be authorised by the Walloon Government to finance itself through loans contracted on the capital market. These loans are secured by the Walloon Region (see Article 175.3 of the Code).

- **Subordinated secured debt** (performance guarantee). Performance guarantees are granted by the Walloon Region for the social mortgages. The SWCS adopted this mechanism in 2010. In order to benefit from this guarantee, it must levy a solidarity contribution of 0.20% on the amount loaned to the customer (excluding life assurance). This contribution is paid into a solidarity fund held in a bank account in the Walloon Region's name.

If a series of conditions are met, the Walloon Region undertakes to pay part of the loss incurred by the SWCS in the event of the forced sale of a mortgaged property.

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

Social mortgages

Since 2008 the new mortgage activity programmes have been the subject of funding calculated to cover the interest rate differential during the programme year (outcome for a calendar year, corresponding to the financial year). A rate to cover the sectoral operating costs (commission of broker offices, set at 0.80% of the amount loaned) is also taken into account. The full arrangements are set out in the Walloon Government Order of 13 November 2008 laying down the financing rules of the *Société wallonne du Crédit social* (this Order was amended by the Walloon Government Order of 15 July 2010).

The method of calculating the capital allocation was changed in 2017:

The Region's involvement takes the form of a capital allocation that is intended to ensure that the total discounted cash flows balance each other out by the end of the period concerned.

It is therefore equal to the differential between all the capital and interest flows generated by the loans, on the one hand, and by the financing, on the other.

These cash flows are 'projected' over the entire period covered by the programme, i.e. over the contractual term of the loans and financing. They are discounted based on a benchmark rate curve. The parties have agreed to use the IRS curve.

In addition to the differential calculated above, which includes the cost of the 'advances' to the social credit offices when they act as lenders, the allocation also covers the commission granted to these offices when they act as brokers and a fixed amount to cover the risks of losses on the loans granted by the SWCS.

As its source of financing, the SWCS mainly uses the funds resulting from early repayments of loans and advances granted in the past. The associated cash flows are based on the theoretical capital and interest amounts indicated in their respective contractual depreciation tables.

Any capital allocation amount that is overpaid by the Region is carried forward as an additional allocation to that proposed for the year following the programme year.

Energy-saving loans

These loans are financed through repayable advances from the Walloon Region. The repayments received from borrowers are paid in full to the Walloon Region.

The SWCS's operating costs to carry out this energy-saving loan task are subsidised by the Walloon Region.

Typical arrangements for avoiding and repaying any overcompensation.									
<p><u>Social mortgages</u></p> <p>Overcompensation</p> <p>There is no overcompensation because the capital allocation corresponds to the amount, allowing all the incoming and outgoing flows to be balanced out.</p> <p><u>Energy-saving loans</u></p> <p>Overcompensation</p> <p>The subsidy is calculated in accordance with a formula taking into account the new production for the year, but also the outstanding amount of loans granted in previous years: [€400 * prod year A] + [€150 * prod year A-1] + [€150 * prod year A-2] + [€20*outstanding no. loans]</p>									
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>									
<p>Amount of aid granted</p> <p>Total amount of aid granted (in millions EUR)²⁹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)</p> <table border="1"> <thead> <tr> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <p>A: Total amount of aid granted (in millions EUR) paid by national central authorities³⁰</p> <table border="1"> <thead> <tr> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		2018	2019			2018	2019		
2018	2019								
2018	2019								

²⁹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

³⁰ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

B: Total amount of aid granted (in millions EUR) paid by regional authorities³¹	
2018	2019
€6 678 040	€30 874 690
Of which: - €6 000 000 for the allocation intended to cover the impact of early repayments on the cost of mortgages for the years prior to 2017 - € 2 678 040 for the subsidy to cover the operating costs of the instalment loans	Of which: - €22 000 000 to cover 2019 activity - €6 000 000 for the allocation intended to cover the impact of early repayments on the cost of mortgages for the years prior to 2017 - € 2 874 690 for the subsidy to cover the operating costs of the instalment loans
C: Total amount of aid granted (in millions EUR) paid by local authorities³²	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
<u>Federal:</u> Loan guarantee (programme of commercial papers) - senior security: €50 000 000 <u>Walloon Region:</u> Senior secured debt: 2 398 496 990 Subordinated secured debt: Performance guarantee for 'SWCS loans': 147 139 823 € (as at 31/12/2018)	<u>Federal:</u> Loan guarantee (programme of commercial papers) - senior security: €47 000 000 <u>Walloon Region:</u> Senior secured debt: €2 473 103 268.03 Subordinated secured debt - Performance guarantee for SWCS loans: €151 188 623 (as at 31/12/2019)

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)³³

³¹ See footnote 3.

³² See footnote 3.

³³ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. In that case please indicate that estimations have been used as well as the type of aggregation made. Should such other

2018	2019

6. COMPLAINTS BY THIRD PARTIES

None.

7. MISCELLANEOUS QUESTIONS

None.

III. Housing Fund of Wallonia



Clear and comprehensive description of how the respective services are organised in your Member State³⁴

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 Walloon Housing Code was adopted through the Decree of 29 October 1998, which was published in the Belgian Gazette on 4 December 1998. Following a number of successive changes that have taken place since then, the legislation is now called the Walloon Sustainable Homes Code.

One of the operators is the *Fonds du Logement des Familles Nombreuses de Wallonie* (Walloon Housing Fund for Large Families). Its tasks and resources are implemented through the management contract concluded between itself and the Walloon Government.

Article 179 of the Code recognises the public interest nature of the Fund's four tasks. These are key to implementing the right to housing, the principle of which is defined in Article 2 of the Code and in the Constitution of the Federal State.

quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way.

³⁴ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Tasks of the Fonds du Logement de Wallonie (Walloon Housing Fund)

Article 179. In order to implement the right to housing, the cooperative society 'Fonds du Logement des familles nombreuses de Wallonie', hereinafter referred to as the Fund, shall have the following public interest tasks:

- 1. provide large families on middle or low incomes or in poverty with the means to construct, purchase, renovate, restructure, adapt, maintain, improve or preserve ownership of their first home in the Walloon Region intended for their personal use, by granting social mortgages or energy-saving loans;*
- 2. mainly provide large families on low incomes or in poverty with the means to rent housing;*
- 3. propose to the government approval of the social bodies referred to in Chapter VI of this Title, advise them, monitor them and ensure their coordination and financing;*
- 4. encourage experimentation and discussion in these areas and propose new policies to the government.*

Tasks of social housing bodies

For their tasks as social bodies, reference should be made to Article 191 et seq. of the Code. These are bodies approved by the government, on the Fund's proposal, whose tasks are clearly defined by the same Code and whose operation is regulated by government order, namely:

Article 193. Para. 1. The social housing agency (agence immobilière sociale) shall act as intermediary between property owners-landlords and households in poverty or on low or middle incomes that are searching for housing.

The social housing agency shall in the main conclude housing management contracts with property owners and make this housing available to these households. It may alternatively rent housing with a view to sub-renting this.

In this context, the social housing agency shall monitor compliance with the obligations of the parties concerned and shall act as mediator in the event of disputes.

Para. 2. The social housing agency shall guarantee social support for occupants.

Article 195. The neighbourhood board (régie des quartiers) shall aim to improve the living conditions of inhabitants in one or more districts situated in zones identified by the government. To that end, it shall take action to improve quality of life, local activities, social interaction and exercise of citizenship. It shall assist with the social and occupational integration of jobseekers or recipients of social assistance by offering them pre-training managed by a professional team.

Article 198. The housing promotion association (association de promotion du logement) shall assist with implementing the right to decent housing, in particular by carrying out one of the following tasks:

- 1. encourage social integration in housing by providing decent housing;*
- 2. obtain administrative, technical or legal assistance with regard to housing, mainly for households in poverty;*
- 3. conduct experimental projects allowing the objectives set by the government to be developed.*

All the above bodies – the Fund and the social housing bodies – therefore form social services of general economic interest.

Their activities connected with rental assistance operations (purchase, renovation, rental of housing) are regulated by the Walloon Government Order of 25 February 1999 and its subsequent amendments. The activities permitting secure social access are governed by the Fund's lending rules, approved by the Walloon Government.

Since 1 January 2016, the Fonds du Logement des Familles Nombreuses de Wallonie has been granting 0% loans for energy savings, namely ECOPACKS, and 0% loans for renovation, namely RENOPACKS. The Fund is responsible for the administrative monitoring of regional incentives.

Since 1 June 2019, the Fonds du Logement des Familles Nombreuses de Wallonie has been granting loans at a rate of 0%:

- *for energy savings, namely ECOPACKS (with grants);*
- *for energy savings, namely RENOPRETS (with grants);*
- *to finance the purchase costs of a first dwelling by those under 35 years, namely the Prêt-Jeunes.*

The housing and loan amount values are capped.

Interest rates are set according to income caps and the number of dependent children. Rents are set according to income.

The income of the beneficiaries is capped:

Income caps for beneficiaries of the services of the Fonds du Logement des familles nombreuses de Wallonie and social housing bodies	
Activités	Income cap
Mortgages *	Middle income
RENOPACKS/RENOPRETS*	€97 700
Prêt-Jeunes *	Middle income
Rental assistance *	Low income
Social housing agencies	Essentially: Low income
Housing promotion association	Mainly insecure income
Neighbourhood boards	Insecure income

* aimed at households with three dependent children.

Tasks of the Fonds du Logement de Wallonie: some statistics at 31/12/2019

In 2019 the Fund granted 1 140 loans (ACCESSPACKS) enabling households to construct, purchase, renovate, restructure, adapt, maintain, improve or preserve ownership of their first home in the Walloon Region intended for their personal use, compared with 1 052 in 2018.

Loans	2018		2019	
	Number	Amount (EUR)	Number	Amount (EUR)
ACCESSPACKS	982	145 382 176	831	127 056 383
ECOPACKS	656	5 193 343	665	5 600 730

RENOPACKS	689	9 019 421	672	9 262 402
New Rénopack/Rénoprêt	0	0	74	1 218 936
Prêt-Jeunes	0	0	18	306 567
TOTAL	2 327	159 594 940	2 260	143 445 018

Rental assistance involved a rental stock of 1 235 dwellings as at 31/12/2019 and 1 217 dwellings as at 31/12/2018. Although the rental stock of the Fund is increasing (+18 dwellings in 2019), this cannot meet demand from large families for this type of housing. In 2019, 221 households contacted the Fund to obtain housing, mainly in vain.

The approved social housing bodies sector consists of 32 social housing agencies (AIS), 32 neighbourhood boards (RDQ) and 23 housing promotion associations (APL), or a total of 87 organisations at 31/12/2019.

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

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 objectives, commitments and resources binding the Region and the Fund are defined in the management contract, which has a five-year term, and can be extended.

The current contract runs from 2013 to 2018 and has been extended under the Walloon Sustainable Homes Code, in particular Article 180(8).

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

The *Fonds du Logement des familles nombreuses de Wallonie* (FLFNW) benefits from the same rights as the SWCS and its social credit offices with regard to mortgage and energy-saving loan activities, and as the SWL and its public service housing associations with regard to rental activities.

The social housing bodies are managed solely by the FLFNW.

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

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

Typical arrangements for avoiding and repaying any overcompensation.

'Loans' task Compensation mechanism Social mortgages

Social mortgages are financed through loans guaranteed by Wallonia and through the capital allocation.

Article 183(1) of the Code states that:

The Fund can be authorised by the government to take out loans guaranteed by the Region. The guarantee shall also cover the financial management operations associated with these loans.

The amount, conditions and arrangements of these loans and operations must be approved by the government.

The amount borrowed corresponds to the annual mortgage programme, after deducting the capital allocation.

This capital allocation is the discounted sum, over the entire period, of the cash flow differential between the mortgages granted and the loans taken out to finance those mortgages. The 'balancing allocation' is the amount allowing all the cash flows to be balanced out.

The Fund's operating costs to carry out this energy-saving loan task are subsidised by the Walloon Region. The method used is based on cost allocation.

Energy-saving and renovation loans (ECOPACK/RENOPACK/RENOPRET)

These loans are financed through repayable advances from Wallonia. The repayments received from borrowers are paid in full to Wallonia.

The Fund's operating costs to carry out this energy-saving loan task are subsidised by Wallonia based on cost allocation.

Loans to finance purchase costs for the under-35s (PRÊTS-JEUNES)

These loans are financed through repayable advances from Wallonia. The repayments received from borrowers are paid in full to Wallonia.

The Fund's operating costs to carry out this energy-saving loan task are subsidised by the Walloon Region.

Overcompensation

Social mortgages, energy-saving loans and renovation and youth loans (Prêts-Jeunes)

There is no overcompensation because the operating subsidies are lower than their management costs.

Information on the actual payment of aid

Social mortgages

The allocation is paid on submission of quarterly mortgage statements, together with supporting documents.

Energy-saving and renovation loans

Repayable advances and operating costs are paid on presentation of debt statements. In all cases, the statements are accompanied by supporting documents.

Prêt-Jeunes

The allocation is paid on submission of quarterly mortgage statements, together with supporting documents.

'Rental assistance' task

Mechanism

Rents are set based on the income of occupants in the category of persons with insecure income. These rents cannot exceed 15% of occupants' available resources. As compensation for these low rents, Wallonia pays, in the form of a capital subsidy, 75% of the investment cost, capped at EUR 140 000 for a three-bedroom dwelling and at EUR 160 000 for a dwelling with a minimum of four bedrooms.

This subsidy depreciates at the same rate as the property that it finances. No subsidy is granted by the Region to cover the operating costs of the activity.

In order to carry out this 'rental assistance' task, the Fund must have access to housing meeting the applicable standards. In addition to the above subsidy and under the 2013-2018 management contract, the Walloon Government is authorised to pay one-third of the annual repayment on an annual loan of EUR 1 500 000 intended to allow renovation of the old housing stock of the *Fonds du Logement des familles nombreuses de Wallonie*. This aid allows housing intended for rental to be maintained within our housing stock.

Overcompensation

Subsidies must be justified by supporting documents; the unused amounts are repaid to the Walloon Region.

Information on the actual payment of aid

There is no specific aid payment method as this is negotiated during preparation of the budget. Before 2017, the aid was paid in two instalments: the first instalment (50%) was paid the year in which the aid was included in the budget, and the second instalment (50%) was paid once the first one had been used up.

Since 2017, the aid has been paid in six annual instalments (1/6). In all cases, amounts not spent by the Fund are not reclaimed by the Region.

The aid granted for renovating the old housing stock is being paid over 15 years on submission of an annual debt statement.

‘Management of social housing bodies’ task Mechanism

The Fund’s operating costs to carry out this task are subsidised by Wallonia based on cost allocation.

Overcompensation

There is no overcompensation as the subsidy corresponds to the operating costs of the task, based on cost accounting.

Information on the actual payment of aid

The resources committed by the government are paid in two instalments, the first (80%) in the first year and the balance (20%) the following year, after use of all the aid has been proven.

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), or 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

Total amount of aid granted (in millions EUR)³⁵. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities³⁶	
2018	2019

³⁵ As stipulated in Article 9(b) of the 2012 SGEI Decision.

³⁶ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

B: Total amount of aid granted (in millions EUR) paid by regional authorities ³⁷			
To the <i>Fonds du Logement</i>		2018	2019
Tasks	Aid	27 668 359	17 555 342
Social mortgages	Capital allocation	22 478 802	12 388 000
Energy-saving loans	Operating subsidy	559 380	695 500
Rental assistance	Capital subsidy	3 003 000	2 814 500
Rental assistance	Capital subsidy - contribution to a loan	146 416	149 099
Social housing body	Operating grant	1 480 761	1 508 243
C: Total amount of aid granted (in millions EUR) paid by local authorities ³⁸			
2018		2019	
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)			
2018		2019	

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)³⁹	
2018	2019

³⁷ See footnote 3.

³⁸ See footnote 3.

³⁹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

e) Social inclusion of vulnerable groups

<p>I. Social care homes, communal homes and family-type shelters⁴⁰</p>
<p>Clear and comprehensive description of how the respective services are organised in your Member State⁴¹</p>
<p>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.</p>
<p>Tasks: reception and time-limited accommodation of individuals in social difficulty, with appropriate support to help them gain or recover their independence (Articles 67, 68 and 70 of the Decree Part of the Walloon Social Work and Health Code).</p>
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Ministerial approval order</p>
<p>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?</p>
<p>Indefinite</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>Exclusive right.</p> <p>The following may not be operated without approval or provisional operating authorisation issued by the government:</p> <p>1. any social care home;</p>

⁴⁰ The documents forming the legal bases for the measures referred to under 'social work' can be found at <https://we.tl/t-GNdId6AWgQ>.

⁴¹ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>2. any communal home;</p> <p>3. any family-type shelter with the capacity to accommodate more than three people in social difficulty.</p> <p>Operators of family-type shelters with the capacity to accommodate at least four people in social difficulty may apply for approval or provisional operating authorisation (Article 71 of the Decree Part of the Code).</p>
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
Subsidies mainly intended to cover staff costs. Operating costs (Article 109 of the Regulatory Part of the Code).
Typical arrangements for avoiding and repaying any overcompensation.
<p>The subsidy application is made at the same time as the application for approval (Article 113 of the Regulatory Part of the Walloon Social Work and Health Code).</p> <p>Two advance payments plus the balance.</p> <p>The beneficiary's financial contribution covers board and lodging.</p> <p>The financial contribution towards board cannot be less than EUR 6 per person per day and cannot exceed four-tenths of the person's resources.</p> <p>The financial contribution towards board and lodging cannot be less than EUR 10 per person per day (Articles 125 to 128 of the Regulatory Part of the Code).</p> <p>The balance for the previous year is paid once the supporting documents have been checked (Article 12/1 of the Regulatory Part of the Code).</p> <p>Recovery mechanism if the expenditure is not justified.</p>
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>
Amount of aid granted

Total amount of aid granted (in millions EUR)⁴². This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁴³	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁴⁴	
2018	2019
€18 727 480.73	€20 086 751.76
C: Total amount of aid granted (in millions EUR) paid by local authorities⁴⁵	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁴⁶	
2018	2019
16 621 beneficiaries and 579 226 overnight stays per year. 57 social care homes. 14 communal homes. 2 family-type shelters 69 structures (all kinds) of the same type subsidised in 2019.	

⁴² As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁴³ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁴⁴ See footnote 3.

⁴⁵ See footnote 3.

⁴⁶ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

II. Social interpreting service⁴⁷

Clear and comprehensive description of how the respective services are organised in your Member State⁴⁸

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.

At the request of a user service, the social interpreting service enables any foreign persons who cannot speak the French language to be assisted by an interpreter in all their communications with a public or private legal person organising a social service to which they have recourse, particularly as part of the integration pathway set out in Articles 152 et seq.

The service is responsible for providing information on social interpreting to the user services (Art 155 CWASS - Walloon Social Work and Health Code).

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

Ministerial approval order

+ multiannual contract - optional, recurrent

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?

⁴⁷ The documents forming the legal bases for the measures referred to under 'social work' can be found at <https://we.tl/t-GNdId6AWgQ>.

⁴⁸ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Approval granted for an unlimited duration.
Multi-annual contract: three years. Renewal possible subject to the approval of a monitoring committee following the evaluation produced at the end of the period and with the agreement of the Government.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
None
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
Subsidies covering the association's operating and staff costs. Legal references: Walloon Social Work and Health Code: Article 155 et seq. Regulatory Part of the Walloon Social Work and Health Code. Article 252 et seq.
Typical arrangements for avoiding and repaying any overcompensation.
Approval: a first advance of 85% of the amount of the subsidy for year N-2 is paid by 1 March of the subsidy year. A second advance of 90% for year N-1 minus the first advance is paid before 1 September of the subsidy year. Multi-annual contract: An advance of 70% of the total amount of the subsidy is paid within two months of the commitment made. Contribution of beneficiaries: On-site interpreting: €12/hour + + Travel expenses: 0.3640/km Telephone interpreting: €6 for the first 15 minutes and €15 for 30 min Video-conference: charge on case-by-case basis Services not covered by the integration pathway. The balance of the subsidy will be paid once the supporting documents have been received. Recovery mechanism if the expenditure is not justified.
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), or 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	
Total amount of aid granted (in millions EUR)⁴⁹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁵⁰	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁵¹	
2018	2019
€27 424 (increase in interpreting resources in Arabic, Dari, Pashto); €15 000 (support for the organisation of the interdisciplinary certificate on violent radicalisation and social work)	<p>The total recurrent funding by the Walloon SETIS (social interpretation service) is €825 329.17, broken down as follows:</p> <p>Subsidy approval (organic): €695 864.40 (theoretical amount, 15% balance to be paid after verification of the supporting file)</p> <p>End-of-year subsidy bonus - non-market agreement 2018-2020: €19 464.77</p> <p>Optional recurring subsidy for Walloon SETIS: €110 000 (interpreting related to support actions for migrants experiencing ethno-psychological difficulties)</p>
For the record: for one-off missions, SETIS receives occasional optional subsidies (e.g. 2019: €5 900 in translation and registration of the content of the CRI website in connection with the integration pathway).	
C: Total amount of aid granted (in millions EUR) paid by local authorities⁵²	
2018	2019

⁴⁹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁵⁰ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁵¹ See footnote 3.

⁵² See footnote 3.

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁵³	
2018	2019
1 approved and subsidised interpreting service.	

III. Mental health services

Clear and comprehensive description of how the respective services are organised in your Member State⁵⁴

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.

⁵³ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

⁵⁴ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>A mental health service is an outpatient structure that, through a multidisciplinary approach, responds to the mental or psychological difficulties of the population in the area that it serves.</p> <p>It performs the following tasks:</p> <ul style="list-style-type: none"> - receipt of the request with regard to mental or psychological difficulties; - organisation of a response, according to the available resources and specific aspects of the request, by providing a diagnosis and instigating treatment, depending on the psychiatric, psychotherapeutic or psychosocial situations; - as a secondary role, organisation of activities for other professionals in order to improve the quality of their services, in the form of information, supervision or training, and conduct of expert assessments associated with their care provision activities. <p>The approved mental health service may also conduct one or more specific initiatives aimed at a given population or intended to develop a particular methodological approach.</p> <p>It may also set up a therapeutic club based in a reception and activities centre, aimed at enabling users suffering from severe or chronic psychiatric or psychological disorders to stabilise over time or access care (Article 540 of the Decree Part of the Walloon Social Work and Health Code).</p>
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Ministerial Decree</p>
<p>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?</p>
<p>Approvals are granted for an unlimited duration.</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>None.</p> <p>The government determines the procedures for suspending and withdrawing approval (Article 615 of the Decree Part of the Code).</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Subsidy.</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>The subsidy is automatically linked to obtaining approval. It covers expenditure on:</p>

<ul style="list-style-type: none"> - staff costs; - operating costs; - allowance for administrative management; - flat rate for the liaison function. <p>Legal references:</p> <ul style="list-style-type: none"> - Articles 1809 to 1820 of the Regulatory Part of the Walloon Social Work and Health Code; - Decree Part of the Walloon Social Work and Health Code, Articles 539 to 617; - Walloon Government Order of 27 May 2010 implementing the Decree of 30 April 2009 on approval with a view to the granting of subsidies and on the granting of subsidies to specialised addiction support and care services and networks, and also on recognition with a view to the granting of subsidies and on the granting of subsidies to their federations.
<p>Typical arrangements for avoiding and repaying any overcompensation.</p>
<p>Quarterly advances intended to cover staff costs and operating costs. Payment of the balance on submission of the activity reports and supporting documents for the year in question.</p> <p>The approved mental health service that has not provided the government services with accounting information for the previous year by 31 March at the latest will not receive any more advances for the current year until the information has been provided (Article 610(3) of the Decree Part of the Code).</p> <p>An index-linked maximum contribution of EUR 10 (now EUR 10.82) is requested from individuals who have recourse to the mental health services for non-medical services. Services can be provided free of charge depending on the income of the individuals concerned. With regard to medical services (use of a psychiatrist, for example), nothing is stipulated in the regulations.</p>
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>
<p>Amount of aid granted</p>

Total amount of aid granted (in millions EUR)⁵⁵. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁵⁶	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁵⁷	
2018	2019
€34 264 000	€34 903 000
<u>Commitment appropriations</u>	<u>Commitment appropriations</u>
€ 22 464 000 (private)	€22 910 000 (private)
€11 800 000 (public)	€11 993 000 (public)
C: Total amount of aid granted (in millions EUR) paid by local authorities⁵⁸	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁵⁹
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⁵⁵ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁵⁶ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁵⁷ See footnote 3.

⁵⁸ See footnote 3.

⁵⁹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in

65 mental health services approved in the Walloon Region.

IV. Specialised addiction support and care services

Clear and comprehensive description of how the respective services are organised in your Member State⁶⁰

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.

a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

⁶⁰ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>In addition to reception and information tasks, the service specifically performs at least one of the following tasks for the benefit of beneficiaries:</p> <ol style="list-style-type: none"> 1. psychosocial support; 2. psychotherapeutic and medical care; 3. care involving at least alternative care, detox programmes and residential or hospital care; 4. risk reduction. <p>These tasks are performed through a multidisciplinary approach.</p> <p>The multidisciplinary approach aims to assess the beneficiary's needs, their development and the resources available within or outside the service or network in order to provide the most appropriate response.</p> <p>It is conducted both within the service and through relations within the network.</p> <p>It is set out in an agreement with the beneficiary, preferably in writing and revocable at any time.</p> <p>As a secondary task and on request, the service supervises and peer reviews staff from institutions belonging to the network, where this exists (Article 641(1) of the Decree Part of the Walloon Social Work and Health Code).</p>
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Ministerial Decree</p>
<p>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?</p>
<p>Approval granted for an unlimited duration.</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>No, they are not. However, in the event of a negative assessment, the government can suspend or withdraw approval.</p> <p>Suspension of approval results in suspension of the payment of subsidies.</p> <p>The assessment is regarded as negative where the governing body has deliberately not implemented the action plan to which it has committed or where, in applying the action plan, it has not met the standards laid down by or under this chapter (Article 669 of the Decree Part of the Walloon Social Work and Health Code).</p> <p>Approval for some or all of the activities conducted by a service can be suspended or withdrawn at any time if the provisions of this chapter or the provisions adopted under this chapter are not observed (Article 670 of the Decree Part of the Walloon Social Work and Health Code).</p>

Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Subsidy
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>A subsidy is granted within the limits of the available budget. The subsidy is automatically linked to obtaining approval. It covers expenditure on:</p> <ul style="list-style-type: none"> - employees; - self-employed professionals; - operation. <p>The approved service benefits from subsidies granted for the care area in which it mainly works.</p> <p>Legal references:</p> <ul style="list-style-type: none"> - Articles 1880 to 1885 of the Regulatory Part of the Walloon Social Work and Health Code; - Articles 641 to 674 of the Decree Part of the Code; - Walloon Government Order of 27 May 2010 implementing the Decree of 30 April 2009 on approval with a view to the granting of subsidies and on the granting of subsidies to specialised addiction support and care services and networks, and also on recognition with a view to the granting of subsidies and on the granting of subsidies to their federations.
Typical arrangements for avoiding and repaying any overcompensation.
<p>The subsidies are paid as follows:</p> <ol style="list-style-type: none"> 1. an advance of 80% no later than 1 March of the year for which the subsidies are granted; 2. the balance, at the end of the subsidy audit, during the next year. <p>Examination of the justification for the subsidy does not suspend payment of the next advance, except where the network or service has not submitted the relevant documents according to the procedures or within the time-limits set by the government (Article 664 of the Decree Part of the Code).</p>

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), or 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

Total amount of aid granted (in millions EUR)⁶¹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁶²	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁶³	
2018	2019
€2 039 438.93	2 084 018.65
Commitment appropriations	Commitment appropriations
€1 612 021.95 (private)	€1 650 249.31 (private)
€427 416.98 (public)	€433 769.34 (public)
C: Total amount of aid granted (in millions EUR) paid by local authorities⁶⁴	
2018	2019

⁶¹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁶² If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁶³ See footnote 3.

⁶⁴ See footnote 3.

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁶⁵	
2018	2019

V. Family and older people support services

Clear and comprehensive description of how the respective services are organised in your Member State⁶⁶

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.

⁶⁵ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

⁶⁶ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Services are provided in the home in order to encourage people to stay in and return to their homes and to support and assist the daily life of isolated, older, disabled and sick people, and families in difficulty, in conjunction with the family and local environment. They are particularly intended to encourage the supported individual to remain as independent as possible (Article 220(1) of the Decree Part of the Code).
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Ministerial Decree
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?
Unlimited duration.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
No, 'naming' decree. Anyone who uses the terms 'approved family and older people support service', 'support with daily living' or 'family support' without being approved under this Title shall be punished by a fine of EUR 1 000 to EUR 10 000. The same shall apply to anyone claiming family support status or capacity without holding a certificate proving compliance with the conditions laid down by or under this Title. (Article 260 of the Decree Part of the Walloon Social Work and Health Code).
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
Within the limits of the budget appropriations, the government grants the service subsidies covering all or part of the following: 1. staff costs; 2. operating costs; 3. training and meeting time; 4. transport costs. An order is adopted by the Walloon Government to pay the advance and the government subsequently decides whether or not to apply the entire budget. The subsidy is granted every year. Legal reference: Articles 320 to 364 of the Regulatory Part of the Walloon Social Work and Health Code.
Typical arrangements for avoiding and repaying any overcompensation.
This is a flat-rate subsidy. Family and older people support services use all the monies granted to them, and there is therefore no repayment.

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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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

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Amount of aid granted

Total amount of aid granted (in millions EUR)⁶⁷. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019

A: Total amount of aid granted (in millions EUR) paid by national central authorities⁶⁸

2018	2019

B: Total amount of aid granted (in millions EUR) paid by regional authorities⁶⁹

2018	2019
€195 446 000	€198 051 000
= > Public: €41 711 000;	= > Public: €41 566 000;
=> Private: €153 735 000.	=> Private: €156 485 000.

C: Total amount of aid granted (in millions EUR) paid by local authorities⁷⁰

⁶⁷ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁶⁸ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁶⁹ See footnote 3.

⁷⁰ See footnote 3.

2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁷¹	
2018	2019
33 private services and 55 public services approved in the Walloon Region. Size of services for all areas combined: between 4.5 full-time equivalents for the smallest service and 1 172 for the largest service.	

VI. Family and couple planning and counselling centres
Clear and comprehensive description of how the respective services are organised in your Member State⁷²
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.

⁷¹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

⁷² If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Family planning centres have the following tasks (Articles 183 à 218/22 of the Walloon Social Work and Health Code and Articles 292 to 319 of the Regulatory Part of the Walloon Social Work and Health Code):

1. information, awareness-raising and education on emotional and sexual life and relationships;
2. promotion of contraception and improvement of its accessibility;
3. prevention of unwanted pregnancies and access to abortion as referred to in Article 350 of the Criminal Code. Access to abortion means that any planning centre can carry out abortions or direct or accompany women wanting an abortion to a planning centre that will carry out the abortion if its staff or doctors do not want to perform the procedure. No request or distress can be left unanswered by a planning centre;
4. prevention of and screening for sexually transmitted diseases;
5. support and assistance for people with their emotional and sexual lives and relationships;
6. prevention of violence between couples and, where applicable, provision of care without prejudice to the responsibilities of bodies working in this area;
7. public information on family law concepts;
8. organisation of events connected with the above tasks;
9. information and awareness-raising of professionals on emotional and sexual life and relationships.

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

Ministerial Decree

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?

Indefinite

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

Exclusive right.

Anyone who organises or manages a centre or service bearing the name ‘family planning and family and couple counselling centre approved and subsidised by the Walloon Region’ without being approved shall be punishable by a prison sentence of eight days to one month and a fine of €25 to €75, or one of these penalties only (Article 218/8 of the Walloon Social Work and Health Code).

Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
<p>Approval automatically results in subsidies being granted, under certain conditions, for expenditure on:</p> <ul style="list-style-type: none"> • employees; • self-employed professionals; • operation. <p>Legal reference: Articles 292 to 319 of the Regulatory Part of the Walloon Social Work and Health Code and articles.</p>
Typical arrangements for avoiding and repaying any overcompensation.
<p>Subsidies are paid as two advance payments plus the balance:</p> <ul style="list-style-type: none"> - 1st advance by 1 March; - 2nd advance by 1 September; - balance. <p>Centres electronically submit the activity report to the administration no later than 1 March of the year following the financial year in question.</p> <p>Every year, by 1 March of the year following the financial year in question, the family planning centre provides the government with the summary breakdown of expenditure on its tasks. The contents of this breakdown are determined by the minister.</p> <p>The use of subsidies is monitored and audited in accordance with the Law of 16 May 2003 laying down the general provisions applicable to the budgets, to the audit of subsidies and to the accounts of the Communities and Regions, as well as to the organisation of audits by the Court of Auditors.</p>
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>

Amount of aid granted	
Total amount of aid granted (in millions EUR) ⁷³ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ⁷⁴	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ⁷⁵	
2018	2019
Commitment appropriations €13 943 330.80	Commitment appropriations €14 387 050.59
C: Total amount of aid granted (in millions EUR) paid by local authorities ⁷⁶	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁷⁷	
2018	2019

⁷³ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁷⁴ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁷⁵ See footnote 3.

⁷⁶ See footnote 3.

⁷⁷ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

Number of planning centres in 2019: 72 planning centres and 7 branches.

Section 4) Airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d):

The Walloon autonomous ports
Clear and comprehensive description of how the respective services are organised in your Member State ⁷⁸
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.
<p>Under the laws and decree that established them, the public service tasks of the autonomous ports are as follows:</p> <ul style="list-style-type: none"> - development, equipment and promotion of the regional public land for port use conceded to them; - maintenance of this land; - development of traffic on the waterways; - management of the appropriate infrastructure, tools and services needed to promote waterway transport. <p>These public service tasks are detailed in the port management contracts that entered into force on 1 January 2015.</p> <p>The four Walloon autonomous ports (<i>ports autonomes</i> – PA) exercise their powers throughout the Walloon Region, and each one controls the public land that it is responsible for managing. Their respective geographical areas can be described as follows:</p> <ul style="list-style-type: none"> - Autonomous Port of Liège (PAL): Province of Liège - Autonomous Port of Namur (PAN): Province of Namur - Autonomous Port of Charleroi (PAC): Charleroi districts and Province of Brabant Wallon - Autonomous Port of the Centre and West (PACO): Province of Hainaut between Seneffe and Comines.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector,

⁷⁸ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

please attach them.
<p>The Walloon autonomous ports have been established by law or decree:</p> <ul style="list-style-type: none"> - Law of 21/06/1937 on the Autonomous Port of Liège; - Law of 12/02/1971 on the Autonomous Port of Charleroi; - Law of 20/06/1978 on the Autonomous Port of Namur; - Decree of 24/03/1998 on the Autonomous Port of the Centre and West. <p>As part of the Walloon budgetary reform 'WBFIN', these bodies became Type 2 public administration units under the Decree of 15/12/2011 organising the budget and accounting of the Walloon Government Services.</p> <p>Through the Decree of 17/12/2015, the scope of the WBFIN Decree was then extended to public administration units.</p> <p>Prior to this legislative amendment, the autonomous ports were treated as Category B Public Interest Bodies (<i>Organismes d'Intérêt Public – OIP</i>) by Article 1 of the Law of 16/03/1954 on the monitoring of certain public interest bodies.</p> <p>This update was not intended to change the nature of the relationship between the government and the ports.</p> <p>The ports remain autonomously managed bodies, without this affecting the monitoring and supervisory powers of the Walloon Government, which have been maintained.</p>
<p>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?</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>The autonomous ports are responsible for managing the land, which remains the property of the Region. However, the ports are able to develop the land entrusted to them, through concessions and authorisations to rent granted to undertakings. The ports receive fees for the use and occupation of this land.</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>The compensation granted to the ports by the Region is set according to the nature of the investments, in accordance with the applicable management contracts: 100% for hydraulic developments (quays, docking facilities, etc.), 80% for the development of port areas connected to the waterways, and 50% for the development of port areas not connected to the waterways.</p> <p>It takes the form of a subsidy covering port investments, following presentation of a duly justified claim declaration.</p> <p>These infrastructure investments are made in land that remains the property of the Region, and therefore ultimately become the property of the Region.</p>

For those contracts subject to subsidies, the Region's technical services audit the subsidy procedure. In addition, the Region has representatives on the Boards of Directors of the ports.

The compensation granted to the ports by the Region is set according to the nature of the investments, in accordance with the applicable management contracts: 100% for hydraulic developments (quays, docking facilities, etc.), 80% for the development of port areas connected to the waterways, and 50% for the development of port areas not connected to the waterways.

Typical arrangements for avoiding and repaying any overcompensation.

The port management contracts determine the arrangements for the release of subsidies. These are released in instalments as the contract progresses. The final instalment of 10% is released, where applicable, only after the work has been provisionally accepted and in an amount not exceeding the final amount eligible for subsidy. There cannot therefore be any overcompensation.

Specific projects of the autonomous ports that benefit from special subsidies (and more particularly those resulting from European programmes under the ERDF or Plan Marshall 2.vert [Marshall 2.Green Plan]) are the subject of subsidy orders and ad hoc control procedures that rule out any overcompensation (internal, external, European and other audits).

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

Each autonomous port prepares an annual budget containing all the revenue and expenditure, whatever its origin or cause, in the form and manner prescribed by the Walloon Government.

The draft budget of each autonomous port is prepared by the Board of Directors, approved by the relevant minister and sent to the Regional Minister for the Budget.

The draft budget is appended to the Region's General Expenditure Budget. Within two months of its approval, the final budget is submitted to the Walloon Parliament.

The autonomous ports are supervised by the relevant minister. This supervision is carried out through one or more government commissioners appointed by the government on a proposal from the relevant minister. This work involves:

- attendance at meetings of the Boards of Directors in an advisory capacity;

- power of appeal to the government against any decision that they consider contrary to any regulations, articles of association or the general interest;
- inspecting books, correspondence, reports and any documents and records of the company;
- having full authority to request any explanations or information.

The ports' accounts are prepared and approved by the Boards of Directors based on checks made by an auditor. They must be approved by the relevant minister, who then sends the accounts to the Regional Minister for the Budget. The latter then submits these for auditing by the Court of Auditors.

The ports produce an annual activity report that is also submitted by the relevant minister for approval by the Walloon Government and Parliament.

The Region's technical services monitor all the ports' subsidised contracts, which are also subject to public procurement rules, including supervision by the Finance Inspectorate and a budgetary commitment procedure prior to granting of the subsidy.

The Court of Auditors has a general power to audit the autonomous ports with regard to:

- budgetary and general accounting;
- absence of cost overruns;
- - lawful and proper nature of revenue and expenditure:
- sound use of public funds.

Amount of aid granted

Total amount of aid granted (in millions EUR)⁷⁹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
A: Total amount of aid granted (in millions EUR) paid by central national authorities⁸⁰	

⁷⁹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁸⁰ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

2018		2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁸¹		
	2018	2019
Subtotal PAC	206 770.41	539 406.96
Subtotal PACO	416 757.21	1 096 453.49
Subtotal PAN	2 943 906.07	537 200.00.
Subtotal PAL	1 220 765.96.	1 675 378.88.
Total Ports	4 788 199.65.	3 848 439.33.
C: Total amount of aid granted (in millions EUR) paid by local authorities⁸²		
2018		2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)		
2018		2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)⁸³

In terms of general statistical information on the amount of aid granted to the ports, highly accurate information is established within the Region's services, based on the budget consumption in the article on the Region's intervention in the cost of work to be carried out at ports managed by subsidised public authorities.

On this basis, it is clear that the amounts spent on compensation to all the ports (excluding projects cofinanced by the ERDF and Plan Marshall 2.vert) have been, for 2016: €2.4 million For 2017: €4 million

The autonomous ports are an important policy tool for the Region as they contribute towards both

⁸¹ See footnote 3.

⁸² See footnote 3.

⁸³ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

economic recovery and compliance with sustainable development principles by encouraging multimodal transport and a modal shift from road to less polluting waterway transport. They also help to reduce road congestion.

Section 5) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):

- c) Waste collection
- g) Other sectors (please specify: re-use of waste);
- + Section 2c) Access to and reintegration into the labour market

Waste re-use companies

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	0.829	1.027
(1) Compensation granted on the basis of the SGEI Decision	0.829	1.027
(2) Compensation granted on the basis of the SGEI	0	0

Clear and comprehensive description of how the respective services are organised in your Member State⁸⁴

The objective of this measure is to provide financial support to social economy structures (non-profit organisations or social enterprises) involved in the re-use and preparation for the re-use of waste, products or components of products.

The 're-use' approvals are a mechanism of the Walloon Region governed by the Order of 3 April 2014.

The aim, therefore, is to create jobs and strengthen social cohesion, as well as meet the needs of individuals who need second-hand goods, while limiting the environmental impact of waste in society by collecting waste that can be reused, repaired where appropriate and resold in shops at

⁸⁴ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

a low price.

To that end, approval and grants are awarded to undertakings which must be: non-profit-making organisations or social economy enterprises.

A structure can be approved to reuse one or more of the following waste flows:

- bulky waste;
- household textiles;
- WEEE (waste electrical and electronic equipment, except IT);
- IT WEEE;
- construction materials;
- cartridges and toners.

In order to benefit from the subsidies, the social economy enterprise must be approved as a re-use company (*'Ressourcerie'*). The approval is granted by the Department of Soil and Waste of the Walloon Public Service Department for Agriculture, Natural Resources and the Environment (SWP ARNE), after consulting the Directorate for the Social Economy (DGO6), which is responsible for checking compliance with the principles of the social economy as set out in the Decree of 20 November 2008 on the social economy.

The aid granted consists of an annual subsidy intended to compensate for the public service obligations inherent in the re-use and preparation for re-use activity.

This annual subsidy is paid by two separate administrations:

- the Walloon Public Service Department for Agriculture, Natural Resources and the Environment (SWP ARNE) calculates the amount of the subsidy allocated based on the number of tonnes re-used each year in the Walloon Region by type of waste, product or product component;
- the Social Economy Department (SPW EER), to compensate for the loss of productivity resulting from the employment of workers who do not hold a certificate of advanced secondary education (CESS). The subsidy is therefore calculated based on the wage bill for the target workers.

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

The entrustment is dependent on having approval. Approval is granted for two years, and is renewable for periods of five years thereafter.

Example of approval granted: (see attachment 'Oxfam Solidarity 2020 to 2024')

The approved *'ressourceries'* are mandated to manage an SGEI. This is intended solely to allow the subsidy to be granted so that the approved and entrusted re-use company can be compensated for the loss of productivity linked to the public service obligations.

The mandate is given to the SGEI entrustment in accordance with the Decision. The SGEI entrustment involves the following public service obligations:

<p>1. define and implement a project aimed at meeting social and societal needs that are insufficiently satisfied;</p> <p>2. ensure the development of the re-use enterprise in terms of its specific activities and aims connected with the social economy sector by having recourse to low skilled workers and encouraging staff to become involved in the management of the re-use enterprise;</p> <p>3. ensure the environmental benefit of re-using waste, products or product components;</p> <p>4. ensure the development of re-use and preparation for re-use;</p> <p>5. ensure compliance with other obligations related to approval.</p>
<p>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?</p>
<p>The entrustment is dependent on having approval. In the case of a first application for approval under the <i>Ressourcerie</i> scheme, the approval is granted by the Walloon Minister responsible for the Social Economy and the Walloon Minister for the Environment, for a period of two years. The above period can be extended to five years in the case of a re-use firm which obtained approval under the Walloon Government Decree of 3 June 2009 by the date of entry into force of this Decree.</p> <p>The duration of the approval is five years in the case of the renewal of approval.</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>Rights are granted, as explained above. The approval granted entitles them to receive subsidies, but these rights are not exclusive.</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Direct subsidies.</p> <p>Details of the subsidies granted in this framework:</p> <p>The annual subsidy is linked to:</p> <ul style="list-style-type: none"> - the number of tonnes re-used each year in the Walloon Region by type of waste, product or product component, for which the re-use enterprise is approved. <ul style="list-style-type: none"> o Textiles: €200/tonne o Reusable objects: €90/tonne o WEEE (except IT): €300/tonne o WEEE (IT): €375/tonne o Cartridges and toners: €450/tonne

- Construction products: €75/tonne

- and the human resources assigned exclusively to re-use activities (via compensation of a percentage of the wage bill of people from the target group).

The subsidy is supplemented by a possible bonus linked to the number of tonnes re-used each year in the Walloon Region by the undertaking in excess of the tonnage provided for in its approval, broken down by type of waste and products or components of products.

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

How it works: the undertaking applies for approval, specifying the flows of waste collected and reused as well as the number and profile of the workers employed in those activities; following this, the administration calculates the amount of subsidies to which the structure is entitled (this amount depends solely on the flows and quantities of reused waste).

The aid granted consists of an annual subsidy intended to compensate for the public service obligations inherent in the re-use and preparation for re-use activity.

This annual subsidy is paid by two separate administrations:

- the Walloon Public Service Department for Agriculture, Natural Resources and the Environment (SWP ARNE) calculates the amount of the subsidy allocated based on the number of tonnes re-used each year in the Walloon Region by type of waste, product or product component;
- the Social Economy Department (SPW EER), to compensate for the loss of productivity resulting from the employment of workers who do not hold a certificate of advanced secondary education (CESS). The subsidy is therefore calculated based on the wage bill for the target workers.

Payment is made in two instalments: at the time of the first approval, the notification of the approval or the payment of the balance of the previous year, an advance of 75% of the maximum subsidy is paid.

The maximum subsidy is determined by multiplying the number of tonnes reused as laid down in the approval by the coefficient set out above, and by the coefficient provided for the wage bill of persons from the target group.

The balance of the subsidy is paid the following year, after declaration by the structure and verification by the administration, of the number of tonnes actually reused during the year and of the wage bill of persons from the target group. Any excess amount paid can be deducted from the advance payment.

The number of tonnes and the waste flows are therefore set in the approval (which can be modified at the request of the structure for the current year or subsequent years). The wage bill varies depending on whether or not persons from the target group are recruited.

Typical arrangements for avoiding and repaying any overcompensation.
<p>This method of calculation makes it possible to avoid dual subsidisation (since the undertaking must also provide information on all subsidies received from other sources for the same expenditure).</p> <p>Where an undertaking fails to justify the ceiling for its subsidies, and the balance to be paid is negative (i.e. where the undertaking provides evidence that the expenditure is lower than the advance paid), the amount of the negative balance must be recovered by offsetting it against the next payment(s).</p>

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

There is no aid over €15 million in this scheme.

Amount of aid granted

Total amount of aid granted (in millions EUR)⁸⁵. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
0.510 (tonnage) + 0.319 (employment) = 0.829	0.558 (tonnage) + 0.469 (employment) = 1 027
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁸⁶	
2018	2019
?	?
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁸⁷	
2018	2019
0.510 (tonnage) + 0.319 (employment) = 0.829	0.558 (tonnage) + 0.469 (employment) = 1 027

⁸⁵ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁸⁶ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁸⁷ See footnote 3.

C: Total amount of aid granted (in millions EUR) paid by local authorities⁸⁸	
2018	2019
?	?
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Direct subsidies	Direct subsidies

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁸⁹	
2018	2019
17 undertakings: Average amount of aid: €48.76 Size of undertakings: SMEs	16 undertakings: Average amount of aid: €64.19 Size of undertakings: SMEs

Please also complete Annex 2, indicating the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

8. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

⁸⁸ See footnote 3.

⁸⁹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

Not applicable

9. MISCELLANEOUS 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) to (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.

No particular problems encountered.

c. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

Not applicable

- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

No particular comments.

g) Other sectors:

I. SGEI entrustment to Centre d'Ingénierie Touristique de Wallonie CITW+

Organisation of advice and technical assistance activities to enhance heritage, territory, city, location and tourist facilities.

1. EXPENDITURE OVERVIEW

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
<i>Compensation for Services of General Economic Interest (1+2)</i>	0 341 245 EUR	0 372 899 EUR
(1) Compensation granted on the basis of the SGEI Decision		
(2) Compensation granted on the basis of the SGEI Framework		

Clear and comprehensive description of how the respective services are organised in your Member State⁹⁰

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 CITW (Wallonia Tourism Engineering Centre) is responsible for tourism engineering, which involves providing technical assistance and advice aimed at showcasing a heritage, area, town, place or tourist facility in order to increase its attractiveness and competitiveness to the benefit of regional development.

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

⁹⁰ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Individual subsidy instruments. The terms for granting and maintaining aid are set out in the following provisions:
<ul style="list-style-type: none"> - Walloon Government Order granting a subsidy to the EIG CITW+ for the implementation of the 'CITW+ – Cross-cutting tourism engineering – Wallonia' project in the 'Wallonia tourism engineering' portfolio of the 2014-2020 ERDF Operational Programme for Wallonia. - Subsidy to the CITW+ for tourism engineering work in addition to that carried out under the 2014-2020 Structural and Investment Funds.
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?
6 years
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
/
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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 public support rate (European and regional) is set at 90%.
Typical arrangements for avoiding and repaying any overcompensation.
Article 13 of the Walloon Government Order granting a subsidy to the EIG CITW+ for the implementation of the 'CITW+ – Cross-cutting tourism engineering – Wallonia' project in the 'Wallonia tourism engineering' portfolio of the 2014-2020 ERDF operational programme for Wallonia.
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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).
Publicity regarding the services is guaranteed via various information channels.
Amount of aid granted

Total amount of aid granted (in millions EUR)⁹¹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
€341 245	€372 899
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁹²	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁹³	
2018	2019
€341 245	€372 899
C: Total amount of aid granted (in millions EUR) paid by local authorities⁹⁴	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
/	/

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)⁹⁵	
2018	2019

⁹¹ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁹² If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁹³ See footnote 3.

⁹⁴ See footnote 3.

⁹⁵ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

~~SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):-~~

- i. ~~Postal services~~
- ii. ~~energy;~~
- iii. ~~waste collection~~
- iv. ~~water supply;~~
- v. ~~air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d);~~
- vi. ~~airports and ports with average annual traffic above the limit set in Art. 2(1)(e);~~
- vii. ~~cultivation;~~
- viii. ~~financial services; ix.~~

~~Other sectors (please specify):-~~

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Not applicable
Clear and comprehensive description of how the respective services are organised in your Member State ⁹⁶
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.
Not applicable
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.

⁹⁶ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Not applicable
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?
Not applicable
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Not applicable
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Not applicable
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Not applicable
Typical arrangements for avoiding and repaying any overcompensation.
Not applicable
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).
Not applicable

Amount of aid granted	
Total amount of aid granted (in millions EUR)⁹⁷. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
Not applicable	Not applicable
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁹⁸	
2018	2019

⁹⁷ As stipulated in Article 62 b) of the 2012 SGEI Framework.

⁹⁸ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

Not applicable	Not applicable
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁹⁹	
2018	2019
Not applicable	Not applicable
C: Total amount of aid granted (in millions EUR) paid by local authorities¹⁰⁰	
2018	2019
Not applicable	Not applicable
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Not applicable	Not applicable
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹⁰¹	
2018	2019
Not applicable	Not applicable

10. COMPLAINTS BY THIRD PARTIES

None.

11. MISCELLANEOUS 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;~~

⁹⁹ See footnote 9.

¹⁰⁰ See footnote 9.

¹⁰¹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- ~~determining the reasonable profit level in line with Article 5(5) to (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.

Not applicable

d. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
Not applicable
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
Not applicable
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework; Not applicable
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework; Not applicable

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

Not applicable

c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

Not applicable

II. SA IMMOWAL – SGEI tourism entrustment

- 1. Research, proposal and implementation of a land and buildings strategy in conjunction with the policy pursued by the Walloon Region in the tourism sector.**
- 2. Optimisation, in the broad sense of the term, of real estate for tourism or tourism purposes.**
- 3. Study of the techno-administrative feasibility of tourism projects (with the support of the CGT (General Confederation of Labour) and the CITW) or projects relating to tourist nature amenities and, where appropriate, support in implementing the projects.**

1. Expenditure overview

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	1 000	0.576
(1) Compensation granted on the basis of the SGEI Decision	1 000	0.576
(2) Compensation granted on the basis of the SGEI	0.000	0.000

The amounts set out above are the payments made by Wallonia to the company SA IMMOWAL. As the compensation for 2018 resulted in overcompensation of €424 000, that compensation was carried over to 2019, limiting the compensation to €576 000.

At the end of the 2019 financial year, the accounts showed overcompensation of €240 000, carried over to 2020.

Clear and comprehensive description of how the respective services are organised in your Member State¹⁰²

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.

¹⁰² If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>1. Research, proposal and implementation of a land and buildings strategy in conjunction with the policy pursued by the Walloon Region in the tourism sector.</p> <p>2. Optimisation, in the broad sense of the term, of real estate for tourism or tourism purposes, particularly by:</p> <ul style="list-style-type: none"> - encouraging the development of environmentally responsible projects; - launching procedures for calls for projects or establishing public-private partnerships; - ensuring respect, preservation and development of the Walloon heritage; - ensuring compliance with the principles of transparency, equal treatment and competition. <p>3. Study of the techno-administrative feasibility of tourism projects (with the support of the CGT (General Confederation of Labour) and the CITW) or projects relating to tourist nature amenities and, where appropriate, support in implementing the projects.</p>
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Written entrustment drawn up between the <i>Commissariat Général au Tourisme</i> et la SA IMMOVAL, countersigned by the Minister for Tourism of the Walloon Region (see Annex)</p>
<p>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?</p>
<p>10 years</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>/</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Direct subsidies</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>The annual financial compensation granted to IMMOVAL does not exceed what is necessary to cover the costs, expenses and charges of any kind incurred by IMMOVAL in the performance of its public service tasks entrusted to it under the agreement, taking account of any revenue to be collected directly by and for the benefit of IMMOVAL in the performance of those tasks.</p> <p>The financial compensation is granted by the Walloon Region on the basis of a forecast budget by IMMOVAL for the performance of its public service tasks under the agreement, in the light of expenditure and revenue.</p> <p>It is paid, in whole or in part, to the beginning of year 'N', in the light of the public service tasks entrusted to the company under the Agreement relating to that year 'N'.</p>

Typical arrangements for avoiding and repaying any overcompensation.	
<p>If, at the end of a financial year, overcompensation is found to exist (that is to say, part of the compensation granted by the Walloon Region exceeds the costs and expenses to be covered, including any revenue received directly by IMMOWAL), this overcompensation is not refunded to the Walloon Region but is deducted from the compensation to be granted in subsequent years.</p> <p>Conversely, in the case of a shortfall in compensation, the Walloon Region is responsible for paying as soon as possible the additional compensation necessary for the performance of the public service tasks entrusted under the Agreement.</p>	
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
NOT APPLICABLE	
Amount of aid granted	
Total amount of aid granted (in millions EUR)¹⁰³. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
1 000.	0.576.
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹⁰⁴	
2018	2019
0.000.	0.000.
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹⁰⁵	
2018	2019
1 000.	0.575.

¹⁰³ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹⁰⁴ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹⁰⁵ See footnote 3.

C: Total amount of aid granted (in millions EUR) paid by local authorities¹⁰⁶	
2018	2019
0.000.	0.000.
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Subsidy: 100%	Subsidy: 100%

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹⁰⁷	
2018	2019

3. Description of the application of the 2012 SGEI Framework

Please structure this part of your report by the following sections:

~~SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):~~

- ix. ~~postal services~~
- x. ~~energy~~
- xi. ~~waste collection~~
- xii. ~~water supply~~
- xiii. ~~air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d)~~
- xiv. ~~airports and ports with average annual traffic above the limit set in Art. 2(1)(e)~~
- xv. ~~cultivation~~
- xvi. ~~financial services ix.~~

~~Other sectors (please specify):~~

¹⁰⁶ See footnote 3.

¹⁰⁷ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Not applicable
Clear and comprehensive description of how the respective services are organised in your Member State ¹⁰⁸
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.
Not applicable
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Not applicable
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?
Not applicable
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Not applicable
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Not applicable
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Not applicable
Typical arrangements for avoiding and repaying any overcompensation.
Not applicable
A short explanation of how the transparency requirements (see point 60 of the 2012 SGEI Framework) are being complied with. In your answer please also include

¹⁰⁸ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

Not applicable

Amount of aid granted	
Total amount of aid granted (in millions EUR)¹⁰⁹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
Not applicable	Not applicable
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹¹⁰	
2018	2019
Not applicable	Not applicable
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹¹¹	
2018	2019
Not applicable	Not applicable
C: Total amount of aid granted (in millions EUR) paid by local authorities¹¹²	
2018	2019
Not applicable	Not applicable
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Not applicable	Not applicable
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings¹¹³	

¹⁰⁹ As stipulated in Article 62 b) of the 2012 SGEI Framework.

¹¹⁰ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹¹¹ See footnote 9.

¹¹² See footnote 9.

¹¹³ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course

2018	2019
Not applicable	Not applicable

12. Complaints by

third parties NONE

13. Miscellaneous 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; None
- specifying the amount of compensation in line with Article 5 of the SGEI Decision; None
- determining the reasonable profit level in line with Article 5(5) to (8) of the SGEI Decision; None
- regularly checking overcompensation as required by Article 6 of the SGEI Decision. None

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

NOT APPLICABLE

e. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework; NOT APPLICABLE
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework; NOT APPLICABLE
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework; NOT APPLICABLE

be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework; **NOT APPLICABLE**

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

NOT APPLICABLE

- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

NOT APPLICABLE

III. SA IMMOWAL – SGEI entrustment AViQ

Survey work and assistance with the implementation of the plan for the Walloon Investment Plan (PWI) for a new kind of responsible public building for AViQ et Famiwal

Depending on the survey work, the company will propose the building project best suited to the ambitions and criteria laid down and to the functional needs of AViQ and Famiwal, based on a responsible approach to optimising the land and budget interests of Wallonia.

Assistance with the economic and legal negotiation of agreements needed for the project, until the latter is completed.

1. EXPENDITURE OVERVIEW

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
<i>Compensation for Services of General Economic Interest (1+2)</i>	0.000	0.000
(1) Compensation granted on the basis of the SGEI Decision	0.000	0.000
(2) Compensation granted on the basis of the SGEI	0.000	0.000

Wallonia did not pay any amount to IMMOWAL SA in 2018 and 2019 for the AViQ SGEI.

Clear and comprehensive description of how the respective services are organised in your Member State¹¹⁴

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.

Surveying and assistance with the implementation of the plan for the Walloon investment plan

¹¹⁴ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

<p>(PWI) for a kind of responsible public building for AViQ and Famwal;</p> <p>Depending on the survey work, the company will propose the building project best suited to the ambitions and criteria laid down and to the functional needs of AViQ and Famiwal, based on a responsible approach to optimising the land and budget interests of Wallonia.</p> <p>Assistance with the economic and legal negotiation of agreements needed for the project, until the latter is completed.</p>
<p>Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Entrustment drawn up by the Walloon Region, represented by its Government Minister Alda GREOLI, the Minister responsible for health, the establishment of services and organisations, and property management (see annex)</p>
<p>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?</p>
<p>5 years</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>/</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Direct subsidies</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>The annual financial compensation granted to IMMOWAL does not exceed what is necessary to cover the costs, expenses and charges of any kind incurred by IMMOWAL in the performance of its public service tasks entrusted to it under the agreement, taking account of any revenue to be collected directly by and for the benefit of IMMOWAL in the performance of those tasks.</p> <p>The financial compensation is granted by the Walloon Region on the basis of a forecast budget by IMMOWAL for the performance of its public service tasks under the agreement, in the light of expenditure and revenue.</p> <p>The provisional budget for year 'N' will be communicated by IMMOWAL by 15 July of the previous year.</p> <p>It will be paid, fully or partly, by 31 January of year 'N' at the latest, based on the public service tasks entrusted to the company under the agreement relating to that year 'N'.</p>

Typical arrangements for avoiding and repaying any overcompensation.	
<p>If, at the end of a financial year, overcompensation is found to exist (that is to say, part of the compensation granted by the Walloon Region exceeds the costs and expenses to be covered, including any revenue received directly by IMMOWAL), this overcompensation is not refunded to the Walloon Region but is deducted from the compensation to be granted in subsequent years.</p> <p>Conversely, in the case of a shortfall in compensation, the Walloon Region is responsible for paying as soon as possible the additional compensation necessary for the performance of the public service tasks entrusted under the Agreement.</p>	
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
NOT APPLICABLE	
Amount of aid granted	
Total amount of aid granted (in millions EUR)¹¹⁵. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
0.000.	0.000
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹¹⁶	
2018	2019
0.000.	0.000.
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹¹⁷	
2018	2019
0.000.	0.000

¹¹⁵ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹¹⁶ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹¹⁷ See footnote 3.

C: Total amount of aid granted (in millions EUR) paid by local authorities¹¹⁸	
2018	2019
0.000.	0.000.
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹¹⁹	
2018	2019

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

~~SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):-~~

xvii. ~~postal services~~

xviii. ~~energy~~

xix. ~~waste collection~~

xx. ~~water supply~~

xxi. ~~air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d)~~

xxii. ~~airports and ports with average annual traffic above the limit set in Art. 2(1)(e)~~

xxiii. ~~cultivation~~

xxiv. ~~financial services ix.~~

~~Other sectors (please specify):~~

¹¹⁸ See footnote 3.

¹¹⁹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
NOT APPLICABLE
Clear and comprehensive description of how the respective services are organised in your Member State¹²⁰
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.
NOT APPLICABLE
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
NOT APPLICABLE
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?
NOT APPLICABLE
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
NOT APPLICABLE
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
NOT APPLICABLE
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
NOT APPLICABLE
Typical arrangements for avoiding and repaying any overcompensation.
NOT APPLICABLE

¹²⁰ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

A short explanation of how the **transparency requirements** (see point 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

NOT APPLICABLE

Amount of aid granted	
Total amount of aid granted (in millions EUR)¹²¹. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
NOT APPLICABLE	NOT APPLICABLE
A: Total amount of aid granted (in millions EUR) paid by national central authorities¹²²	
2018	2019
NOT APPLICABLE	NOT APPLICABLE
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹²³	
2018	2019
NOT APPLICABLE	NOT APPLICABLE
C: Total amount of aid granted (in millions EUR) paid by local authorities¹²⁴	
2018	2019
NOT APPLICABLE	NOT APPLICABLE
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
NOT APPLICABLE	NOT APPLICABLE
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)¹²⁵	

¹²¹ As stipulated in Article 62 b) of the 2012 SGEI Framework.

¹²² If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹²³ See footnote 9.

¹²⁴ See footnote 9.

¹²⁵ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

2018	2019
NOT APPLICABLE	NOT APPLICABLE

14. COMPLAINTS BY THIRD PARTIES

NONE

15. MISCELLANEOUS 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; None
- specifying the amount of compensation in line with Article 5 of the SGEI Decision; None
- determining the reasonable profit level in line with Article 5(5) to (8) of the SGEI Decision; None
- regularly checking overcompensation as required by Article 6 of the SGEI Decision. None

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

NOT APPLICABLE

f. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework; NOT APPLICABLE
- complying with public procurement rules in line with point 19 of the SGEI Framework; NOT APPLICABLE

- determining the net avoided cost as required by points 25-27 of the SGEI Framework; NOT APPLICABLE
- determining the reasonable profit level in line with points 33-38 of the SGEI Framework; NOT APPLICABLE

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

NOT APPLICABLE

- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

NOT APPLICABLE

Annex

SGEI entrustment agreement granting Immowal S.A. The task of surveying and assisting with the implementation of the Walloon investment plan concerning a new kind of responsible public building for AviQ and FAMIWAL

BETWEEN

THE WALLOON REGION

Represented by its Government Minister Alda GREOLI, the Minister responsible for health, the establishment of services and organisations, and property management (see annex);

Hereinafter referred to as ‘the Walloon Region’ or ‘the principal’

AND

IMMOWAL, limited liability company, BCE 0427.724.963

Represented by Mr José CORDOVIL, President, and Tanguy STUCKENS, Vice-president, with registered office established at 5100 Jambes, Avenue Gouverneur Bovesse, 74
Hereinafter referred to as IMMOWAL;

THE FOLLOWING IS AGREED:

Article 1: Purpose of the agreement

- 1.1.** The purpose of this agreement is to define in particular the scope, the implementation and supervision, and the duration of the entrustment given by the Walloon Region to IMMOWAL, which hereby accepts it.
- 1.2.** By means of this entrustment, the Walloon Region entrusts to IMMOWAL the public service tasks set out in Article 4 of this Agreement.
- 1.3.** In the context of performing the public service tasks entrusted to it in this agreement, IMMOWAL will carry out all its operations on behalf of the Walloon Region.

1.4. Without prejudice to the compensation mechanism provided for in Article 9, the entrustment is granted free of charge.

1.5. This Agreement does not affect other agreements and entrustments which may be granted by the Walloon Region or another validly authorised public authority, in accordance with the Tourism Code and the articles of association of Immowal.

Article 2: Aspects covered by the Agreement

The aspects covered by this Agreement are those referred to in Article 4.

Article 3: Territorial scope of the Agreement

IMMOWAL will carry out all operations necessary for the performance of this entrustment, without territorial limitations on operations.

Article 4: Definition and scope of public service tasks

4.1. Through this Agreement, the Walloon Region entrusts to IMMOWAL the tasks of surveying and providing assistance with the implementation of the Walloon Investment Plan (PWI) for a new kind of responsible public building for AViQ et Famiwal (hereinafter the Organisations).

Depending on the survey work, IMMOWAL will propose the building project best suited to the ambitions and criteria laid down in project sheet No 10 of the PWI and to the functional needs of the Organisations, based on a responsible approach to optimising the land and budget interests of Wallonia.

IMMOWAL will also assist the Organisations with the financial and legal negotiation of agreements needed for the project, until the latter is completed.

4.2. These missions are intended to meet the general interest.

Article 5: Arrangements for the execution of the work

5.1. In the context of delivering the public service tasks set out in this Agreement, IMMOWAL is empowered to take all the measures that it considers directly or indirectly necessary, within the limits of its Articles of Association and the Tourism Code, and subject to the agreement of the principals within the limits of their respective competences.

5.2 IMMOWAL, and the staff assigned to these duties, will act in the name and on behalf of the Walloon Region, and will introduce themselves in this capacity to third parties.

Article 6: Obligations of IMMOWAL

6.1. IMMOWAL undertakes to comply with public service principles/laws (constant adaptation, continuity and equality) as long as the entrustment is in force. It therefore undertakes to carry out all the activities that are part of its public service remit, ensuring continuity and regularity. It will ensure the equality of users with respect to the public service. It will take any measure necessary to adapt the public service to the changing needs of the community.

6.2 IMMOWAL is required to fulfil the entrustment as long as it remains responsible for it. It will be liable for any damages that might result from non-performance, wilful misconduct or faults which it or its members and agents commit in relation to managing the entrustment.

6.3. IMMOWAL will comply with the instructions given by its principal as regards the delivery of the public service tasks entrusted to it.

6.4. IMMOWAL will be held accountable for its management of the public service tasks entrusted to it.

6.5. IMMOWAL must keep accounts based on cost-accounting, making it possible to distinguish expenditure linked to the performance of the tasks entrusted under this agreement from all amounts relating to services not forming part of those tasks.

6.6. IMMOWAL must at all times act diligently and loyally.

Article 7: Obligation of the Walloon Region

The Walloon Region will ensure that IMMOWAL is in a position to carry out its duties. To this end, it will submit all relevant information and all documents and papers necessary for the performance of its tasks.

Under the compensation mechanism provided for in Article 9, the Walloon Region will ensure that IMMOWAL is provided with sufficient financial resources to enable it to deliver the public service tasks covered by this agreement.

Article 8: Walloon Region supervision of the activities of IMMOWAL

8.1. The activities carried out by IMMOWAL in relation to the public service tasks entrusted under this Agreement, and the use of the resources allocated by the Walloon Region to enable IMMOWAL to perform these tasks, will be supervised by the Walloon Region.

8.2. The supervision will be carried out on the basis of supporting documents provided by IMMOWAL. On-the-spot checks may also be organised where necessary due to circumstances.

8.3. A quarterly report will be sent to the Government commissioners on the revenue and expenditure entered in the accounts during the preceding quarter in connection with public service tasks.

Article 9: Compensation mechanism

9.1. The financial compensation granted to IMMOWAL does not exceed what is necessary to cover the costs, expenses and charges of any kind incurred by IMMOWAL in the performance of its public service tasks

entrusted to it under the this Agreement, taking account of any revenue to be collected directly by and for the benefit of IMMOWAL in the performance of those tasks.

9.2. The amount of the financial compensation will be granted by the Walloon Region on the basis of a provisional budget drawn up by IMMOWAL for the performance of its public service tasks under this Agreement, taking into account the expenditure referred to in point 9.1. The provisional budget for year 'N' will be communicated by IMMOWAL by 15 July of the previous year.

It will be paid, fully or partly, by 31 January of year 'N' at the latest, based on the public service tasks entrusted to the company under the agreement relating to that year 'N'.

9.3. If, at the end of a financial year, overcompensation is found to exist (that is to say, part of the compensation granted by the Walloon Region exceeds the costs and expenses set out in point 9.1 to be covered, including any revenue received directly by IMMOWAL), this overcompensation is not refunded to the Walloon Region but is deducted from the compensation to be granted in subsequent years.

Conversely, in the case of a shortfall in compensation, the Walloon Region is responsible for paying as soon as possible the additional compensation necessary for the performance of the public service tasks entrusted under this Agreement.

Article 10: Entry into force and duration of the Agreement

This Agreement will enter into force on the date of its signature by all the parties.

It will be terminated as a matter of law when AVIQ and FAMIWAL move into their new building, i.e. by the end of 2024 at the latest.

The Agreement may be renewed simply on the basis of a letter from the principal.

Article 11: Termination of the entrustment by the Walloon Region

This entrustment may be terminated as a matter of law by the Walloon Region, subject to three months' notice.

Article 12: *Intuitu personae* nature of this Agreement

Because of the *intuitu personae* nature of this Agreement, it will be automatically terminated in the event of the dissolution or following the liquidation of IMMOWAL.

Article 13: End of the Agreement

The Agreement will end:

- on expiry of the period specified in Article 10;
- in the event of the termination of the entrustment by the Walloon Region, in accordance with Article 11;
- In the event of the dissolution or bankruptcy of IMMOWAL, in accordance with Article 12.

Article 14: Applicable law and competent courts

This Agreement will be governed by Belgian law.

The competent courts are the courts of Namur.

Done in 2 copies in Namur, on ...

For the Walloon Government,

For IMMOWAL,

IV. Support for the restoration and management of natural environments
Clear and comprehensive description of how the respective services are organised in your Member State¹²⁶
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.
1. Walloon Rural Development Programme 2014-2020 (PWDR 2014-2020) Measure 7.6 ‘Support for the restoration and management of natural environments’. This measure involves restoring and managing the typical habitats of certain areas situated within the main ecological structure encompassing the Natura 2000 sites. Subsidies 2. Additional non-agricultural subsidies granted for additional conservation island and border areas (going beyond the legal requirements).
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
‘Birds’ and ‘Habitats’ Directives. Regulation (EU) No 1305/2013 and its implementing regulations. 2008 Forest Code. Orders on Natura 2000 allowances and subsidies. For the measure resulting from the PWDR 2014-2020, all the orders granting subsidies and designating Natura 2000 sites adopted under Measure 7.6.
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?
* For Measure 7.6, the duration is six years. The subsidy is paid in one go and covers the restoration costs (subsidy paid on submission of a paid invoice or claim declaration). * The additional non-agricultural subsidy is an annual subsidy.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
/
Which aid instruments have been used (direct subsidies, guarantees, etc.)?

¹²⁶ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

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.
<p>* Net compensation is granted in proportion to the services provided. Direct subsidies are limited to the expenditure submitted and eligible for this subsidy.</p> <p>* A scientific and technical evaluation of the maintenance, restoration or protection of the target environment determines the net cost and the subsidy to be granted in this respect.</p>
Typical arrangements for avoiding and repaying any overcompensation.
See Articles 12 and 13 of the Walloon Government Order on ‘allowances’.

<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
<p>1. Calls for projects. For measure 7.6 ‘Support for the restoration and management of natural environments’, a call for projects is conducted every three months in order to select projects meeting the criteria defined in the PWDR. Information on the calls for projects is available in particular from the various portals of the Walloon Region.</p> <p>2. Declaration of area. Those applying for additional non-agricultural subsidies granted for additional conservation island and border areas (going beyond the legal requirements) must declare these areas annually as part of the area declarations in the same way as producers (farmers or foresters).</p>	
Amount of aid granted	
Total amount of aid granted (in millions EUR)¹²⁷. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by central national authorities¹²⁸	

¹²⁷ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹²⁸ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities¹²⁹	
2018	2019
€247 148.97	€543 928.87
C: Total amount of aid granted (in millions EUR) paid by local authorities¹³⁰	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹³¹			
2018		2019	
Number of beneficiaries		Number of beneficiaries	
77		108	
Average amount of aid (in € thousands)		Average amount of aid (in € thousands)	
€3 209.73		€5 036.38	

¹²⁹ See footnote 3.

¹³⁰ See footnote 3.

¹³¹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

ANNEX 4

Services of General Economic Interest (SGEI) - Reports to be submitted under Article 9 of the Commission Decision of 20 December 2011 on State aid in the form of public service compensation

Wallonia-Brussels Federation

August 2020



2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

1) Social services (Art. 2(1)(c))

b) Childcare

Clear and comprehensive description of how the respective services are organised in your Member State¹
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.

¹ If, in a certain sector, only a small number of individual SGEIs exist in your Member State, we appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
<p>Decree of 17 July 2002 on the reform of the ONE (Birth and Childhood Agency), entrusting it with the public service task of authorising, approving and subsidising childcare for 0-6 year olds. http://www.gallilex.cfwb.be/document/pdf/26853_002.pdf</p> <p>Order of 27 February 2003 laying down general rules and regulations on childcare, organising the authorisation, approval and subsidy of the different types of childcare that exist in the French Community of Belgium.</p> <p>http://www.gallilex.cfwb.be/document/pdf/27602_006.pdf</p>
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?
//
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
//
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
//
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
//
Typical arrangements for avoiding and repaying any overcompensation.
//

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), or 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 authorities²

2018	2019
171 986.3	198 454.7

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)³

2018	2019
32 940 places subsidised by the ONE	33 337 places subsidised by the ONE

² See footnote 3.

³ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

ANNEX 5

Services of General Economic Interest

-

2020 Report

Contributions by the public authorities and public
interest bodies of the Brussels-Capital Region

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1. Brussels Economy - Employment — Social economy strand

ANNEX 1

Services of general economic interest: Guidelines for the report to be submitted in accordance with the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every two years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- i* a description of the application of this Decision to the services falling within its scope, including in-house activities;
- ii* the total amount of aid granted in accordance with this Decision, with a breakdown in terms of the economic sector of the beneficiaries;
- iii* an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and
- iv* any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	59 080 109	57 508 435
(1) Compensation granted on the basis of the SGEI Decision	59 080 109	57 508 435
(2) Compensation granted on the basis of the SGEI Framework	0	0

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by the following sections:

- 1) hospitals providing medical care, including, where applicable, emergency services (Art. 2(1)(b));
- 2) social services (Art. 2(1)(c));
 - a) health and long-term care;
 - b) childcare;
 - c) access to and reintegration into the labour market;
 - d) social housing;
 - e) care and social inclusion of vulnerable groups;
 - f) other social services (if applicable);

- 3) air or maritime links to islands with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 4) airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 5) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):
 - a) postal services;
 - b) energy;
 - c) waste collection;
 - d) water supply;
 - e) culture;
 - f) financial services;
 - g) other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example 1, hospitals or 2b, childcare)
g) other sectors. Other SGEI compensation not exceeding EUR 15 million: <ol style="list-style-type: none"> 1) promoting entrepreneurial spirit; 2) encouraging SME support programmes; 3) aid for the creation and operation of host structures for micro-enterprises; 4) support for trade; 5) support for tourism.
Clear and comprehensive description of how the respective services are organised in your Member State ¹
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.

¹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

- Promoting entrepreneurial spirit:
 - Promotion and encouragement of entrepreneurship.
 - Continuing management training for executives, managers and young graduates by means of post-university programmes.
 - Granting guarantees to credit institutions to make it easier for SMEs and the self-employed to access professional credits.
 - Support for entrepreneurial innovation.
- Fostering SME support programmes.
 - General support in the fields of business management, technological validation, and searches for capital and financial partners.
 - Specialised coaching of entrepreneurial projects in issues posing threats or opportunities for Brussels entrepreneurs.
 - Legal, tax and accounting advice.
 - Simplification of administrative procedures.
 - Internationalisation of undertakings.
 - Digitalisation.
 - Support for the transition to the circular economy.
- Aid for the creation and operation of host structures for micro-enterprises such as:
 - Business centres which provide start-ups with an accommodation arrangement involving a large number of common services and coaching by management experts.
 - Local economy offices that accompany future entrepreneurs and work in close collaboration with business centres as well as with local actors responsible for promoting employment.
 - Incubators tied to a university or college, which are designed to host university spin-offs or other innovative start-ups resulting from scientific research, providing them with general services and coaching.
- Support for tourism:
 - Promotion of Brussels as a business tourism and congress destination.
- Support for trade: Fostering commercial development, and strengthening the identity of shopping districts by improving their environment and implementing an urban marketing strategy.

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

- Order granting subsidies, with or without an agreement, to undertakings delivering SGEIs. These undertakings are selected on the basis of various calls for thematic projects (quality assurance).
- Management contract for regional public interest bodies.

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?

- Order granting subsidies: One year
- Management contract: Five years

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

No exclusive or special rights are assigned in connection with orders granting subsidies to undertakings.

In the case of regional public interest bodies, some have been set up by means of an order stating their rights and obligations. These bodies enjoy exclusive rights within the meaning of Directive 2006/111/EC of 18 November 2006.

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

Direct subsidies for operating and investment costs.

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

- Order granting subsidies:
 - The order, with or without an agreement, provides for a detailed description of the operation that has been subsidised (usually operating costs), a provisional budget for expenditure, a deadline for completion, a deadline for the submission of supporting documents for expenditure incurred, an activities report and a statement of income and expenditure.
- Management contract (subsidy):
 - This states explicitly and in detail that the activities carried out by regional public interest bodies are subject to and must comply with EU rules on SGEIs, including the method of calculation of compensation set out in the Decision.

Typical arrangements for avoiding and repaying any overcompensation.

- Order granting subsidies:
 - Subsidies are subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing.

Subsidies will be paid in two or more instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred.

If part of the expenditure is not eligible (expenditure not corresponding to the purpose of the subsidy, or the nature of which precludes it from being covered by the subsidy), the amount of the subsidy will be reviewed accordingly.

Moreover, since the grant cannot be intended to enrich the beneficiary, the amount of the subsidy is capped at a level that achieves a financial balance between the income and expenditure of the undertaking and the subsidised measure.

Finally, if it was not possible to avoid overcompensation, the Economic Inspectorate will record the infringement and inform the authorising officer, who will establish the right of recovery and notify it to the beneficiary.
- Management contract:
 - This provides for evaluation procedures (external evaluation, evaluation of annual activities of organic and delegated tasks) and monitoring (report submitted to the government covering cash flow, an annual report on the implementation of the contract, a provisional budget and the undertaking's annual accounts).
 - The contract also includes a chapter on non-performance of the contract.

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).	
The various obligations relating to SGEIs, in particular the requirement to keep separate accounts, are set out in the agreement, in the management contract or in any document serving as a mandate and concluded with the beneficiary. An on-the-spot check may also be carried out.	
Amount of aid granted	
Total amount of aid granted (in millions EUR) ² . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities³	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁴	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities⁵	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁶	
2018	2019

² As stipulated in Article 9(b) of the 2012 SGEI Decision.

³ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁴ See footnote 3.

⁵ See footnote 3.

⁶ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

PLEASE ALSO COMPLETE ANNEX 2 WITH THE TOTAL AMOUNTS PER SECTION FOR THE MEMBER STATE AS A WHOLE (NOT BY REGION, LOCAL AUTHORITY OR MUNICIPALITY).

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

- 1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):
 - i. postal services;
 - ii. energy;
 - iii. waste collection;
 - iv. water supply;
 - v. air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d) of the SGEI Decision;
 - vi. airports and ports with average annual traffic above the limit set in Art. 2(1)(D) of the SGEI Decision;
 - vii. culture;
 - viii. financial services;
 - ix. other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Clear and comprehensive description of how the respective services are organised in your Member State ⁷
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.

⁷ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or 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	
Total amount of aid granted (in millions EUR) ⁸ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ⁹	
2018	2019

⁸ As stipulated in Article 62 b) of the 2012 SGEI Framework.

⁹ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

B: Total amount of aid granted (in millions EUR) paid by regional authorities ¹⁰	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ¹¹	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹²	
2018	2019

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

5. MISCELLANEOUS 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;

¹⁰ See footnote 9.

¹¹ See footnote 9.

¹² The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- determining the reasonable profit level in line with Article 5(5) to (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.

b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

2. Brussels Economy - Employment — Employment strand

ANNEX 1

Services of general economic interest: Guidelines for the report to be submitted in accordance with the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every 2 years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- v* a description of the application of this Decision to the services falling within its scope, including in-house activities;
- vi* the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;
- vii* an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and
- viii* any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. Expenditure overview

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	2 362 493.34	914 250.00
(1) Compensation granted on the basis of the SGEI Decision	2 362 493.34	914 250.00
(2) Compensation granted on the basis of the SGEI Framework		

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by the following sections:

- 1) hospitals providing medical care, including, where applicable, emergency services (Art. 2(1)(b));
- 2) social services (Art. 2(1)(c));
 - a) health and long-term care;
 - b) childcare;
 - c) access to and reintegration into the labour market;
 - d) social housing;
 - e) care and social inclusion of vulnerable groups;
 - f) other social services (if applicable);
- 3) air or maritime links to islands with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 4) airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 5) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):
 - h) postal services;
 - i) energy;
 - j) waste collection;
 - k) water supply;
 - l) culture;
 - m) financial services;
 - n) other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example 1, hospitals or 2b, childcare)
5 g) other sectors.
Clear and comprehensive description of how the respective services are organised in your Member State ¹³
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.

¹³ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for

<p>The various types of SGEI compensation are intended to support the social economy through:</p> <ul style="list-style-type: none"> - an annual call for projects that has supported social and innovative undertakings and collaborative platforms; - financial support for temporary social employment agencies; - funding of the consulting agencies which accompany social economy undertakings in Brussels; - financing of cooperatives; - financial support for a structure that provides loans to the social economy sector.
<p>Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>The entrustments take the form of an agreement between the Region and the beneficiary. There is no standard 'one size fits all'. The compensation takes the form of an annual financing order.</p>
<p>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?</p>
<p>One year</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>Not applicable</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Subsidies for operating costs.</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>Compensation is paid on the basis of real, direct costs. It mainly covers salaries (evidenced by individual accounts and bank statements) and operating costs (evidenced by invoices and bank statements).</p>
<p>Typical arrangements for avoiding and repaying any overcompensation.</p>
<p>If the beneficiary fails to provide evidence covering the entire amount of the subsidy by means of supporting documents (individual accounts, invoices and bank statements), it must then repay the excess amount received.</p>

<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>
<p>The various obligations relating to SGEIs are set out in the agreement concluded with the beneficiary, in particular the requirement to keep separate accounts. An on-the-spot check may also be carried out.</p>

example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Amount of aid granted	
Total amount of aid granted (in millions EUR) ¹⁴ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ¹⁵	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ¹⁶	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ¹⁷	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹⁸	
2018	2019

¹⁴ As stipulated in Article 9(b) of the 2012 SGEI Decision.

¹⁵ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹⁶ See footnote 3.

¹⁷ See footnote 3.

¹⁸ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

PLEASE ALSO COMPLETE ANNEX 2 WITH THE TOTAL AMOUNTS PER SECTION FOR THE MEMBER STATE AS A WHOLE (NOT BY REGION, LOCAL AUTHORITY OR MUNICIPALITY).

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):

- ix. postal services;
- x. energy;
- xi. waste collection;
- xii. water supply;
- xiii. air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d) of the SGEI Decision;
- xiv. airports and ports with average annual traffic above the limit set in Art. 2(1)(D) of the SGEI Decision;
- xv. culture;
- xvi. financial services;
- ix. other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Clear and comprehensive description of how the respective services are organised in your Member State ¹⁹
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.

¹⁹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or 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	
Total amount of aid granted (in millions EUR) ²⁰ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ²¹	
2018	2019

²⁰ As stipulated in Article 62 b) of the 2012 SGEI Framework.

²¹ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

B: Total amount of aid granted (in millions EUR) paid by regional authorities ²²	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ²³	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ²⁴	
2018	2019

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

²² See footnote 9.

²³ See footnote 9.

²⁴ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

5. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

6. MISCELLANEOUS 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) to (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.

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b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

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c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

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3. Directorate for Equal Opportunities

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)		
(1) Compensation granted on the basis of the SGEI Decision		
(2) Compensation granted on the basis of the SGEI Framework		

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Section (for example 1, hospitals or 2b, childcare)
2e) Social inclusion of vulnerable groups
Clear and comprehensive description of how the respective services are organised in your Member State²⁵
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.
<p>Each year, the Brussels-Capital Region launches a number of calls for projects to implement the equal opportunities policy and to support projects which have a positive impact on:</p> <ul style="list-style-type: none"> • gender, gender identity and gender expression: respect, equality and equal opportunities for all men, women and people with a different gender identity or gender expression. • Ethnic, cultural and religious diversity: equality regardless of nationality, ethnic origin or religion. • Domestic and intra-family violence: all forms of partner violence, forced marriages, honour crimes and female genital mutilation. • Full accessibility: accessibility to everything, both physical and in terms of information and the possibility of availing of services and using goods. • Disability: autonomy, equal treatment and autonomous participation in society regardless of any physical, mental, psychological and/or social disability. • Sexual orientation: equality regardless of sexual preferences.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Order granting subsidies
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?
Order granting subsidy for one year
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.

²⁵ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

None
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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 subsidy order provides for a detailed description of the operation that has been subsidised, a provisional budget for expenditure, a deadline for completion, a deadline for the submission of supporting documents for expenditure incurred, and the requirement to produce an activities report and a statement of income and expenditure.
Typical arrangements for avoiding and repaying any overcompensation.
<p>Subsidies are subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing.</p> <p>Subsidies will be paid in two instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred.</p> <p>If part of the expenditure is not eligible (expenditure not corresponding to the purpose of the subsidy, or the nature of which precludes it from being covered by the subsidy), the amount of the subsidy will be reviewed accordingly.</p> <p>Moreover, since the subsidy cannot have the aim of enriching the beneficiary, the amount of the subsidy is capped at a level that achieves a financial balance between the income and the expenditure incurred to deliver the subsidised measure.</p>

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).	
Not applicable	
Amount of aid granted	
Total amount of aid granted (in millions EUR)²⁶. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities²⁷	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities²⁸	
2018	2019
Aid granted by the Directorate for Equal Opportunities of the Brussels Regional Public Service: €851 880.21	Aid granted by the Directorate for Equal Opportunities of the Brussels Regional Public Service: €810 554.60
C: Total amount of aid granted (in millions EUR) paid by local authorities²⁹	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ³⁰	
2018	2019
General subsidies: €807 523.41	General subsidies: €769 595.18
Accessibility subsidies: €44 356.80	Accessibility subsidies: €40 959.42

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Not applicable

²⁶ As stipulated in Article 9(b) of the 2012 SGEI Decision.

²⁷ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

²⁸ See footnote 3.

²⁹ See footnote 3.

³⁰ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

4. COMPLAINTS BY THIRD PARTIES

None.

5. MISCELLANEOUS QUESTIONS

None.

4. Bruxelles Environnement

1. EXPENDITURE OVERVIEW

	2018	2019
SGEI Decision	6.13	5.89
SGEI Framework	0.00	0.00
Total	6.13	5.89

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Service type	
	<ol style="list-style-type: none"> 1) Hospitals: not applicable 2) Social services: not applicable 3) Air/maritime links: not applicable 4) Airports and ports: not applicable 5) Other compensation: <ul style="list-style-type: none"> ○ Advisory/training/educational activities for undertakings, citizens, teachers and pupils. ○ Financing from the Brussels green loan ○ Installation of solar panels on public buildings ○ Waste collection in the context of the social economy
Types of entrustment	
	<p>Subsidy order supplemented, for subsidies over €15 000, by an annexed agreement/management contract.</p> <p>Annex 1, standard order and agreement. A standard management contract is also attached.</p>
Duration of the entrustment	
	<p>One year, can possibly be extended four times under a management contract, thus for between one and five years.</p> <p>There is therefore no entrustment that lasts more than ten years.</p>
Exclusive or special rights	
	-
Aid instruments	
	Direct subsidies.
Compensation mechanism	
	<p>The annex (agreement/management contract) provides for a detailed description of the subsidised measure (usually operating costs), the duration of the operation, an estimated budget for the expenditure, a list of documents required to justify expenditure, a deadline for submitting these documents and the submission of an activities report and an expenditure inventory.</p>

Reimbursement conditions	
	<p>Subsidies are subject to the Organic Ordinance of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing and to the provisions of the General Budget for Expenditure (staggered payments, non-enrichment and reimbursement):</p> <ul style="list-style-type: none"> • subsidies will be paid in several instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred. • If, under the order/agreement/management contract, expenditure is considered ineligible, the amount of the grant is revised accordingly.

	<ul style="list-style-type: none"> • Moreover, because of the principle of non-enrichment, the amount of the subsidy is capped at a level that achieves a financial balance between the income and expenditure relating to the subsidised measure. • Finally, if it was not possible to avoid overcompensation, a recovery order is sent to the beneficiary of the subsidy. <p>All of these provisions are systematically referred to in the individual grant award documents (order and agreement).</p>
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Total amount of aid granted

	2018	2019
Waste collection (Social Economy)*	275 535.00	100 000.00
Advice/training/education	5 324 948.00	4 802 471.00
Financing from the Brussels green loan	528 600.00	
Installation of photovoltaic panels		984 814.00
GRAND TOTAL	6 129 083.00	5 887 285.00

Additional comparative information

2018: 32 beneficiaries for an average amount of aid of €191 534

2019: 24 beneficiaries for an average amount of aid of €245 303

5. ERDF

ANNEX 1

Services of general economic interest: Guidelines for the report to be submitted in accordance with the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every 2 years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- ix* a description of the application of this Decision to the services falling within its scope, including in-house activities;
- x* the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;
- xi* an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and
- xii* any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. Expenditure overview

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)		
(1) Compensation granted on the basis of the SGEI Decision	2.32	1.55
(2) Compensation granted on the basis of the SGEI Framework		

2. Description of the application of the 2012 SGEI DECISION

Please structure this part of your report by the following sections:

- 1) hospitals providing medical care, including, where applicable, emergency services (Art. 2(1)(b));
- 2) social services (Art. 2(1)(c));
 - a) health and long-term care;
 - b) childcare;
 - c) access to and reintegration into the labour market;
 - d) social housing;
 - e) care and social inclusion of vulnerable groups;
 - f) other social services (if applicable);
- 3) air or maritime links to islands with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 4) airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 5) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):
 - o) postal services;
 - p) energy;
 - q) waste collection;
 - r) water supply;
 - s) culture;
 - t) financial services;
 - u) other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example 1, hospitals or 2b, childcare)
5) Compensation of under €15 million per year
Clear and comprehensive description of how the respective services are organised in your Member State ³¹
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.

³¹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for

<p>a. The use of a vegetable garden for vocational training and educational purposes as a demonstration zone for the general public.</p> <p>b. A 25m sustainably renovated swimming pool and learner pool. The university community (staff and students), schools and clubs in the neighbourhood and local residents can all make use of the swimming pool at an affordable rate. The learner pool is to be used for different target groups (school children, local children and children in vulnerable families) so that they can learn to swim. The entrustment runs up to the end of 2020 and can be renewed for a 10-year period.</p> <p>c. The establishment of first-line social (physical and mental) health centres.</p> <p>d. Support for business in the development of circular economy sectors.</p> <p>e. Creation and management of a cycle park management platform on the territory of the Region.</p> <p>f. Construction and operation of a container yard for household waste.</p>
<p>Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>Subsidy order with agreement for each project selected.</p>
<p>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?</p>
<p>Subsidy Order 2014-2020: most of the entrustments are less than 10 years, except for public interest infrastructure (swimming pool, etc.).</p> <p>Irisphère: Ten years, renewable.</p> <p>LivingLab: 7 years</p> <p>VUB-Zembad: Five years, renewable for ten years.</p> <p>CycloParking: Ten years, renewable.</p> <p>Container yard: Ten years, renewable.</p> <p>Médecins du monde: 6 years</p> <p>Lagum: 7 years</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>No exclusive or special rights are granted in connection with orders to grant subsidies to undertakings.</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Direct subsidies (ERDF subsidies)</p>

example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
<p>Compensation for the delivery of these services is set at the level of the eligible costs defined in Article 4 of the Agreement. It cannot exceed the costs incurred in discharging the public service obligations. The compensation paid for the service will be verified during the checks set out in Article 6 of the Agreement.</p> <p>The agreement provides for a detailed description of the operation that has been subsidised, a provisional budget for expenditure, a deadline for completion, a deadline for the submission of supporting documents for expenditure incurred, and an activities report and a statement of income and expenditure, plus the relevant checks on the payment of expenses.</p> <p>Subsidies are paid in several instalments. After concluding the agreement, the beneficiary receives an advance payment (15% of the overall amount). Subsequent instalments are paid after examination of supporting documents covering up to 80% of the total amount to be paid. Once that threshold has been reached, the amount corresponding to the advance payment of 15% must be justified. The last instalment, thus 5% of the overall amount of the subsidy, will be paid on the basis of supporting documents relating to all the expenditure incurred.</p> <p>In addition, on-the-spot checks can be carried out. They concern in particular the existence of the expenditure incurred, the accounting system, public procurement documents, compliance with the SGEI rules, archiving of documents and publicity and information obligations.</p>
Typical arrangements for avoiding and repaying any overcompensation.
<p>Subsidy agreement:</p> <p>If part of the expenditure is not eligible (expenditure not corresponding to the purpose of the subsidy, or the nature of which precludes it from being covered by the subsidy), the amount of the subsidy will be reviewed accordingly. Moreover, since the subsidy cannot be intended to enrich the beneficiary, the amount of the subsidy is capped at a level that achieves a financial balance between the income and expenditure of the undertaking or the subsidised measure.</p>

<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
Amount of aid granted	
Total amount of aid granted (in millions EUR) ³² . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019

³² As stipulated in Article 9(b) of the 2012 SGEI Decision.

A: Total amount of aid granted (in millions EUR) paid by national central authorities ³³	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ³⁴	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ³⁵	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ³⁶	
2018	2019
8 beneficiaries	8 beneficiaries

PLEASE ALSO COMPLETE ANNEX 2 WITH THE TOTAL AMOUNTS PER SECTION FOR THE MEMBER STATE AS A WHOLE (NOT BY REGION, LOCAL AUTHORITY OR MUNICIPALITY).

3. Description of the application of the 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):

xvii. postal services;

xviii. energy;

xix. waste collection;

³³If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

³⁴ See footnote 3.

³⁵ See footnote 3.

³⁶The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- xx. water supply;
- xxi. air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d) of the SGEI Decision;
- xxii. airports and ports with average annual traffic above the limit set in Art. 2(1)(D) of the SGEI Decision;
- xxiii. culture;
- xxiv. financial services;
- ix. other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Clear and comprehensive description of how the respective services are organised in your Member State ³⁷
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.
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

³⁷ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Amount of aid granted	
Total amount of aid granted (in millions EUR) ³⁸ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ³⁹	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ⁴⁰	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ⁴¹	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁴²	
2018	2019

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

³⁸ As stipulated in Article 62 b) of the 2012 SGEI Framework.

³⁹ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁴⁰ See footnote 9.

⁴¹ See footnote 9.

⁴² The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

5. Complaints by third parties

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

6. Miscellaneous questions

b. 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) to (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.

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c. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

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c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

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6. Villo

ANNEX 1

Services of general economic interest: Guidelines for the report to be submitted in accordance with the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every 2 years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- xiii* a description of the application of this Decision to the services falling within its scope, including in-house activities;
- xiv* the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;
- xv* an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and
- xvi* any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. Expenditure overview

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)		
(1) Compensation granted on the basis of the SGEI Decision		
(2) Compensation granted on the basis of the SGEI Framework		

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by the following sections:

- 1) hospitals providing medical care, including, where applicable, emergency services (Art. 2(1)(b));
- 2) social services (Art. 2(1)(c));
 - a) health and long-term care;
 - b) childcare;
 - c) access to and reintegration into the labour market;
 - d) social housing;
 - e) care and social inclusion of vulnerable groups;
 - f) other social services (if applicable);
- 3) air or maritime links to islands with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 4) airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 5) **SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):**
 - v) postal services;
 - w) energy;
 - x) waste collection;
 - y) water supply;
 - z) culture;
 - aa) financial services;
 - bb) other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section 5g) SGEI compensation not exceeding an annual amount €15 million - other sectors transport)
Clear and comprehensive description of how the respective services are organised in your Member State ⁴³
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 service covers the installation and operation of an automated bicycle hire system throughout the territory of the Brussels-Capital Region in order to achieve regional modal shift targets.
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
Concession granted by the Brussels-Capital Region to SA JCDecaux Belgium Publicité to run an automated bicycle hire system in the Brussels-Capital Region, signed on 5 December 2008.
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 duration of the initial concession is 15 years. The date on which the concession is to end was later set at 16 September 2026 in Addendum No 1 to the basic concession. This period is justified in order to guarantee the financial equilibrium of the regional concession.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
None.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Exemption from fees for using the regional public domain for advertising purposes: €112 500 00 Clause on price reviews included in the agreements concluded with municipalities (neutralisation in terms of an increase in municipal taxes): €0.00

⁴³ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

N.B.: The figures below are the figures for 2018. We do not yet have 2019 figures given the timing set out in Addendum 2 to the concession:

*'This certificate, together with the results obtained from the separate cost accounting system and the test procedures, must be sent **before 30 June** following each accounting year, which will be closed by means of a confidential report on agreed procedures sent to the Management Committee by the auditor. The report will be drawn up by the auditor in accordance with International Standard on Related Services 4400 (ISRS 4400).'* »

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

Addendum 2 to the concession states that, based on the results of the separate accounts and the auditor's report, the company auditor will check each year that the ratio of the annual cumulated operating results (EBIT) divided by the annual cumulated costs (from 2009 to the accounting year in question, in constant euros) arising from the operation of the regional 'Villo' concession is not above the threshold of 17.65%.

Typical arrangements for avoiding and repaying any overcompensation.

Not applicable.

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), or 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

Total amount of aid granted (in millions EUR)⁴⁴. **This includes all** aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ⁴⁵	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ⁴⁶	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ⁴⁷	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. **number of beneficiaries** per sector, average aid amount, size of the undertakings)⁴⁸

⁴⁴ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁴⁵ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁴⁶ See footnote 3.

⁴⁷ See footnote 3.

⁴⁸ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

2018	2019

PLEASE ALSO COMPLETE ANNEX 2 WITH THE TOTAL AMOUNTS PER SECTION FOR THE MEMBER STATE AS A WHOLE (NOT BY REGION, LOCAL AUTHORITY OR MUNICIPALITY).

3. Description of the application of the 2012 SGEI FRAMEWORK

Please structure this part of your report by the following sections:

1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):

xxv. postal services;

xxvi. energy;

xxvii. waste collection;

xxviii. water supply;

xxix. air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d) of the SGEI Decision;

xxx. airports and ports with average annual traffic above the limit set in Art. 2(1)(D) of the SGEI Decision;

xxxi. culture;

xxxii. financial services;

ix. other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Clear and comprehensive description of how the respective services are organised in your Member State ⁴⁹
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.
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or 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

⁴⁹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Total amount of aid granted (in millions EUR) ⁵⁰ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities ⁵¹	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ⁵²	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ⁵³	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁵⁴	
2018	2019

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

⁵⁰ As stipulated in Article 62 b) of the 2012 SGEI Framework.

⁵¹ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁵² See footnote 9.

⁵³ See footnote 9.

⁵⁴ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

4. 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.

- Proceedings for an injunction brought before the President of the *Tribunal de l'Entreprise francophone* (French language commercial court) of Brussels on 15 November 2008.
The case was brought by Clear Channel Belgium against JCDecaux and relates to the implementation of Addendum No 3 to the concession contract; the case was rejected by the President of the Commercial Court; Clear Channel Belgium has not lodged an appeal.
- Summons to declare the absence of effects brought before the President of the *Tribunal de l'Entreprise francophone* (French language commercial court) of Brussels on 17 January 2019.
Proceedings brought by Clear Channel Belgium against the Brussels-Capital Region relating to the implementation of Addendum No 3 to the concession contract; the proceedings have been stayed, therefore the adversary procedure involving both parties is, at this stage, suspended.
- Proceedings for a declaration of invalidity brought before the *Tribunal de l'Entreprise francophone* (French language commercial court) of Brussels on 07 November 2019.
The proceedings were brought by Clear Channel Belgium against the Brussels-Capital Region and relate to the implementation of Addendum No 3 to the concession contract; the case is still at the stage of discussions between the various parties.
- Proceedings brought by several municipalities in the Brussels Capital Region against the town planning permits granted to operate digital advertising devices.
Some of these cases have already been dismissed by the competent appeal authority. The other cases are ongoing.

5. MISCELLANEOUS 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) to (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.

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b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

7. SLRB — Social housing in Brussels

1. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

<p>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.</p>	<p>Accommodation is a regional matter under the Belgian institutional framework.</p> <p>Each of the three regions of Belgium has established its own Housing Code which contains all the legal provisions laid down by the regional and local authorities in the area of housing. The Brussels Housing Code was established by the Orders of 17 July 2003 and 1 April 2004, last amended by an Order of 19 April 2018⁵⁵: in particular, it established the role of operators of the Brussels social housing policy which are, respectively, the regional supervisory company, <i>Société du Logement de la Région de Bruxelles-Capitale (SLRB)</i> (Brussels-Capital Region housing company) and <i>the sociétés immobilières de service public (SISP)</i>⁵⁶ (public service real estate firms) which manage the Brussels social housing stock comprising, at 31 December 2019, 39 945 housing units.</p> <p>Since the establishment of the Brussels-Capital Region, social housing policy in Brussels has focused on making rental housing available to clearly targeted households.</p> <p>What mainly defines the status of potential household tenant of social housing are the conditions relating to income⁵⁷; these conditions are adapted to the family situation of households. At 31 December 2013, leases in the social housing sector in principle became 9-year fixed-term leases (renewable every three years), with the rent being calculated on the basis of the tenants' ability to pay. Some tenants still have a lease of this kind. These three elements indicate the essential differences in the social housing sector compared with the private rental sector in terms of the tenants and the principles of the rental management of the sector.</p> <p>The SLRB</p> <p>The SLRB is a legal entity governed by public law taking the form of a limited liability company (<i>société anonyme</i>). The capital is subscribed by the Brussels-Capital Region and the 'Bruxelles Infrastructures Finances' company⁵⁸.</p> <p>Its tasks are set out in the Brussels Housing Code. It performs them in accordance with the priorities and guidelines set out in the Code and in the management contract concluded between it and the Brussels Government.</p>
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⁵⁵ Published in the *Moniteur belge* (Belgian Official Gazette) of 9 September 2003, 29 April 2004 and 30 April 2018.

⁵⁶ The sector has undergone significant change recently. The merger process officially started on 9 September 2013 was completed on 1 January 2018, reducing the number of SISPs from 32 to 16.

⁵⁷ At 1 January 2019, the income ceiling for eligible households was €22 959.44, for a single person; €25 510.50 for households comprising more than one person without income; €29 154.90 for households with at least two incomes. These amounts are increased by €2 186.61 per dependent child and by €4 373.23 per disabled adult.

⁵⁸ See the Decree of the Government of the Brussels-Capital Region of 8 March 2008 approving the amendment to the statutes of the *Société du Logement de la Région de Bruxelles-Capitale* (Housing Association of the Brussels-Capital Region) (*Moniteur belge* of 28 March 2008).

	<p>The SLRB approves and supervises the public real estate firms (SISP) which operate in the Brussels Region, providing them with advice and various services.</p> <p>It is Article 41 of the Brussels Housing Code which formally defines the current corporate purpose of the SLRB.</p> <p>This constitutes the general legal framework for the work of the Brussels social housing sector.</p> <p>As part of its supervisory role, the SLRB is responsible for the following tasks:⁵⁹</p> <ol style="list-style-type: none"> ‘1. <i>to promote social housing in each of the nineteen communes of the Brussels-Capital Region and to assist the SISPs;</i> 2. <i>to approve, under the conditions laid down in Article 54, and to advise and monitor the SISPs;</i> 3. <i>to establish technical guidelines for the SISPs with a view to organising inspections;</i> 4. <i>to verify and supervise the activities and management of the SISPs, in particular ensuring that they comply with the legislative and regulatory rules applicable to them and that their activities are compliant; to monitor the validity of their membership and the operation of their governing bodies; to check compliance by the SISPs with the administrative, accounting, financial and company management rules governing their operation and activities (to this end, the SISP will inform the SLRB of the allowances granted to their directors and managers); to ensure that the SISPs comply with the provisions governing the investment programmes covered by this Code or by any other regulatory provisions, and to ensure the effective allocation of accommodation to those requiring priority treatment, as set out in this Code or in any other regulatory provision. Without prejudice to the penalties referred to in Articles 78 and 80 of this Code, and in the event of failure by an SISP to fulfil its obligations under this Code, the SLRB may, after two consecutive warnings sent by registered letter with acknowledgement of receipt, and after having heard the SISP, will take its place;</i> 5. <i>within the limits of the relevant budget appropriations, to make available to the SISPs the financial resources needed to achieve their purposes, in particular granting a solidarity allowance to the SISPs that suffer a loss because of the low level or lack of income of tenants. This regional solidarity allocation covers 75% of the potential social deficit incurred by each SISP the previous year. In relation to investment in property, financial resources will be granted subject to the condition that part of the dwellings determined by the Government, on the basis of regional demographic data, but which may not be less than 15%, is allocated to families comprising at least five persons, with preference given to those with at least three children. The SLRB must also ensure that part of the housing is</i>
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⁵⁹The articles referred to in the various paragraphs defining the corporate purpose of the SLRB are Articles of the Brussels Housing Code.

	<p><i>adapted for the disabled. The SLRB must also identify architectural and planning criteria designed to ensure a harmonious life in housing, common spaces and surrounding areas in order to improve the well-being of tenants, in particular through the integration of architectural innovations of a cultural nature. The SLRB will use these budgetary resources to promote sustainable development and the construction of sustainable housing;</i></p> <p>6. <i>in the case of a new building, to ensure whenever possible that a significant proportion, which may not be less than 30%, of dwellings with three or more bedrooms are available within a single set of new dwellings;</i></p> <p>7. <i>to put forward, at the request of the Government or on its own initiative, proposals relating to the accounts and financial management of the SISP;</i></p> <p>8. <i>to draw up, at the request of the Government or on its own initiative, opinions on the operation of the SISP;</i></p> <p>9. <i>to draw up an annual report on the operation and activities of the SISP in the Region. The report should be lodged with the Parliament of the Brussels-Capital Region;</i></p> <p>10. <i>to look into all complaints relating to the operation and activities of the SISP, in accordance with Article 76;</i></p> <p>11. <i>to promote the organisation of social relations between the tenants and the SISP. To this end, it will in particular foster the organisation of a social service covering welfare, encouragement and advice for tenants. In this context, it lays down general rules governing information to be given to tenants and other rules likely to promote personal and collective responsibility of tenants, in particular, participation, social support, the proper use of housing, the prevention of fire and carbon monoxide poisoning risks, and the provision of the necessary infrastructure;</i></p> <p>12. <i>to organise and promote cooperation between the SISP; [this may take the form of, among other things, pooling experience, cooperation and joint procurement. Within the limits of the available budgets, the SLRB provides subsidies to encourage such cooperation;]</i></p> <p>[12a] <i>to make regional services and tools available to the SISP, making them compulsory whenever the SLRB so decides in order to contribute expert support in the fulfilment of specific tasks and to achieve economies of scale by harmonising sectoral practices and tools;]</i></p> <p>13. <i>to create a cell for the development and preservation of the cultural heritage of the SISP which, under the conditions laid down by the Government, are responsible for managing regional investments in order to develop and preserve the cultural heritage of the SISP;</i></p> <p>14. <i>to implement consultative mechanisms with officials designated by the Urban Planning Service and with the officials designated by the Monuments and Sites Service,</i></p>
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	<p><i>and by the Royal Commission of Monuments and Sites when work to be carried out in the SISPs requires the opinion of that Commission;</i></p> <p>15. <i>to organise the consultations with the SISPs in a restricted committee headed by the chairman of its Management Board and composed of representatives of the SLRB, the Minister and the SISPs, who are designated by the federations referred to in Article 2(22). The Government must adopt the practical arrangements for such consultations by means of the management contract referred to in Article 43;</i></p> <p>16. <i>to authorise and provide a framework for the process of making available accommodation to vulnerable people, where the renovation of the housing is planned and the tenants are therefore given social support by an agent outside the SISP;</i></p> <p>17. <i>to establish and check the validity of the statistics collected in the technical and energy property register, in accordance with the arrangements laid down in the management contract, and to communicate it to the Government.'</i></p> <p><i>[12. supplemented by Article 2 of the Order of 18 July 2013, published in the Moniteur belge of 26 July 2013]</i></p> <p><i>[12a inserted by Article 3 of the Order of 18 July 2013, published in the Moniteur belge of 26 July 2013]</i></p> <p>Public real estate firms (SISPs)</p> <p>The SISPs essentially have the social purpose of producing and making available social housing. They work on the ground to bring about the sector's activities in the various areas of the region.</p> <p>They take the form of limited liability companies or cooperative societies.</p> <p>They are governed by the Companies Code, subject to the provisions of the Brussels Housing Code.</p> <p>They are approved by the SLRB on the basis of the conditions laid down in the Code and the criteria for the approval of SISPs established by the Brussels Housing Code and by the Government. The arrangements for waiving or withdrawing approval⁶⁰ are also determined by the Brussels Housing Code and by the Government.</p> <p>Article 67 of the Housing Code defines the public service tasks of the SISPs, in particular:</p> <p>1. <i>to provide, to those who meet the conditions of eligibility for social housing, accommodation designed as the main residence under the conditions laid down in this Code and by the Government;</i></p> <p>2. <i>to buy, transform, clean up, renovate and maintain buildings with a view to renting them to persons meeting the eligibility conditions for social housing, in particular by ensuring that the common areas and the areas surrounding social housing are arranged and fitted out to improve the well-being of tenants, in particular by</i></p>
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⁶⁰ Article 54 of the Brussels Housing Code.

	<p>incorporating architectural innovations of a cultural nature;</p> <ol style="list-style-type: none"> 3. To ensure that the social problems encountered by the tenants are taken into account, in particular by establishing partnerships, and to ensure that the type of management applied takes account of the tenants' needs. 4. the tasks entrusted to the SISPs under the management contract referred to in Section 5 of the first Chapter, or failing that, the Regulation drawn up by the SLRB; 5. to draw up an annual report on their operation and activities, to be submitted to the SLRB; 6. with the prior agreement of the SLRB, to carry out all operations connected with those listed in this Code; 7. to exercise their public management right in accordance with Articles 15 to 19; 8. to conclude, in an SLRB agreement, agreements on accommodation for vulnerable people, where the renovation of the housing is planned and the tenants are therefore given social support by an agent outside the SISP; 9. to rent, in accordance with an SLRB agreement, low rent and modest rent housing (within the meaning of Article 2(2) of this Code), in the context of building projects and overall renovations (resulting in an increase in the number of dwellings). The number of such low rent and modest rent housing units may not exceed a double threshold: 20% of the units built (or, in the case of renovation, of the number of additional units compared with the previous situation), and 10% of the total units managed by the SISP. In justified circumstances, the Government may raise the first threshold (up to 40%). Within the percentage thus authorised, the SIPS may assign other dwellings not located in the new set of units to the stock of low rent and modest rent housing. Additional conditions may be laid down by the Government, linked to the size of the SISP's building stock or the level of social housing already in the municipality; (NB: This point No 9 enters into force on 1 January 2014: see transitional provisions). 10. to develop the SLRB's planning strategy.'
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.	<p>The entrustment was granted by the Brussels Housing Code. Article 43 stipulates that the SLRB must perform its tasks in accordance with the priorities and guidelines set out in the management contract concluded between it and the Brussels Government. <i>The management contract lasts for a period of five years and is renewable for successive periods of five years. It may be amended by mutual agreement during this period of validity. At the end of the third year, a joint evaluation may be carried out which may give rise to amendments.</i></p> <p><i>The management contract is communicated to the Parliament of the Brussels-Capital Region for information as soon as it is concluded by the parties. It is published in the Moniteur belge.</i></p>

	<p>The current contract is the 2015-2020 management contract, signed on 2 September 2015.</p> <p><i>Article 47 states that the SLRB can conclude a management contract with the SISPs in order to achieve the objectives and terms of the management contract entered into by the SLRB and the Region. This contract will be concluded on the basis of the existing orders and decrees, as well as the management contract linking the SLRB to the Region.</i></p> <p><i>The management contract lasts for a period of five years and is renewable for successive periods of five years. It provides for assessment exercises regarding its performance.</i></p> <p>In addition, Article 48 of the Brussels Housing Code states that <i>the SLRB must draw up a regulation applicable to the SISP</i>s that have not concluded a management contract with the SLRB. This contract will be concluded on the basis of the existing orders and decrees, as well as the management contract linking the SLRB to the Region.</p> <p>The approach involving the optional management contract and the mandatory regulation between the SLRB and the SISPs has existed since 1994. The current management contract, which came into force on 21 March 2017, covers the years from 2017 to 2022. All the SISPs have signed management contracts.</p>
<p>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?</p>	<p>The management contracts last for a period of five years and are renewable for successive periods of five years.</p> <p>As regards the management contracts concluded between the SLRB and the SISPs, the sector is currently in its fourth generation of management contracts and regulations:</p> <ul style="list-style-type: none"> - the first one covered the period from 1994 to 2001⁶¹: at that time, 27 SISPs chose a management contract and 6 opted for a regulation; - The second generation covered the period from 2001 to 2011⁶²: only 2 SISPs did not sign a management contract and opted for a regulation; - The third generation covered the period from 2011 to 2016: all the SISPs signed management contracts. - The fourth generation covered the period from 2017 to 2022: all the SISPs signed management contracts.
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>	<p>Accommodation is a regional competence under the Belgian institutional framework.</p> <p>Each of the three regions of Belgium has established its own Housing Code which contains all the legal provisions laid down by the regional and local authorities in the area of housing.</p> <p>The Brussels Housing Code was established by the Orders of 17 July 2003 and 1 April 2004, last amended by an Order of 19 April 2018⁶³: in particular, it established the role of operators of the Brussels social housing policy which are, respectively, the regional supervisory company, <i>Société du Logement de la Région de Bruxelles-Capitale (SLRB)</i> (Brussels-Capital Region housing company) and <i>the sociétés immobilières de service</i></p>

⁶¹The contracts and the regulations for the period 1994-1999 were, at that time, extended for two years.

⁶²The contracts and the regulations for the period 2001-2006 were, at that time, extended for two years.

⁶³ Published in the *Moniteur belge* of 9 September 2003, 29 April 2004 and 30 April 2018.

	<p>public (SISP)⁶⁴ (public service real estate firms) which manage the Brussels social housing stock comprising, at 31 December 2019, 39 945 housing units.</p> <p>Since the establishment of the Brussels-Capital Region, social housing policy in Brussels has focused on making rental housing available to clearly targeted households.</p>
Which aid instruments have been used (direct subsidies, guarantees, etc.)?	<p>The social housing sector is financed by regional appropriations made available to it annually by the expenditure budget of the Brussels-Capital Region. The level of the appropriations is set by the regional Parliament on the basis of a regional Government draft based on a proposal from the SLRB.</p> <p>Regional financing of the sector currently has three main objectives:</p> <ul style="list-style-type: none"> ▪ the financing of real estate activities (or investment policy), which is the sector's traditional activity; ▪ the social policy of the sector, which has been diversified and developed over the years; ▪ the running costs of the parent company, the SLRB. <p>The investment policy takes the form of two complementary types of financing:</p> <ul style="list-style-type: none"> - appropriations repayable over different periods depending on the work involved; - subsidies (non-refundable appropriations): variable rate depending on the investment programme (from 25% to 50% of the amounts granted). <p>The extension and renovation of the social housing stock involve the implementation of investment programmes drawn up in cooperation with the SISPs and submitted by the SLRB to the regional Government for approval.</p> <p>Under the provisions of the management contract for the last two generations, the investments are defined as follows:</p> <ul style="list-style-type: none"> ▪ the extension of the stock concerns: <ul style="list-style-type: none"> - the Regional Housing Plan, which is subsidised up to 50% for social housing units and 33% for average housing units; - the Housing Alliance programme, which is subsidised up to 50% for social housing units and 33% for modest rent housing; - the purchase of land and buildings. ▪ Investment programmes <ul style="list-style-type: none"> - Programming of regional renovation investments over four years (determination of the precise projects of the SISPs). This programming represents 80% of the annual investments; - urgent work which was not predictable when the four-year plan was adopted (4%);

⁶⁴ The sector has undergone significant change recently. The merger process officially started on 9 September 2013 was completed on 1 January 2018, reducing the number of SISPs from 32 to 16.

	<ul style="list-style-type: none"> - integration of works of art, in consultation with the inhabitants (1%); - works selected by the SISP's under a system of drawing rights (15%) which are distributed among the SISP's that have signed a management contract according to the size of their assets, subject to a number of management conditions. <p>In addition, in the context of the last generation of management contracts, in order to reduce the deadlines for the implementation of the projects of the SLRB and SISP's, the Government released specific budget appropriations to conduct feasibility studies upstream of projects.</p> <p>The percentage of subsidies for renovation works is approximately 50%.</p> <p>The social policy of the social housing sector in Brussels focuses on three main objectives:</p> <ul style="list-style-type: none"> - a regional financial contribution to the costs incurred by the SISP's in applying the sectoral social policy, through two different systems: <ul style="list-style-type: none"> o the arrangements involving a social reduction for dependent children or persons with disabilities. This involves a reduction in the actual rent due to the number of dependent children or disabled persons in the household. This reduction is based on a percentage of the basic rent⁶⁵, rising in proportion to the number of children or persons concerned. It is, however, capped. Article 59 of the Order of 26 September 1996 of the Government of the Brussels-Capital Region⁶⁶ organising the rental of dwellings managed by the SLRB or the SISP's, which governs the various arrangements in this sector. o The system of solidarity allowances by which the Region grants the SISP's an allowance covering 75% of the deficit in their rental income from the previous year in the light of the social policy they must apply. Its official function is to provide financial compensation to the SISP's experiencing a loss of income because of the level of income of the tenants housed in their units: these SISP's have what is known as a 'social deficit', which is compensated annually by the solidarity allowance. The amount granted to the SISP's may be assigned to: <ul style="list-style-type: none"> ▪ either their annual instalments corresponding to the annual repayment of their previous investments; ▪ or asset management;
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⁶⁵ The calculation of the actual annual rent involves two key concepts: **the basic rent**, the property part of the formula, which is calculated on the basis of a certain percentage of the updated value of the initial investment represented by the dwelling, possibly increased by the value, also updated, of any renovation work carried out on it, and **the household income**, the social part of the formula, which raises or lowers the amount of the rent depending on the level of income of the household concerned.

⁶⁶ Consolidated version of 1 March 2018.

	<ul style="list-style-type: none"> ▪ or social support for tenants. <p>In view of the growing impoverishment of the population occupying social housing, the amounts allocated under this scheme have increased significantly in recent years.</p> <p>This solidarity allowance is enshrined in Article 41(5) of the Brussels Housing Code.</p> <ul style="list-style-type: none"> - Staff made available to the SISPs for social work by the Social Support Service for tenants(SASLS). - Development of social cohesion projects, also financed by the Region. There are currently 32 social cohesion projects in the Brussels region.
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.	<p>The general principles governing the financing of real estate activities in the social housing sector are set out in Articles 70 to 75 of the Brussels Housing Code:</p> <p><i>'Article 70. Without the authorisation of SLRB, the SISPs may not borrow from third parties, mortgage property or transfer mortgage guarantees they hold to third parties, or engage in any operations likely to undermine their financial situation.</i></p> <p><i>The SLRB shall take a decision within ninety days of receipt of the request. After that time limit, silence means rejection. An appeal can be lodged with the Government within ten working days of the expiry of the time limit or the notification of the rejection.</i></p> <p><i>The Government must take a decision within thirty days. After that time limit, the decision of the SLRB becomes final. In the event of silence on the part of both the SLRB and the Government, authorisation is deemed to be refused.</i></p> <p>Article 71. <i>The SLRB may make the granting of an investment loan or subsidy to an SISP subject to an undertaking to assign part of it to:</i></p> <ol style="list-style-type: none"> 1. purchase of land; 2. purchase of completed buildings; 3. construction of buildings; 4. renovation of houses or apartments; 5. payment of cost of the work on surrounding areas, drains, public lighting, water supply, as well as the cost of fitting out the areas surrounding social housing, including pavements; 6. installation of community infrastructure; 7. exercise of public management rights; 8. improvement, strengthening of organisation and/or internal management services of the SISPs with a view to responding more effectively to the tasks assigned to them; 9. mobilisation of internal resources in keeping with the long-term financial balance of the SISPs. <p>Article 72. <i>The SISPs can receive donations and legacies and acquire the assets, including real estate, that are necessary for their administration.</i></p> <p>Article 73. <i>With the approval and possible financial support of the SLRB, the SISPs may purchase residential or non-residential buildings, or become the holder of other main real property</i></p>

	<p>rights, with a view to demolishing, renovating, improving or adapting them.</p> <p>Article 74. Subject to the prior authorisation of SLRB, the SISPs may dispose of their immovable property and all the main real rights constituted on the basis of them in accordance with the objectives of the sector and the land policy defined by the Government.</p> <p>However, an SISP may not dispose of an element of its property assets at a price that is lower than the market value, unless one of the following conditions is met:</p> <ol style="list-style-type: none"> 1. if that asset does not enable it to perform its public service task; 2. if the disposal of that asset enables it to fulfil its obligations under the regulation or the management contract; 3. if that asset, in the case of an exchange, is replaced by an asset whose value, area or location allows one of the objectives laid down in the regulation or management contract to be met. <p>The proceeds of the disposal must be allocated in full to its investment policy in accordance with the objectives of the social housing sector and the budgetary policy laid down in the management contract.</p> <p>The advertising measures set out in Article 4 of the Order of 12 November 1992 on the disposal of public buildings apply to these operations.</p> <p>Article 75. With a view to the renovation, improvement or adaptation of residential buildings, the SISPs may, with the approval and financial assistance of the SLRB, lease dwellings for more than nine years under the standard lease for renovation, or acquire rights other than ownership.’</p> <p><i>1.1.1 Types of financing</i></p> <p>The investment policy takes the form of two complementary types of financing:</p> <ul style="list-style-type: none"> - appropriations repayable over different periods depending on the work involved; - subsidies (non-refundable credits): variable rate depending on the investment programme (from 25% to 50% of the amounts granted). <p>The sector’s investment programme has three main components:</p> <ul style="list-style-type: none"> - the extension of the rental stock by building new dwellings; - renovation of the stock and ensuring compliance with quality, safety and comfort standards (legal provisions); - the purchase of land and buildings⁶⁷. <p>Moreover, as regards energy performance, new house-building projects are modelled on the energy performance standards in force at the date of application for planning permission. Until 2015, the SLRB required compliance with low energy standards</p>
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⁶⁷The Order of the Government of the Brussels-Capital Region of 25 October 2018 laying down the conditions for granting subsidies and the rules of procedure applicable to the SLRB, the SISPs, the municipalities and the CPAS, and specific to the financing of projects concerning purchase, expropriation, renovation, demolition and reconstruction, was published in the *Moniteur belge* on 5 November 2018.

	<p>for construction projects. As the energy performance requirements had also become demanding, it was decided to abandon the double standard (which, in particular, required considerable resources). The SLRB goes further than the energy performance requirements by stating that buildings must not exceed the n50 airtightness value of 0.6.</p> <p>The 2015 energy performance requirement is applicable to all renovation projects. Since 1 January 2019, Directive 2010/31 has imposed NZEB requirements on public buildings (this obligation will be extended to all buildings as from 1 January 2021).</p> <p><i>1.1.2 Reference prices</i></p> <p>Reference prices for the construction of new housing in the Brussels-Capital Region⁶⁸:</p> <ul style="list-style-type: none"> - Gross floor area above ground is €1 400/m²; - price per m² of living area is €1 800/m²; <p>In addition, the new price per m² of living area is €1 530/m² for renovation work.</p> <p><i>1.1.3 Mechanisms underlying investment programmes</i></p> <p>The extension and renovation of the social housing stock involve the implementation of investment programmes drawn up in cooperation with the SISPs and submitted by the SLRB to the regional Government for approval.</p> <p>Under the provisions of the management contract for the last two generations, the investments are defined as follows:</p> <ul style="list-style-type: none"> ▪ the extension of the stock concerns: <ul style="list-style-type: none"> - the Regional Housing Plan, which is subsidised up to 50% for social housing units and 33% for average housing units; - the Housing Alliance programme, which is subsidised up to 50% for social housing units and 33% for modest rent housing; - the purchase of land and buildings. ▪ Investment programmes <ul style="list-style-type: none"> - Programming of regional renovation investments over four years (determination of the precise projects of the SISPs). This programming represents 80% of the annual investments; - urgent work which was not predictable when the four-year plan was adopted (4%); - integration of works of art, in consultation with the inhabitants (1%); - works selected by the SISPs under a system of drawing rights (15%) which are distributed among the SISPs that have signed a management contract according to the size of their assets, subject to a number of management conditions.
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⁶⁸Reference prices validated by the Management Board of the SLRB at its meeting on 24 May 2018.

	<p>In addition, in the context of the last generation of management contracts, in order to reduce the deadlines for the implementation of the projects of the SLRB and SISPs, the Government released specific budget appropriations to conduct feasibility studies upstream of projects.</p> <p>Please note that the percentage of subsidies for renovation works is approximately 50%.</p> <p>Multi-annual investment programmes are mainly four-year programmes.</p> <p>A four-year programme consists of a series of operations or works, the initiations of which must, in principle, be spread over four years and for which the overall amount is reserved — or committed — by the Region in the context of its budgetary decisions on expenditure.</p> <p>Four-year programmes are submitted for approval to the Regional Government of Brussels and implemented by the SLRB.</p> <p>Each year, the SLRB may propose to the Region an adjustment of the four-year investment plan or of the breakdown of the appropriations annually.</p> <p>The SLRB may, in addition to the regional investment programme, grant long-term loans to the SISPs for the financing of unexpected works which cannot be included in the investment programme.</p> <p>The SLRB's operational plan for the tasks linked to both investment and financial transparency is based primarily on the following priority elements⁶⁹:</p> <p><i>'Article 52. procedure for investments in line with accountability of actors and supervision</i></p> <p><i>In relation to all projects, the SISPs must comply with the criteria laid down in the updated standard specification, which will be agreed with the Federations within six months of signing this contract.</i></p> <p><i>The following 8 steps are linked to carrying out investment work:</i></p> <ol style="list-style-type: none"> <i>1. competition file for research;</i> <i>2. selection of consultancy firms (main consultancy firm and other stakeholders);</i> <i>3. amendments to the main task of the consultancy firms;</i> <i>4. preliminary draft and method of awarding the works contract;</i> <i>5. competition file for the work;</i> <i>6. selection of company;</i> <i>7. settlements/changes to the work;</i> <i>8. final settlement.</i>
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⁶⁹ Extract from the fourth generation SLRB-SISP management contract which came into force on 21 March 2017, consolidated version at 21 March 2018, available at <http://www.slrbrb.be/fr/professionnel/qui-somme-nous/nos-contrats-de-gestion/niveau-2>

	<p><i>The types of supervision that can be applied depend on the amount of the renovation projects, equivalent to 100% of the net value.</i></p> <p><i>The type of supervision is established at the time of approval of the financing method. It may be revised, in particular as of an overrun of 10% of the ceiling.</i></p> <p><i>Four types of supervision are given below. They are set out in detail in Annex 7 to this contract.</i></p> <p>1. Ex post supervision</p> <p><i>Projects for which the value of the work is equal to or lower than €200 000 are subject to <u>ex post supervision</u>; Nevertheless, the SISP must send the project documents to the SLRB at the time of the request for payment of the first invoice. Correct performance may be monitored by means of sample checks.</i></p> <p>2. Light supervision</p> <p><i>Renovation projects amounting to over €200 000 and equal to or lower than €2 million are subject to <u>light supervision</u>. The preliminary project phase only is subject to supervision by the SLRB.</i></p> <p><i>However, in the case of the other steps, the SISP must, for information purposes, send to the SLRB the documents relating to the step in question, as soon as it has been carried out.</i></p> <p><u>Corrective mechanisms are also proposed:</u></p> <ul style="list-style-type: none"> ▪ <i>if the initial budget is exceeded, the file is submitted for approval to the SLRB Management Board in order to post the debit balance. It must be accompanied by a detailed statement of reasons for the increase drawn up by the project manager and the SISP, and a financing proposal, in particular involving drawing rights; the SLRB Management Board may decide whether or not to continue the project, with possible financing from the SISP's own funds.</i> ▪ <i>In the event of a change in the nature or purpose of the project, the file must be submitted for approval to the SLRB Management Board, accompanied by a financing proposal, in particular involving drawing rights.</i> <p>3. Heavy supervision</p> <p><i>Renovation projects amounting to over €2 million are subject to <u>heavy supervision</u>. All the steps thus have to be submitted to the SLRB for approval.</i></p> <p>4. Differentiated supervision</p>
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If the objective criteria set out below are met, the SISP can ask for differentiated supervision.

This type of supervision allows the SISP, when it lodges the preliminary draft, to be exempted from obtaining the approval of the SLRB for the competitive steps, award of the works contract and performance of the work, for all projects under heavy supervision amounting to under €5 million.

Criteria governing eligibility for differentiated supervision:

- *the SISP must not have been given a negative reception for steps 1 to 4 of the project concerned;*
- *the preliminary draft must have obtained the unqualified approval of the SLRB Management Board;*
- *the ratio 'number of cases with sufficient funding not requiring long-term loans/total number of active cases, i.e. for which provisional reception has not yet been granted' must be greater than or equal to 80%. This ratio will be calculated for the dossiers from 2010-2013.*

In the event of the granting of differentiated supervision, the SISP must, however, provide for information purposes the documents relating to the steps for which an exemption from approval has been granted.

Time limits

The time limits for obtaining the approval of the SLRB are set out in Annex 7.

These limits are suspended between 15 July and 15 August, and during the Christmas and Easter school holidays.

The time limits will start to run on receipt of a complete and analysable file. Acknowledgement of receipt must be sent to the SISP within 15 calendar days of receipt of the file by the SLRB. SISPs can access checklists to ensure that the file is complete on the SLRB website.

If the SLRB exceeds the time limits for handling the files, the SISP has the right to appeal to the SLRB Management Board.

Principles applicable to light, heavy and differentiated supervision

Should the SISP fail to provide any information on the various steps set out in Annex 7, under the proposed frameworks, it will be placed under heavy supervision for the subsequent steps in the project.

Settlements and changes to the work must be approved by the SLRB if more than 6% of the value of the order is exceeded.

If a return to heavy supervision is imposed on 25% of an SISP's projects, all of the latter's projects will be subject to heavy supervision.

The supervision system described in the 2011-2016 second generation management contract will continue to apply in

	<p><i>relation to the steps being processed by the SLRB on the date of signature of this management contract.</i></p> <p><i>The new supervision principles set out in Article 7 will apply to the new steps introduced at the SLRB from the date of signature of this management contract.</i></p> <p><i>The SLRB will organise training on the new supervision principles.'</i></p> <p>The process of implementing the investment policy will include the following operations:</p> <p><i>1.1.4 Notification of programmes</i></p> <p>Once it has been approved by the Government, the four-year programme is then notified to the SISPs. They will be notified by letter of the content of the programme elements intended for them.</p> <p><i>1.1.5 Programme progress reports</i></p> <p>Progress reports on programme commitments are drawn up several times a year, addressed to the decision-makers: the Minister, Management Board, Directorate-General.</p> <p>These progress reports indicate the progress in completing the programmes and are used to assess the resources needed or to justify specific implementing measures.</p> <p>In addition to these progress reports, the fourth generation management contracts formally provide for different arrangements (investment monitoring committee, strategic plans, updated strategic plans, annual assessment session involving partners, etc.) to assess the progress in the investments. Where appropriate, contractual arrangements are also provided for in the event of failure to comply with the obligations (corrective mechanisms, possible return to a priori verifications, penalties, etc.).</p> <p>The progress reporting on investment programmes is set out in Article 20 of the Level 2 Management Contract:</p> <p>In order to enable the Region to monitor the progress of the investments, the parties undertake to maintain the investment monitoring committee financed by the Region. The purpose of this committee is to promote the exchange of information between the SLRB and the SISPs, and to identify options for resolving any problems in the implementation of the SISP projects. The SLRB also undertakes to keep the Region regularly informed of the progress made in the investment projects.</p> <p><i>'Article 20. The general interest project (PIG) is the main common tool for strategic monitoring of the progress of the investment projects, and will be discussed at the monitoring committee meetings. It allows the SLRB and SISPs to have a comprehensive overview of all the projects managed and of the SISP's capacity to absorb and manage projects. The PIG must be updated so that all new projects are at the preliminary draft stage within 24 months of notification served to the SISP that the appropriations will be granted. The building sites must be started within a maximum of 48 months after the granting of the appropriations. In addition, the PIG may be updated on the basis of exogenous factors and the conclusions of the monitoring committee provided for in this Article.</i></p>
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	<p><i>As soon as the new PIG provided for in Article 19 is concluded, transitional measures will be defined in order to integrate all projects into it.</i></p> <p><i>As soon as the appropriations are granted, the SISP's will have to determine whether they will act as the project proponent. In this context and on the basis of the analysis of its PIG, the SLRB reserves the right not to authorise the SISP to act as a project proponent.</i></p> <p><u>Measures in case of delays in the progress of investment projects financed by the SLRB</u></p> <p><i>The parties undertake to put in place proactive measures (presentation of projects, regular meetings with the single contact points, etc.) in order to prevent any delays in the implementation of projects.</i></p> <p><i>However, should the SLRB discover that 20% of the projects are lagging behind, as regards the financial amount, with respect to the overall initial schedules of the various investment programmes approved by the SLRB Management Board, or that the conditions for granting renovation loans are not met, it must send a report to its Management Board, which has 60 days to take a decision, after hearing the SISP. Any evidence to explain the matter, including exceptional situations, provided by the SISP will be annexed to the Management Board's report.</i></p> <p><i>The SLRB Management Board has the possibility of imposing one or more of the following measures, taking into account the seriousness of the situation, in accordance with the procedures set out by the SLRB and giving reasons for its decision:</i></p> <ul style="list-style-type: none"> - <i>to take note of the situation and the explanations given, and accept a revision of the investment schedule proposed by the SISP;</i> - <i>to ask the SISP to provide a revised schedule, possibly based on milestones set by the SLRB;</i> - <i>to issue a letter of formal notice to the SISP;</i> - <i>to impose new conditions on the SISP to maintain and use the appropriations granted, for example by mobilising the support services provided by the SLRB or other regional institutions (facilitators, BMA, etc.);</i> - <i>to take over the management of one or more projects (Articles 4 1.4 and 42.1 of the Brussels Housing Code);</i> - <i>to withdraw the appropriations granted for one or more projects in order to reallocate them to another SISP in accordance with the procedures laid down by the SLRB Management Board.'</i> <p>1.1.6 Budgetary monitoring of investment policy</p> <p><i>The implementation of the programmes implies the collection by the SLRB of the allocations provided for in the regional budget.</i></p>
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	<p>The principles which had been set out in the Level 1 management agreement concluded in October 2010, which is binding on the SLRB and the Brussels-Capital Region, were maintained in the contract concluded in September 2015. It should be noted that Article 20 of the Level 1 Management Agreement states that the SLRB must inform the Region periodically of the progress in the investment projects.</p> <p><i>‘Article 20. Reducing delays in the completion of renovation works</i></p> <p><i>Keeping on the Investment Monitoring Committee so that the Region can monitor the progress in the investments. In this context, the SLRB will set up a monitoring committee for each SISP to monitor investment projects financed by the Region. The purpose of this committee is to promote the exchange of information between the SLRB and the SISPs, and to identify options for resolving any problems in the implementation of the SISP projects. The SLRB also undertakes to keep the Region regularly informed of the progress made in the investment projects.’</i></p> <p>The social policy of the social housing sector in Brussels focuses on three main objectives:</p> <ul style="list-style-type: none"> - a regional financial contribution to the costs incurred by the SSIPs in applying the sectoral social policy, through two different systems: <ul style="list-style-type: none"> ○ the arrangements involving a social reduction for dependent children or persons with disabilities. This involves a reduction in the actual rent due to the number of dependent children or disabled persons in the household. This reduction is based on a percentage of the basic rent⁷⁰, rising in proportion to the number of children or persons concerned. It is, however, capped. Article 59 of the Order of 26 September 1996 of the Government of the Brussels-Capital Region⁷¹ organising the rental of dwellings managed by the SLRB or the SISPs, which governs the various arrangements in this sector. ○ The system of solidarity allowances by which the Region grants the SISPs an allowance covering 75% of the deficit in their rental income from the previous year in the light of the social policy they must apply. Its official function is to provide financial compensation to the SSIPs experiencing a loss of income because of the level of income of the tenants housed in their units: these SISPs have what is known as a ‘social deficit’, which is compensated annually by the solidarity allowance. The amount granted to the SSIPs may be assigned to:
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⁷⁰ The calculation of the actual annual rent involves two key concepts: **the basic rent**, the property part of the formula, which is calculated on the basis of a certain percentage of the updated value of the initial investment represented by the dwelling, possibly increased by the value, also updated, of any renovation works carried out on it, and **the household income**, the social part of the formula, which raises or lowers the amount of the rent depending on the level of income of the household concerned.

⁷¹ Consolidated version of 1 March 2018.

	<ul style="list-style-type: none"> ▪ either their annual instalments corresponding to the annual repayment of their previous investments; ▪ or asset management; ▪ or social support for tenants. <p>In view of the growing impoverishment of the population occupying social housing, the amounts allocated under this scheme have increased significantly in recent years.</p> <p>This solidarity allowance is enshrined in Article 41(5) of the Brussels Housing Code.</p> <ul style="list-style-type: none"> - Staff made available to the SISPs for social work by the Social Support Service for tenants(SASLS). - Development of social cohesion projects, also financed by the Region. There are currently 32 social cohesion projects in the Brussels region.
Typical arrangements for avoiding and repaying any overcompensation.	<p>There is no overcompensation, since the subsidies correspond to actual costs and must be justified on the basis of supporting documents.</p> <p>Moreover, Articles 57 to 59 and Article 63 of the Brussels Housing Code lay down the methods of operation and also the methods of inspection to be put in place by the SISPs (internal verification system, company auditor who is a member of the Company Auditors' Institute, and the system of social delegates).</p> <p>The complementary measures to ensure the transparency of the SISPs' activities are as follows:</p> <ul style="list-style-type: none"> - the annual accounts of the SISPs which are mandatorily reported to SLRB on a yearly basis; - the annual reports; the SLRB must draw up an annual report which contains the essential elements of the financial, financial, administrative and social situation of the sector.

2. Amount of aid granted and general statistics

Table 1: Appropriations for the various social housing programmes (EUR million)

The table below shows the main appropriations allocated during the period 2018-2019. The data relate to the appropriations authorised, or expenditure actually incurred in the year.

	2018	2019
Investments:	218 892	164 528
of which subsidies	49 561	73 137
Social policy	61 485	59 028
SISP incentives	4 437	4 225
Social cohesion project	2 863	2 808
SASLS	3 063	3 063
Solidarity allowance	31 071	32 959
Social reduction and PRI	19 521	15 719
COCOLO	335	179
Other	195	74

Debt management and cash flow	27 984	29 916
Interest on regional debt	2 517	2 482
Repayment of regional debt	22 629	24 731
Interest on current account	2 838	2 703
Operation	14 958	16 573
SLRB operating costs	13 217	15 625
Maintenance of SLRB buildings	1 741	948
TOTAL	323 319	270 045

Table 2: 2018-2019 expenditure

Expenditure	2018	2019
Task 1: Overheads	€16 055	€17 689
Salaries	€9 686	€10 926
Interest on current account	€2 838	€2 703
Social welfare fund	€330	€316
Software and IT	€591	€418
Iristeam	€418	€457
Research, audits, land register	€504	€849
Miscellaneous taxes	€419	€734
Training activities	€145	€115
Publicity, communication	€189	€170
Other ordinary expenditure on staff, goods and services	€1 280	€1 001

Task 2: Specific expenditure	€44 454	€27 852
SISP current account fees	€19 308	€ -
Interest on regional debt	€2 517	€2 482
Repayment of regional debt	€22 629	€24 731
Reimbursement SPRB (Brussels Regional Public Service)	€ -	€639

Task 3: Investment expenditure	€199 927	€162 575
Interest on Housing Plan appropriations	€1 182	€1 036
Interest on Housing Plan appropriations	€1 472	€1 147
Investment subsidies granted	€49 560	€72 758
PRL (regional housing plan) construction costs	€20 322	€23 361
Investment subsidies granted	€127 390	€63 894

Task 4: Management of assets	€20 706	€2 900
Maintenance and replacement of premises and equipment, etc.	€1 741	€948
Purchases of land and buildings	€ -	€ -
PLEDGED ACCOUNTS	€18 965	€1 952

Task 5: Social policy mission	€61 485	€59 028
SISP incentives	€4 437	€4 225

PCS	€2 863	€2 808
SASLS	€3 063	€3 063
Housing observatory	€224	€34
AVJ	€103	€5
Solidarity allowance	€31 071	€32 959
Pilot project	€46	€35
SISP price participation	€1	€ -
Compensation to PRI and large families	€19 521	€15 719
COCOLO	€335	€179
Grand Total	€342 629	€270 045

Table 3: Budget programming for Level 1 Management Agreement (2015-2020) (EUR thousands)

	2016	2017	2018	2019	2020
Subsidy housing observatory	200	200	200	200	200
SLRB operating subsidy	9 110	9 397	9 557	9 788	9 934
Expertise in support of SISPs	2 146	1 046	1 067	1 088	1 110
Additional operating allocation ⁷²	497	507	518	528	539
Total allocations	11 953	11 150	11 342	11 604	11 783

Table 4: Authorised appropriations for the four-year period in progress (in EUR thousands)

	2017	2018	2019
Four-year period 2002-2005 (advances)	8 351	10 556	2 540
Four-year period 2002-2005 (subsidies)	1 626	644	-
Four-year period 2006-2009 (advances)	11 448	10 356	3 140
Four-year period 2006-2009 (subsidies)	7 464	6 214	3 160
Four-year period 2010-2013 (advances)	7 022	9 486	10 940
Four-year period 2010-2013 (subsidies)	8 217	11 781	9 270
Four-year period 2014-2017 (advances)	4 833	5 953	20 320
Four-year period 2014-2017 (subsidies)	14 367	14 772	23 330
Four-year 2016-2017	1 294	14 305	12 260
Four-year period 2018-2021 (advances)	-	-	1 270

⁷² Annual allocation, added here, for the Regional Housing Plan and the Housing Alliance.

Four-year period 2018-2021 (subsidies)	-	136	2 750
Regional Housing Plan	25 048	15 228	23 080
Housing Alliance	0	7 284	11 490
TOTAL	89 672	106 714	123 550

2.1. The supply and demand ‘market’ for social housing: Information for assessment purposes

In the Brussels Region (1 208 542 inhabitants⁷³ at 1 January 2019), there were 534 948⁷⁴ dwellings in 2019, of which 39 945 were public housing units.

The housing stock managed by the SISPs approved by the SLRB represents around 7.47% of the total stock in the Brussels Capital Region, which is well below the average for the Member States of the European Union as a whole.

Access to this housing is dependent mainly upon the income and social situation of applicants.

In 2018, the average monthly rent for occupied dwellings was⁷⁵ €302.40 and the monthly charges were €107.45.

In recent years, the tenants in the sector have become impoverished, in line with a general trend among the Brussels population, whose financial resources relative to the people of the two other regions of Belgium have fallen. This is reflected in the increasing demand for social housing in recent years, and in the sources of income of the applicant households, shown in Tables 4 and 5 respectively. We can see that the volume of housing applications rose again in 2019.

Table 5 — Number of applicant households: trend up until 2019

Year	Number of applicant households
2003	24 792
2008	33 006
2009	36 867
2010	37 825
2011	38 928
2012	41 461
2013	44 332
2014	42 540
2015	45 742
2016	48 804
2017	43 170
2018	45 987
2019	48 675

⁷³ Source: <http://ibsa.brussels/chiffres/chiffres-cles-de-la-region#.Xnuqr3LiLb0>

⁷⁴ Source: <https://bestat.statbel.fgov.be/bestat/crosstable.xhtml?view=43d7cdce-3647-4f5c-86f1-a4e0c864f692>

⁷⁵ Source: SLRB Annual Report — Statistics at 31.12.2018.

Table 6 — Origin of income of heads of applicant households (at 31.12)

	2018					
	Social housing	%	Low rent housing	%	Modest rent housing	%
No income	15 074	23.52%	2	7.41%	44	12.36%
Employed	13 151	20.52%	16	59.26%	240	67.42%
Self-employed	483	0.75%	0	0.00%	3	0.84%
Retired	2 671	4.17%	3	11.11%	14	3.93%
Unemployed	12 476	19.47%	4	14.81%	22	6.18%
Mutual insurance	4 579	7.14%	2	7.41%	21	5.90%
Disabled	1 525	2.38%	0	0.00%	1	0.28%
RIS/CPAS	13 841	21.60%	0	0.00%	10	2.81%
Other	292	0.46%	0	0.00%	1	0.28%
Total	64 092	100.00%	27	100.00%	356	100.00%

	2019					
	Social housing	%	Low rent housing	%	Modest rent housing	%
No income	15 815	23.46%	10	13.70%	95	13.59%
Employed	13 855	20.55%	45	61.64%	446	63.81%
Self-employed	525	0.78%	1	1.37%	8	1.14%
Retired	2 839	4.21%	5	6.85%	38	5.44%
Unemployed	12 781	18.96%	5	6.85%	54	7.73%
Mutual insurance	5 049	7.49%	6	8.22%	42	6.01%
Disabled	1 662	2.47%	1	1.37%	2	0.29%
RIS/CPAS	14 585	21.63%	0	0.00%	13	1.86%
Other	310	0.46%	0	0.00%	1	0.14%
Total	67 421	100.00%	73	100.00%	699	100.00%

Table 7 — Number of dwellings approved at 31.12

	2018	2019	Increase
Regional Housing Plan			
Number of social housing units approved	1 341	1 473	+ 132
Number of low rent housing units approved	254	314	+ 60
Total number of dwellings approved	1 595	1 787	+ 192
Housing Alliance			
Number of social housing units approved	32	128	+ 96
Number of low rent housing units approved	0	63	+ 63
Number of modest rent housing units approved	0	0	+ 0
Total number of dwellings approved	32	191	+ 159

Given the scarcity of available public land, the SLRB has been able to diversify, applying an inventive and proactive approach by proposing innovative solutions. Therefore, the Housing Alliance projects are being developed in different ways and are arranged in different strands:

Strand	No of dwellings
1. Call for projects addressed to public partners (traditional HA approach)	1 731
2. Call for projects addressed to private partners (PPP markets)	68
3. Purchase of dwellings prospected by SLRB	927
4. Call for 'purchase' projects addressed to public partners	52
5. Call for 'turnkey' projects addressed to private partners	340
6. Prefabricated wooden modular houses	83
7. Houses within the perimeter of strategic areas and of CRU (urban	792
Total number of dwellings identified in the HA projects	3 993

Therefore, in addition to the 3 398 dwellings (not including Dames blanches projects) identified in the PRL programme, 3 993 were identified in the Housing Alliance programme.

Table 8 — Movements of Brussels social housing tenants in 2017 and 2018

	2017	2018
Inflows	1 239	1 334
Outflows	1 521	1 297
Moves and transfers	601	533

2.2. Financial statistics concerning SISPs

Table 9 — Debt ratio: 2014 to 2018

		2014	2015	2016	2017	2018	Average annual growth
Annual instalments	EUR thousands	45 470	46 456	47 284	48 546	51 445	3.13%
Rental income	EUR thousands	168 354	172 605	178 552	186 009	191 618	3.29%
Debt ratio	%	27.0%	26.9%	26.5%	26.1%	26.8%	-0.19%

Table 10 — Liquidity ratio: 2014 to 2018

		2014	2015	2016	2017	2018	Average annual growth
Current assets	EUR thousands	174 052	176 528	182 930	191 192	204 852	4.16%

Current liabilities	<i>EUR thousands</i>	133 377	131 514	149 383	153 817	172 451	6.63%
Strict liquidity ratio	%	120.6%	125.8%	122.5%	124.3%	118.8%	-0.38%

Table 11 — cash flow: 2014 and 2018

		2014	2015	2016	2017	2018	Growth
Net result	<i>EUR thousands</i>	12 870	16 754	15 893	14 745	8 996	8.56%
Net cash flow	<i>EUR thousands</i>	51 860	56 313	60 308	60 116	58 006	2.84%
Net cash flow after debt servicing	<i>EUR thousands</i>	20 960	24 207	26 863	25 290	21 065	0.13%

Table 12 — Profitability — Profit or loss for the year: 2014 to 2018

	<i>Codes</i>	2014	2015	2016	2017	2018	<i>Average annual growth</i>
<i>Sales and services</i>	70/74	237 044	238 055	242 535	254 291	259 362	2.27%
<i>Cost of sales and services</i>	60/64	-217 729	-215 639	-225 046	-236 258	-246 314	3.13%
<i>Operating results</i>	70/64	19 315	22 416	17 489	18 033	13 048	-9.34%
<i>Finance income</i>	75	11 559	12 705	15 497	14 503	16 024	8.51%
<i>Financial costs</i>	65	-17 086	-17 300	-16 302	-17 377	-17 426	0.49%
<i>Current result before tax</i>	70/65	13 788	17 821	16 684	15 159	11 646	-4.13%
<i>Profit or loss before tax</i>	70/66	13 411	36 831	15 680	15 300	11 369	-4.05%
<i>Profit or loss for the year</i>	70/67	12 870	16 754	15 893	14 745	8 996	-8.56%

3. DIFFICULTIES WITH THE APPLICATION OF THE SGEI DECISION OR SGEI FRAMEWORK

None.

4. COMPLAINTS BY THIRD PARTIES

None.

5. MISCELLANEOUS

Nothing.

8. Citydev

Description of the application of the 2012 SGEI Decision

Société de Développement pour la Région de Bruxelles-Capitale (SDRB - company developing the Brussels Capital Region - citydev.brussels) BE 215.984.554 – years 2018-2019

Categories:

2) social services (Art. 2(1)(b));

- ~~a) health and long term care;~~
- ~~b) childcare~~
- ~~c) access to and reintegration into the labour market~~
- d) social housing.
- ~~e) care and social inclusion of vulnerable groups~~

SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):

- ~~i. — postal services;~~
- ~~ii. — energy;~~
- ~~iii. — waste collection;~~
- ~~iv. — water supply;~~
- ~~v. — culture;~~
- ~~vi. — financial services;~~
- vii. other sectors (please specify):

- 1. economic expansion
- 2. urban renewal
- 3. delegated/specific tasks.

Clear and comprehensive description of how the respective services are organized in the Brussels Capital Region

*Explanation of what kind of services in the respective sector have been defined as SGEI in the Brussels Capital Region. Please list the **contents of the services entrusted as SGEI** as clearly as possible.*

1. Economic expansion

In relation to economic expansion, the purpose of the SDRB, hereinafter referred to as 'citydev.brussels', is to promote regional economic development and the creation or maintenance of direct and indirect jobs for residents of Brussels by making available to businesses built or unbuilt infrastructure, in particular where market failures are emerging.

The Brussels Government recognises citydev.brussels as a regional public real estate operator in terms of economic expansion.

Working mainly in the EDRLR (future urban renewal area), and on the basis of its initial experiences in the context of its economic expansion tasks, citydev.brussels is continuing to gain experience in the profession of project management of mixed projects in urban waste land and in large-scale sites, and it is organising its activities accordingly.

2. Urban renewal and social housing

The Government recognises citydev.brussels as a regional active urban regeneration operator, particularly in the context of social housing policy, in accordance with the Brussels Housing Code.

The objective of citydev.brussels in relation to urban renewal is to enhance the quality of life in the city by obtaining, primarily, low-rent housing that is for sale. To this end, it organises operations of high environmental, architectural and urban quality which restructure ailing urban areas, providing housing and utilities, public spaces and shops needed by the new inhabitants and the existing residents. Citydev.brussels' urban regeneration work also concerns the development of projects that can include social housing.

Citydev.brussels undertakes to promote a mixed and varied housing supply and to do so, with the agreement of the Government, in partnership with other public housing operators.

Where possible, in order to promote a balance of functions, the operations carried out include economic assignments linked to the economic expansion strategy of citydev.brussels.

Citydev.brussels will also target the organisation of projects in the context of calls for projects, i.e. on land that it does not own. The sites to be purchased by citydev.brussels must first be included in the multiannual plan, approved by the Government.

Working mainly in the EDRLR (future urban renewal area), and on the basis of its initial experiences in the context of its urban renewal tasks, citydev.brussels is continuing to gain experience in the profession of project management of mixed projects in urban waste land and in large-scale sites, and it is organising its activities accordingly.

3. Delegated tasks

Citydev.brussels may be entrusted, by the Government or by the municipalities, with delegated tasks to achieve the general purpose pursued by the institution.

These delegated tasks are subject to the following:

- based on a decision by the principal, an agreement laying down the rules on cooperation, the budget, etc.;
- separate budget items setting out the income and expenditure strictly associated with these tasks.

The allocations granted by the Region or by the municipality (*commune*) for the successful performance of these tasks will be included, together with others, in the specific income from the tasks delegated.

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

The entrustment given to citydev.brussels was conferred by the Order of 20 May 1999 on the Development Society for the Brussels-Capital Region.⁷⁶

It was set out in a five-year management contract. The current management contract covers the years 2013 to 2020 and was concluded on 16 October 2013 between the Government of the Brussels-Capital Region and the *Société de Développement pour la Région de Bruxelles-Capitale* (SDRB - citydev.brussels).

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 management contract lasts for a period of five years and is renewable. The management contract was extended until 16 October 2020.

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

There are no exclusive or special rights.

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

The activity of citydev.brussels is funded by means of two types of instrument:

- operating allocations;
- investment subsidies.

In addition, the funds to finance the specific tasks delegated to citydev.brussels by the Region or by a municipality are listed in an agreement concluded beforehand by the parties concerned.

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

Citydev.brussels draws up and updates two multi-annual investment plans submitted to the Government for approval covering the activities of Economic Expansion and Urban Renewal. These multiannual plans clearly indicate the commitments and settlements for each project and each year until implementation is completed, and they also specify the methods and sources of financing envisaged.

The Decree of 1 June 2006 of the Government of the Brussels-Capital Region relating to the granting of subsidies for the urban renewal mission of citydev.brussels and the management contract both state that:⁷⁷

- subsidies are granted on a provisional basis and on presentation of statements of amounts receivable and evidence of expenditure to be incurred, and
- at the end of a project, within six months after the payment of the last instalment of the subsidy, citydev.brussels must submit a final report on all operations carried out.

The management contract also states that, in accordance with Article 5 of the Commission's SGEI Decision, the financial compensation granted to citydev.brussels cannot exceed what is necessary to cover the costs incurred in discharging the public service obligations referred to in this management contract.

⁷⁶ *Moniteur Belge* 29 July 1999.

⁷⁷ *Moniteur Belge* 5 July 2006.

The compensation must also take account of income relating to the performance of those public service obligations and a reasonable profit on the capital needed to fulfil those obligations. A methodology based on cost allocation will be used.

Typical arrangements for avoiding and repaying any overcompensation.

The Order of 1 June 2006 of the Government of the Brussels-Capital Region relating to the granting of subsidies for the urban renewal mission of citydev.brussels and the management contract both provide for:⁷⁸

- a system to avoid overcompensation, ensuring that any excess amounts of subsidies are repaid or reassigned to the next project, and
- citydev.brussels keeping accounts for each individual project.

The management contract stipulates that ‘a relevant computerised cost accounting system is required, in particular in order to structure citydev.brussels according to the tasks described in the management contract (activities of economic expansion, urban renewal and delegated tasks), and which permits financial management by project’.

The management contract also states that when citydev.brussels carries out activities falling both inside and outside the scope of services of general interest, its internal accounts must indicate separately the income and expenditure associated with the service of general interest and that associated with other services, as well as the parameters for allocating income and expenditure.

In order to comply with Article 6 of the Commission’s SGEI Decision, any overcompensation exceeding the compensation by 10% will have to be reimbursed by citydev.brussels. Overcompensation under 10% may be carried over to the following period, to be deducted from the amount of compensation due for that period.

The management contract also includes a chapter on the implementation , monitoring, evaluation and review of the contract.

*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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).*

Not applicable

Amount of aid granted

Total amount of aid granted (in millions EUR). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018

2019

⁷⁸ Moniteur Belge 5 July 2006.

SGEI Economic Expansion	2019	2018
Region investment subsidies	€8 407 000	€8 422 180
ERDF investment sub. 2014-2020	€16 986	€17 444
ERDF investment sub. 2013	€ -	€ -
Operating sub.	€2 840 000	€2 840 000
Total SGEI Economic Expansion	€11 263 986	€11 279 624

SGEI Urban Renewal	2019	2018
Region investment subsidies	€14 478 490	€15 566 955
Operating sub.	€3 159 008	€3 208 533
SGEI Urban Renewal	€17 637 498	€18 775 488

Specific funding	2019	2018
Jules Cockx project	€ -	€ -
Blue star project - Port d'Ulyse	€1 300 491	€ -
Fablabs	€250 292	€998 790

A: Total amount of aid granted (in millions EUR) paid by national central authorities		
2018: None	2019: None	

B: Total amount of aid granted (in millions EUR) paid by regional authorities		
2018	2019	

For **SGEI Economic Expansion**, citydev.brussels received the following amounts in 2018 and 2019:

SGEI Economic Expansion	2019	2018
Region investment subsidies	€8 407 000	€8 422 180
ERDF investment sub. 2014-2020	€16 986	€17 444
ERDF investment sub. 2013	€ -	€ -
Operating sub.	€2 840 000	€2 840 000
Total SGEI Economic Expansion	€11 263 986	€11 279 624

For **SGEI Urban renewal and social housing**, citydev.brussels received the following amounts in 2018 and 2019:

SGEI Urban Renewal	2019	2018
Region investment subsidies	€14 478 490	€15 566 955
Operating sub.	€3 159 008	€3 208 533
Total SGEI Urban Renewal	€17 637 498	€18 775 488

For SGEI Economic Expansion, citydev.brussels received the following amounts in 2018 and 2019:

Specific funding	2019	2018
Jules Cockx project	€ -	€ -
Blue star project - Port d'Ulyse	€1 300 491	€ -
Fablabs	€250 292	€998 790

C: Total amount of aid granted (in millions EUR) paid by local authorities

2018	2019
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2018 and 2019: None

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)

2018	2019
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2018 and 2019: None

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)

2018	2019
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2018 and 2019: None

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.

citydev.brussels are not aware of any complaints.

Miscellaneous 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) to (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.

citydev.brussels did not experience any difficulties in the application of the 2012 SGEI Decision.

b. *We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues:*

- *carrying out a public consultation in line with paragraph 14 of the SGEI Framework;*
- *complying with public procurement rules in line with paragraph 19 of the SGEI Framework;*
- *determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;*
- *determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;*

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

Not applicable

c. *If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.*

citydev.brussels does not wish to make any further comments.

9. Urban

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Knowledge and Communication Directorate
Clear and comprehensive description of how the respective services are organized in your Member State
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.
<p>i. culture;</p> <p>Management, operation and cultural programming in public heritage buildings</p> <ul style="list-style-type: none"> - logistics and maintenance - permanent access by general public - preservation of cultural heritage - organisation of events, exhibitions, conferences, etc. - educational and training services and activities for schools and families - communication, promotion, dissemination of cultural heritage <p>Premises concerned:</p> <ul style="list-style-type: none"> - Charles Quint palace, Place Royale; - Horta Museum, rue Américaine; - KANAL cultural centre, Quai de Willebroek; - Centre International Ville Architecture CIVVA, rue de l'Ermitage; - Halles-Saint-Géry, Place St Géry
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
Management contracts that describe the tasks and objectives, the financial and human resources assigned, the arrangements for evaluation, and the monitoring and control.
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?
Generally renewable five-year entrustments to a non-profit organisation (non-profit organisation or public utility foundation) set up specifically for each building. The specific nature of the entrustment leads to a form of sustainability and thus to periods that regularly extend to ten years and more (except for the most recent structures).
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
<p>The entities carrying out these SGEIs have been set up by the relevant public authorities (municipality and/or region), specifically for each location, in order to ensure, on an exclusive basis, the management, accessibility and organisation of the venues concerned:</p> <ul style="list-style-type: none"> - ASBL Palais de Charles Quint - Asbl Patrimoine & Culture – Halles Saint-Géry - Asbl Musée Horta – Hortamuseum - Fondation KANAL - Fondation CIVA
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Government orders granting optional annual subsidies within the meaning of Article 92 of the Organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing, as laid down in a management contract.
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 terms of the optional subsidy within the meaning of Article 92 of the above-mentioned Order of 23 February 2006 cover compensation of the net costs actually incurred by the entity to provide the SGEI.

Typical arrangements for avoiding and repaying any overcompensation.

Annual financial audit based on documents supporting the eligible costs and the overall trial balance of the entity providing the SGEI.

A short explanation of how the **transparency requirements** (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

The financing of the KANAL Foundation and the CIVA Foundation forms part of a basic allocation referred to by name in the regional budget, therefore the potential annual allocation is implicitly published in the *Moniteur Belge*.

Total amount of aid granted (in millions EUR).

2018	2019
€6 636 000	€9 133 000
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019
5 beneficiaries: <ul style="list-style-type: none"> - Charles Quint: €910 000 - KANAL: €2 598 000 - CIVA: €2 500 000 - Horta: €228 000 - Halles St Géry: €400 000 	5 beneficiaries: <ul style="list-style-type: none"> - Charles Quint: €925 000 - KANAL: €5 000 000 - CIVA: €2 550 000 - Horta: €208 000 - Halles St Géry: €450 000

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Urban Renewal Directorate
Clear and comprehensive description of how the respective services are organised in your Member State
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.
<p>i. other sectors (please specify): social housing and urban regeneration/urban renewal:</p> <p>The Government recognises citydev.brussels as a regional active urban regeneration operator, particularly in the context of social housing policy, in accordance with the Brussels Housing Code.</p> <p>The objective of citydev.brussels in relation to urban renewal is to enhance the quality of life in the city by obtaining, primarily, low-rent housing that is for sale. To this end, it organises operations of high environmental, architectural and urban quality which restructure ailing urban areas, providing housing and utilities, public spaces and shops needed by the new inhabitants and the existing residents. Citydev.brussels' urban regeneration work also concerns the development of projects that can include social housing.</p> <p>Citydev.brussels undertakes to promote a mixed and varied housing supply and to do so, with the agreement of the Government, in partnership with other public housing operators.</p> <p>Where possible, in order to promote a balance of functions, the operations carried out include economic assignments linked to the economic expansion strategy of citydev.brussels.</p> <p>Citydev.brussels will also target the organisation of projects in the context of calls for projects, i.e. on land that it does not own. The sites to be purchased by citydev.brussels must first be included in the multiannual plan, approved by the Government.</p> <p>Working mainly in the urban renewal area, and on the basis of its initial experiences in the context of its urban renewal tasks, citydev.brussels is continuing to gain experience in the profession of project management of mixed projects in urban waste land and in large-scale sites, and it is organising its activities accordingly.</p>
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
<p>The entrustment given to citydev.brussels was conferred by the Order of 20 May 1999 on the Development Society for the Brussels-Capital Region.</p> <p>We would also cite the Order of the Government of the Brussels-Capital Region of 26 September 2013 on the urban renewal tasks of the <i>Société de Développement pour la Région de Bruxelles-Capitale</i> (Citydev.brussels).</p> <p>It was set out in a five-year management contract. The current management contract covers the years 2013 to 2018 and was concluded on 16 October 2013 between the Government of the Brussels-Capital Region and the <i>Société de Développement pour la Région de Bruxelles-Capitale</i> (Development Society for the Brussels-Capital Region - citydev.brussels).</p>
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 management contract signed in 2013 lasts for a period of five years and can be renewed twice for one year each time.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
There are no exclusive or special rights.

Which aid instruments have been used (direct subsidies, guarantees, etc.)?
<p>The activity of citydev.brussels is funded by means of two types of instrument:</p> <ul style="list-style-type: none"> - - operating allocations; - - investment 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.
<p>Citydev.brussels draws up and maintains a multi-annual investment plan submitted to the Government for approval covering the activities of Urban Renewal. This multiannual plan clearly indicates the commitments and settlements for each project and each year until implementation is completed, and it also specifies the methods and sources of financing envisaged.</p> <p>The Order of 1 June 2006 of the Government of the Brussels-Capital Region relating to the granting of subsidies for the urban renewal mission of citydev.brussels and the management contract both state that:</p> <ul style="list-style-type: none"> - subsidies are granted on a provisional basis and on presentation of statements of amounts receivable and evidence of expenditure to be incurred, and - at the end of a project, within six months after the payment of the last instalment of the subsidy, citydev.brussels must submit a final report on all operations carried out. <p>The management contract also states that, in accordance with Article 5 of the Commission's SGEI Decision, the financial compensation granted to citydev.brussels cannot exceed what is necessary to cover the costs incurred in discharging the public service obligations referred to in this management contract.</p> <p>The compensation must also take account of income relating to the performance of those public service obligations and a reasonable profit on the capital needed to fulfil those obligations. A methodology based on cost allocation will be used.</p>
Typical arrangements for avoiding and repaying any overcompensation.
<p>The Order of 1 June 2006 of the Government of the Brussels-Capital Region relating to the granting of subsidies for the urban renewal mission of citydev.brussels and the management contract both provide for:</p> <ul style="list-style-type: none"> - a system to avoid overcompensation, ensuring that any excess amounts of subsidies are repaid or reassigned to the next project, and - citydev.brussels keeping accounts for each individual project. <p>The management contract stipulates that 'a relevant computerised cost-accounting system is required, in particular in order to structure citydev.brussels according to the tasks described in the management contract (activities of economic expansion, urban renewal and delegated tasks), and to permit financial management by project'.</p> <p>The management contract also states that when citydev.brussels carries out activities falling both inside and outside the scope of services of general interest, its internal accounts must indicate separately the income and expenditure associated with the service of general interest and that associated with other services, as well as the parameters for allocating income and expenditure.</p> <p>In order to comply with Article 6 of the Commission SGEI Decision, any overcompensation exceeding the compensation by 10% will have to be reimbursed by citydev.brussels. Overcompensation under 10% may be carried over to the following period, to be deducted from the amount of compensation due for that period.</p> <p>The management contract also includes a chapter on the implementation, monitoring, evaluation and review of the contract.</p>

A short explanation of how the **transparency requirements** (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

Citydev has a dedicated website (<https://www.citydev.brussels/>).

The Order of 1 June 2006 of the Government of the Brussels-Capital Region relating to the granting of subsidies for the urban renewal mission of citydev.brussels is also published in the *Moniteur belge*.

Total amount of aid granted (in millions EUR).

2018	2019
Operating allocation: €3 213 429	Operating allocation: €3 159 008
Investment subsidies: €15 575 987	Investment subsidies: €14 637 349
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Urban Renewal Directorate
Clear and comprehensive description of how the respective services are organised in your Member State
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.
<ul style="list-style-type: none"> i. Social housing. ii. Other sectors (please specify): Urban renewal / urban regeneration <p>Urban regeneration / urban renewal:</p> <ul style="list-style-type: none"> - The Directorate for Urban Regeneration (DRU) is part of an approach to active urban development and the strengthening of social cohesion; it aims to combat derelict sites and to repair the urban fabric. In so doing, it contributes sustainably to improving the quality of life for all in Brussels, primarily in underprivileged neighbourhoods. - The DRU is seeking synergies with all stakeholders involved in the process of implementing its urban regeneration programmes. With these programmes, it is possible to conduct property transactions that meet local needs, namely in terms of housing and local, sports and cultural infrastructure, early childhood structures, convivial public spaces that foster active mobility, green areas, etc. The environmental dimension plays an important role in the definition of these operations. <p>Societal and community actions underpin the implementation of these programmes. The DRU promotes active participation by local users and civil society in the preparation and implementation of its programmes.</p> <p>The four tools available to the DRU to meet its objectives are:</p> <ol style="list-style-type: none"> 1. <u>Sustainable local contracts (CQD)</u>: <ul style="list-style-type: none"> - Social housing units (approved in some cases). - Facilities and infrastructure in the vicinity (sports, early childhood and neighbourhood life structures, etc.). - Public spaces/green spaces/interconnected urban infrastructure. - Productive areas/shops. - Improving environmental quality. - Socio-economic actions (promoting societal and economic regeneration at local level). - Participatory projects. - Coordination, participation. 2. <u>Town planning policy strand I — urban planning</u>: <ul style="list-style-type: none"> - Purchase of abandoned or vacant property, mainly for social housing. - Renovation, restoration or demolition/reconstruction to obtain mainly social housing - Rapid action to combat deterioration in the public space. 3. <u>Town planning policy strand II — local development</u>: <ul style="list-style-type: none"> - Quality and living environment: public spaces and neighbourhood infrastructure (culture and sport) to increase social cohesion. - Living better together: combatting social and spatial division by improving the image and outreach of Brussels. - Combating precariousness and ensuring socio-professional integration. - Special public housing (for the elderly, the disabled, emergency situations, students, etc.). - Complementing town planning policy strand I — urban planning

<ul style="list-style-type: none"> - Coordination and communication. <p>4. Urban renewal contracts (CRU):</p> <ul style="list-style-type: none"> - Public spaces/green spaces/interconnected urban infrastructure. - Social housing or private housing under a special lease, and local facilities and infrastructure. - Productive areas/shops. - Improving environmental quality. - Economic regeneration. - Support for societal and community activities. - Coordination and communication. <p>Urban regeneration programmes, with the exception of Town Planning policy strand I operations - urban planning, are carried out in the urban regeneration area. This is defined as an area consisting of statistical sectors in which the living conditions of the inhabitants are worse than in other statistical sectors of the Brussels-Capital Region.</p> <p>In order to accomplish these different tasks, the DRU can award subsidies to municipalities that are part of this urban regeneration area.</p>
<p>Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<ul style="list-style-type: none"> - Organic Order of 6 October 2016 on urban regeneration; - Order of the Government of the Brussels-Capital Region of 24 November 2016 on sustainable local contracts; - Order of the Government of the Brussels-Capital Region of 19 January 2017 on the policy of the City; - Order of the Brussels Capital Region Government of 23 March 2017 on urban renewal contracts; - Order of the Government of the Brussels-Capital Region of 12 February 1998 on urban renewal or demolition followed by the reconstruction of buildings by the municipalities and the CPAS; - Order of the Brussels-Capital Region Executive of 19 July 1990 on the purchase of abandoned buildings by the municipalities; - Agreements granting an advance of 20% in certain strands of the urban regeneration programme have been signed with the municipalities (for <u>sustainable local contracts</u>; <u>Urban renewal contracts</u> and <u>Town planning policy strand II — local development</u>; - Tripartite agreements have been signed by the Brussels Capital Region, the municipalities and non-profit organisations delegated by the municipalities (the latter continue to act as the project managers for the sustainable local contracts).
<p>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?</p>
<p>1. Sustainable local contracts:</p> <ul style="list-style-type: none"> - Performance: 50 months - Implementation: 30 months <p>2. Town planning policy strand I — urban planning:</p> <ul style="list-style-type: none"> - For the purchase of abandoned or vacant property for the main purpose of social housing or renovation, restoration or demolition/reconstruction with a view, mainly, to creating social housing: Performance <u>lasting 30 months</u> and implementation lasting <u>30 months</u> ; - For rapid action to combat deterioration in the public space: performance <u>lasting 6 months</u> <p>3. Town planning policy strand II — local development (AVANT 2020):</p> <ul style="list-style-type: none"> - Performance: 36 months - Implementation: 18 months <p>4. Urban renewal contracts (CRU):</p> <ul style="list-style-type: none"> - Performance: 60 months - Implementation: 30 months
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>None.</p>

Which aid instruments have been used (direct subsidies, guarantees, etc.)?	
a)	Investment subsidies
b)	Operating 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.	
<p>1. Sustainable local contracts - Town planning policy strand II - local development - urban renewal contracts:</p> <p>Preparation in advance of an urban regeneration programme covering the various types of projects involved and their respective budgets.</p> <p>The various agreements signed by the Region and the beneficiaries of the subsidies provide for a description of the subsidised measures, their duration, an estimated budget for the expenditure, a list of documents required to justify expenditure, the deadlines for submitting these documents and the submission of interim and final activities reports and an expenditure inventory.</p> <p>The costs will be allocated in proportion to the various contributions.</p> <p>2. Town planning policy strand I — urban planning:</p> <p>For the purchase of abandoned or vacant property, the subsidisation rate will be 85% of the total eligible cost of the operation.</p> <p>For the renovation or reconstruction of property, the rules lay down a ceiling for eligible costs per gross square metre.</p>	
Typical arrangements for avoiding and repaying any overcompensation.	
<p>The subsidy is subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing.</p> <p>The subsidy is paid in several instalments, taking into account the progress in the regeneration projects. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred.</p> <p>If, under the order/agreement, expenditure is considered ineligible, the amount of the subsidy will be revised accordingly.</p> <p>A system of fines will be introduced in the event of failure by the municipalities to comply with the conditions of access to the social housing thus created, or in the event of a change in the allocation of projects.</p> <p>Subsidies are granted within the limits of the available budget.</p>	
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).	
The information (type of projects, budget, timetable for implementation, territoriality, environmental impact report) on the various urban regeneration programmes (except for the <u>Town planning policy strand I — urban planning</u>) approved by the Government of the Brussels-Capital Region can be found on the website www.quartiers.brussels of the Urban Renewal Directorate/Brussels-Capital Region.	

Total amount of aid granted (in millions EUR).	
2018	2019
Total subsidy: €43 657 144	Total subsidy: €42 638 857
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	

2018	2019
Operating subsidy: €5 665 184 Investment subsidy: €37 991 960	Operating subsidy: €8 699 425 Investment subsidy: €33 939 432
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019
<ul style="list-style-type: none"> - Sustainable local contracts (CQD): 11 municipalities were awarded a subsidy for an average amount of €3 389 227.98; - Town planning policy strand I — urban planning: 6 municipalities were awarded a subsidy for an average amount of €165 828.93; - Town planning policy strand II — local development: 9 municipalities were awarded a subsidy for an average amount of €597 851.40; - Urban renewal contracts (CRU): 0 municipalities were awarded a subsidy for an average amount of €0.0; 	<ul style="list-style-type: none"> - Sustainable local contracts (CQD): 10 municipalities were awarded a subsidy for an average amount of €3 282 235.80; - Town planning policy strand I — urban planning: 6 municipalities were awarded a subsidy for an average amount of €189 151.23; - Town planning policy strand II — local development: 7 municipalities were awarded a subsidy for an average amount of €1 203 940.30; - Urban renewal contracts (CRU): 3 municipalities were awarded a subsidy for an average amount of €84 669.76.

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Urban Renewal Directorate
Clear and comprehensive description of how the respective services are organized in your Member State
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.
<p>i. Other sectors (please specify): Urban renewal/urban planning /cultural heritage</p> <p>- Urban renewal: The ASBL (non-profit organisation) provides information on the grants for renovating housing and decorating facades, in particular as regards the conditions and procedures: estimate of the potential amount of grants, assistance with compiling application files; advice as regards the choice of work (prioritisation of jobs, choice of materials, techniques, etc.); raising awareness among professionals of sustainable and heritage-friendly techniques; information on urban renewal programmes (e.g. sustainable local contracts or urban regeneration contracts) currently being implemented or under development.</p> <p>- Urban planning: not many people are familiar with town planning rules and their usefulness, and this is still a problem for many people. The consequences of non-compliance can be very serious for both the project owner and for third parties over a long period of time (for example: transmission of planning infringements). It is therefore important to raise awareness of these issues at key moments. Ensuring awareness of town planning regulations is one of the challenges which the ASBL seeks to address, as not all citizens are equal when it comes to deciphering this information. The neutral nature of the advice makes it possible to highlight the need for and advantages of complying with urban planning rules, either in the run-up to the works or as a result of an infringement detected by the municipal town planning services. The objective of the ASBL in this area is therefore to raise awareness, advise and accompany people in the legal and administrative procedures linked to the planning aspects encountered when carrying out renovation works. Bearing in mind regional issues, the non-profit association works with local and regional authorities, and the stakeholders.</p> <p>- Cultural heritage: The ASBL promotes and encourages the preservation of architectural heritage by advising individual owners/tenants in line with regional policies on improvements to the city and sustainable urban development. It helps to improve the quality of work on old buildings that are being renovated by individuals by providing appropriate technical advice before the work. It raises awareness of architectural heritage as a dimension of quality of life and a factor in the development of neighbourhoods.</p> <p>In order to meet the objectives set out above, the non-profit organisation takes on the following tasks:</p> <ul style="list-style-type: none"> - information; - on-site visits; - support for the target group (owners, landlords, co-owners and tenants); - communication and awareness-raising; - coordination of Housing Network associations.
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.

<p>The entrustment given to the non-profit association 'Homegrade' was set out in a management contract signed for a period of five years. It was signed on 23 November 2017 by the Brussels-Capital Region and Homegrade.</p> <p>Each year, an addendum to the management contract is signed with Homegrade, setting out the practical arrangements for granting the subsidy.</p>
<p>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?</p>
<p>The management contract signed in November 2017 is valid for five years. If by the expiry date no new management contract has been concluded, it will be automatically extended until the entry into force of the new management contract.</p> <p>The addendum to the management contract is signed for a period of one year.</p>
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>There are no exclusive or special rights.</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>The activities of Homegrade are financed by a single operating allocation.</p>
<p>Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>The management contract and the annual addendum to the contract provides for a detailed description of the subsidised measure, the duration of the operation, an estimated budget for the expenditure, a list of documents required to justify expenditure, a deadline for submitting these documents and the submission of an activities report and an expenditure inventory.</p> <p>In addition, the management contract includes a summary of responsibilities determining the FTEs allocated to the different tasks. To date, the number of FTEs is 37.5. Up to 80% of the budget is allocated to expenditure on staff necessary for the performance of these various tasks. The balance of the budget is allocated to the running costs (overheads, training costs, communication costs, staff shop, administrative costs, travel costs).</p> <p>The costs will be allocated in proportion to the various contributions.</p>
<p>Typical arrangements for avoiding and repaying any overcompensation.</p>
<p>The subsidy is subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing.</p> <p>Subsidies are paid in three instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred.</p> <p>If, under the management contract/addendum, expenditure is considered ineligible, the amount of the subsidy is revised accordingly.</p> <p>Homegrade will be obliged to reimburse the amount of the subsidy if it:</p> <ul style="list-style-type: none"> - does not comply with the conditions for granting the subsidy; - does not use the subsidy for the purposes for which it is granted; - impedes monitoring by the Region of the use of the funds allocated; - is already receiving a subsidy for the same subject, on the basis of the same supporting documents. <p>Moreover, because of the principle of non-enrichment, the amount of the subsidy is capped at a level that achieves a financial balance between the income and expenditure relating to the subsidised measure.</p> <p>The management contract also includes a chapter on the implementation, monitoring, evaluation and review of the contract.</p>
<p>A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) are being complied with. In your answer please also include some relevant examples of</p>

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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

Homegrade has a dedicated website (<https://homegrade.brussels/>).

The financing of Homegrade forms part of a basic allocation referred to by name in the regional budget, therefore the potential annual allocation is implicitly published in the *Moniteur Belge*.

Total amount of aid granted (in millions EUR).	
2018	2019
Operating allocation: €919 817	Operating allocation: €307 205
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Urban Renewal Directorate
Clear and comprehensive description of how the respective services are organised in your Member State
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.
<p>i. Other sectors (please specify): Housing renovation & integrated local development</p> <ul style="list-style-type: none"> - Encouraging preservation, renovation of the built environment and improvement of the living environment, in connection with regional policy to improve the energy performance of buildings and the promotion of eco-construction; - Enhanced information and involvement of inhabitants in neighbourhood projects and support for initiatives promoting positive ownership of the public space; - Support for urban renewal policies from grassroots level (strengthening the partnership between associations and public authorities).
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
<ul style="list-style-type: none"> - Order of 26 July 2013 establishing the Brussels Housing Code (Articles 134 and 189); - Order of the Government of the Brussels-Capital Region of 28 March 2002 on the award of subsidies for associations or groupings of associations working on an integrated local development programme for urban renewal; - Ministerial Order of 13 May 2002 on the arrangements for implementing the Order of the Brussels-Capital Region Government of 28 March 2002; - regional multiannual plan 2017-2021 of the Housing Network - grassroots and community action at the service of urban regeneration policy - approved on 24 November 2016 by the Government of the Brussels-Capital Region; - approvals of 22 December 2016 granted to associations under Articles 4 to 7 of the Order of the Government of the Brussels-Capital Region of 28 March 2002 on the award of subsidies for associations or groupings of associations working on an integrated local development programme for urban renewal; - an annual agreement setting out the tasks and practical arrangements for granting the subsidy signed by the Brussels-Capital Region and each of the Housing Network associations.
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?
<ul style="list-style-type: none"> - The approval granting the right to associations to participate as members of the Housing Network in the implementation of the integrated local development programme for urban renewal will be valid for five years; - regional multiannual plan 2017-2021 of the Housing Network of 24 November 2016 valid for five years (1 January 2017 until 31 December 2021); - the agreement is signed for a period of one year.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Yes, through the approval the Region grants the right to associations to participate as members of the Housing Network in the implementation of the integrated local development programme for urban renewal.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
The activities of the Housing Network associations are financed by a single operating allocation.
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 agreement provides for a detailed description of the subsidised measures, the duration of the operations, an estimated budget for the expenditure, a list of documents required to justify expenditure, a deadline for submitting these documents and the submission of an activities report and an expenditure inventory.

The costs will be allocated in proportion to the various contributions.

Typical arrangements for avoiding and repaying any overcompensation.

The subsidy is subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing.

Subsidies will be paid in two instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred.

If, under the order/agreement, expenditure is considered ineligible, the amount of the subsidy will be revised accordingly.

The Housing Network associations are obliged to reimburse the amount of the subsidy if they: do not comply with the conditions for granting the subsidy;

-
- do not use the subsidy for the purposes for which it is granted;
- impede monitoring by the Region of the use of the funds allocated;
- are already receiving a subsidy for the same subject, on the basis of the same supporting documents.

Subsidies are granted within the limits of the available budget.

A short explanation of how the **transparency requirements** (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).

The Housing Network has a dedicated website (<http://reseauhabitat.be/>).

The legislative and regulatory standards governing the conclusion of agreements are also published in the *Moniteur belge*.

Total amount of aid granted (in millions EUR).	
2018	2019
Operating allocation: €410 005	Operating allocation: €410 005
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019
1) the following two Housing Network associations were awarded a subsidy: <ul style="list-style-type: none"> - Convivence: €216 885 - Habitation & Rénovation: €193 120 	1) the following two Housing Network associations were awarded a subsidy: <ul style="list-style-type: none"> - Convivence: €216 885 - Habitation & Rénovation: €193 120

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

Description of the application of the 2012 SGEI Framework

Section
urban.brussels — Urban Renewal Directorate
Clear and comprehensive description of how the respective services are organised in your Member State
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.
<p>i. culture;</p> <p>ii. other sectors (please specify): social cohesion</p> <p>The tasks will include:</p> <ul style="list-style-type: none"> - evaluation of parades organised in 2016 and 2018; - preparation and organisation of the 2020 Parade; - the pursuit of action in this spirit by involving in this dynamic the greatest number of people, either on their own, in (informal or organised) groups or in recognised associations and institutions, including also municipal, Community and Federal public authorities; - ensuring and organising the involvement of residents in connection with local associations, organisations and networks; - promoting the redeployment of creative action and enabling the emergence of new social dynamics in Brussels neighbourhoods; - strengthening and developing social and artistic networks in the various districts of the Brussels-Capital Region, with particular focus on the city centre and the first ring of suburbs; - developing a production strategy in order to establish possible partnerships with various operators interested in cultural action aimed at territorial, social and cultural development; - research and recruitment of artists and artistic coordinators responsible for supervising and managing workshops conducted for this purpose; - selection and management of projects presented through the local partner network coordinated by Zinneke asbl and Zinneke vzw; - dissemination and promotion of the planned activities; - evaluation of the parade and the process put in place with local partners and artist coordinators in order to draw the necessary conclusions to maintain and develop the activities for the next two-year period.
Explanation of the typical forms of entrustment If standardised templates for entrustments are used for a certain sector, please attach them.
An annual agreement setting out the tasks and practical arrangements for granting the subsidy has been signed by the Brussels-Capital Region and Zinneke asbl.
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 agreement is signed for a period of one year.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
None.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
The activities of Zinneke are financed by an operating allocation.

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 agreement provides for a detailed description of the subsidised measures, the duration of the operations, an estimated budget for the expenditure, a list of documents required to justify expenditure, a deadline for submitting these documents and the submission of an activities report and an expenditure inventory. The costs will be allocated in proportion to the various contributions.
Typical arrangements for avoiding and repaying any overcompensation.
The subsidy is subject to the organic Order of 23 February 2006 laying down the provisions applicable to the budget, accounting and auditing. Subsidies are paid in three instalments. In order to avoid overcompensation, the last instalment will be paid on the basis of supporting documents relating to all the expenditure incurred. If, under the order/agreement, expenditure is considered ineligible, the amount of the subsidy will be revised accordingly. The Zinneke ASBL will be obliged to reimburse the amount of the subsidy if it: <ul style="list-style-type: none"> - does not comply with the conditions for granting the subsidy; - does not use the subsidy for the purposes for which it is granted; - impedes monitoring by the Region of the use of the funds allocated; - is already receiving a subsidy for the same subject, on the basis of the same supporting documents. The subsidy is granted within the limits of the available budget.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).
The ZINNEKE ASBL has a dedicated website (https://www.zinneke.brussels/).

Total amount of aid granted (in millions EUR).	
2018	2019
Operating allocation: €86 800	Operating allocation: €422 400
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019

Complaints by third parties

None.

Difficulties in applying the 2012 SGEI Decision

None.

Any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions.

None.

10. Actiris

ANNEX 1

Services of general economic interest: guidelines for the report to be submitted in accordance with the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every 2 years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- i a description of the application of this Decision to the services falling within its scope, including in-house activities;*
- ii the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;*
- iii an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties; and*
- iv any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.*

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
<i>Compensation for Services of General Economic Interest (1+2)</i>	34.4	41.3
(1) Compensation granted on the basis of the SGEI Decision	34.4	41.3
(2) Compensation granted on the basis of the SGEI Framework		

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by the following sections:

- 1) hospitals providing medical care, including, where applicable, emergency services (Art. 2(1)(b));
- 2) social services (Art. 2(1)(c));
 - a) health and long-term care;
 - b) childcare
 - c) access to and reintegration into the labour market
 - d) social housing;
 - e) care and social inclusion of vulnerable groups;
 - f) other social services (if applicable);
- 3) air or maritime links to islands with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 4) airports and ports with average annual traffic not exceeding the limit set in Art. 2(1)(d);
- 5) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):
 - a) postal services;
 - b) energy;
 - c) waste collection;
 - d) water supply;
 - e) culture;
 - f) financial services;
 - g) other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example 1, hospitals or 2b, childcare)
Clear and comprehensive description of how the respective services are organised in your Member State ⁷⁹
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.
1. Access to and reintegration into the labour market 2. Childcare
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.

⁷⁹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Partnership agreements
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?
3 years
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
/
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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.
See model partnership agreement (in annex).
Typical arrangements for avoiding and repaying any overcompensation.
See model partnership agreement (in annex).

<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
The aid granted is under €15 million per undertaking.	
Amount of aid granted (in thousands EUR). (not applicable)	
Total amount of aid granted (in millions EUR)⁸⁰. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁸¹	

⁸⁰ As stipulated in Article 9(b) of the 2012 SGEI Decision.

⁸¹ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁸²	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities⁸³	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁸⁴	
2018	2019
See the 'Partners' section at the following link: http://www.actiris.be/fr/partenaires/	See the 'Partners' section at the following link: http://www.actiris.be/fr/partenaires/

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK **NOT APPLICABLE.**

Please structure this part of your report by the following sections:

- 1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):

⁸² See footnote 3.

⁸³ See footnote 3.

⁸⁴ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

- i. postal services;
- ii. energy;
- iii. waste collection;
- iv. water supply;
- v. air or maritime links to islands with average annual traffic above the limits set in Art. 2(1)(d) of the SGEI Decision;
- vi. airports and ports with average annual traffic above the limit set in Art. 2(1)(D) of the SGEI Decision;
- vii. culture;
- viii. financial services;
- ix. other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
Clear and comprehensive description of how the respective services are organised in your Member State⁸⁵
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.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.

⁸⁵ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) 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), or 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	
Total amount of aid granted (in millions EUR)⁸⁶. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in millions EUR) paid by national central authorities⁸⁷	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities⁸⁸	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities⁸⁹	
2018	2019

⁸⁶ As stipulated in Article 62 b) of the 2012 SGEI Framework.

⁸⁷ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁸⁸ See footnote 9.

⁸⁹ See footnote 9.

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁹⁰	
2018	2019

Please also complete Annex 2 with the total amounts per section for the Member State as a whole (not by region, local authority or municipality).

4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures falling within the 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.

Actiris has not received any complaints from third parties.

5. MISCELLANEOUS 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: **Actiris encountered no difficulties in the application of the SGEI Decision.** ☐ 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) to (8) of the SGEI Decision;
 - regularly checking overcompensation as required by Article 6 of the SGEI Decision.

⁹⁰ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

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

- b. We kindly invite you to indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework and ask you to in particular consider the following issues: **Not applicable.**
- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
 - complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
 - determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
 - determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to provide them within your report.

Actiris has no particular comments to make on the application of the SGEI Decision.

11. Commission Communautaire Commune (COCOM) (Joint Community Commission)
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Page 130 to page 141 in the original document: the translation of this section from NL to EN can be found in the Belgian NL document (poetry number: COMP-2020-936(00)-12-TRA-EN).

ANNEX 6

State Aid - Services of General Economic Interest 2018-2019

Contribution by the German-speaking Community to the European Commission

Social services:

b) Childcare

August 2020

1. Expenditure overview

Please complete the following table:

Total SGEI government expenditure by legal basis (millions EUR)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)	2 668.704	3 150.678
(1) Compensation granted on the basis of the SGEI Decision	2 668.704	3 150.678
(2) Compensation granted on the basis of the SGEI Framework	Not applicable	Not applicable

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2. Description of the application of the 2012 SGEI DECISION

Section
2 b) Childcare
Clear and comprehensive description of how the respective services are organised in your Member State ⁹¹¹
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.
<p>Childcare is regulated by the Decree of 31 March 2014 on childcare and by the Government Order of 22 May 2014 on childcare facilities and other forms of childcare.</p> <p>Under <u>Article 1(12)</u> of the Order of 22 May 2014, childcare facilities encompass the following providers:</p> <ul style="list-style-type: none"> - <i>'child-friendly facilities (providers who mainly offer childcare for young children and, where applicable, out-of-school childcare through contracted carers);</i> - <i>crèches (providers who offer group childcare for young children and have a capacity of at least 18 places) (Article 1(9°) of the Order of 22 May 2014)</i> - <i>mini-crèches (providers funded by public or private bodies, who offer group childcare for young children and have a capacity of at least six places and at most 14 places); and</i> - <i>out-of-school facilities (providers who care for children out of school hours and during teacher training days).'</i>
Explanation of the typical forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
<p>The entrustment is based on the Decree of 31 March 2014 on childcare. A specific entrustment based on said Decree takes the form of a management contract, in accordance with <u>Article 13</u> of the Decree, which states that <i>'the subsidy and tasks may be determined in a management contract concluded between an approved provider and the government in accordance with Article 105 of the Decree of 25 May 2009 on the budget rules of the German-speaking Community.'</i></p> <p>The management contract for the 2016-2019 period was signed on 20 June 2016 by the Government of the German-speaking Community and the ASBL (non-profit association) <i>Regionalzentrum für Kleinkindbetreuung</i>.</p>
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?
<p>According to <u>Article 12</u> of the Decree of 31 March 2014, 'Only approved providers may obtain subsidies for childcare, within the limits of the available budget appropriations'.</p> <p>In accordance with <u>Article 13</u> of the Decree of 31 March 2014, the subsidy may be determined in a management contract concluded between an approved provider and the government. Said management contract provides for the subsidy to be paid in the form of 12 monthly instalments.</p>

¹ If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Furthermore, the approval granted by the government in accordance with Chapter 2 of the Decree of 31 March 2014 means that the following conditions are met (Article 7 of the Decree of 31 March 2014):

'In order to be approved, providers must at least meet the following conditions:

1. Persons active in childcare shall produce a criminal record certificate (model 2) for themselves and, if the childcare is provided in their home, for any adult persons who form part of the household and/or who will be in regular contact with the children being cared for. If these persons are resident abroad, they shall produce an equivalent document issued by a competent authority and allowing access to an activity in the area of education, psycho-medical-social guidance, youth work, child protection, and entertainment or care of minors.

2. Persons active in childcare shall produce a medical certificate dated no more than two months previously confirming that they are fit to care for children.

3. If this is not apparent from the medical certificate referred to in subparagraph 2°, female persons active in childcare and under 55 years of age shall produce a medical certificate confirming that they and, if the childcare is provided in their home, female members of their household under 55 years of age have been vaccinated against rubella. The refusal of any future vaccination shall be permitted only on production of a duly justified relevant medical certificate.

4. Persons active in childcare undertake not to carry out any professional or non-professional activity that is incompatible with childcare or that could prevent them from caring for children during working hours.

The childcare shall be provided in an appropriate environment and in premises that are large enough, safe and clean. The government shall lay down the applicable criteria in this regard and shall check the premises as part of the approval procedure referred to in Article 8. The safety of the premises shall in particular be proven by a positive opinion on fire safety issued by the competent commander of the fire service.

The childcare shall be provided in accordance with the capacity and maximum number of children who can be cared for simultaneously. The government shall lay down the general framework.

The government shall provide further detail on the conditions for approval referred to in the first paragraph and may lay down other conditions if these could help to improve the quality of childcare.'

In accordance with Article 9 of the Decree of 31 March 2014, 'In order to remain approved, approved providers shall fulfil the obligations set out in this Decree, including the obligations imposed on approval and set out in Article 7.

The government may lay down other obligations to be fulfilled in order to remain approved, if these could help to improve the quality of childcare.'

Article 45 of the Order of 22 May 2014 further states that approval is granted for an unlimited duration.

During the period of approval, the care services are subject to certain reporting obligations in accordance with the Order of 22 May 2014:

'Article 33. Except in the first year of childcare provision, childcare facilities shall provide the department, no later than 1 February of each year, with a summary list of the staff actually employed during the previous calendar year.

This list contains the following data for each staff member: name, date of birth, diploma or qualification, position, entry into employment, actual length of service, work pattern, nature of any subsidies granted under measures encouraging employment, salary scales applied and gross annual salary.

Article 34. 1 - Except in the first year of activity, childcare facilities shall provide the department, no later than 1 June, with an activity report for the previous calendar year.

<p><i>This activity report must set out:</i></p> <ol style="list-style-type: none"> <i>1. the number of opening days and the opening hours;</i> <i>2. the total number of attendances;</i> <i>3. the total number of average attendances;</i> <i>4. the requests made for the childcare of young children that have been met and that have not been met;</i> <i>5. the analysis and evaluation of the activities;</i> <i>6. the prospects for the future of the childcare facility;</i> <i>7. the number and position of persons actually employed, including – where applicable – contracted carers;</i> <i>8. the average number of continuing training sessions attended.</i> <p><i>2 - Childcare facilities subsidised by the German-speaking Community shall provide the department, at the same time as the activity report referred to in paragraph 1, with an income statement and balance sheet for the previous care year and a budget forecast for the next care year.</i></p> <p><i>3 - If the activity report, balance sheet, income statement or budget forecast is submitted late, part of the subsidy may be withheld. This will be 5% for a delay of one month and 10% for a delay of two months or more.</i></p> <p><u><i>Article 35. Childcare facilities shall keep an attendance record.</i></u></p> <p><i>For each child cared for, they shall have a file containing at least the following information:</i></p> <ol style="list-style-type: none"> <i>1. surname, forename and address of the child;</i> <i>2. name, address and telephone number of the contact person(s);</i> <i>3. name, address and telephone number of the family doctor;</i> <i>4. specific information on the child's health where this is relevant for daily contact with the child.'</i> <p><i>Moreover, the care services are subject to supervision by the Government in accordance with <u>Article 49</u> of the Order of 22 May 2014:</i></p> <p><i>' 1 - The department shall inform the inspectorate of any cases where it believes, based on the information available to it, that a childcare facility is not fulfilling one or more of the obligations set out in the Decree or in this Order.</i></p> <p><i>2 - If the inspectorate concludes, based on a report in accordance with paragraph 1 or any other report or information, that the childcare facility is not fulfilling one or more of the obligations set out in the Decree or in this Order, it shall invite the childcare facility to comply within 30 days.</i></p> <p><i>Through a reasoned request, the childcare facility may, no later than 10 days before the time-limit referred to in the first subparagraph expires, ask the inspectorate to extend this time-limit once only for a maximum of 30 days.</i></p> <p><i>3 - In an emergency, the inspectorate may impose an immediate change through a specifically reasoned decision.'</i></p>	
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.	
Not applicable.	
Which aid instruments have been used (direct subsidies, guarantees, etc.)?	
Infrastructure subsidies, regulated by the Decree of 18 March 2002 on infrastructure, are granted together with a staff cost subsidy, in accordance with the Order of 22 May 2014 on childcare facilities and other forms of childcare.	
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.	

Infrastructure subsidies

The subsidy rate is determined in accordance with the first paragraph of Article 16 of the Decree of 18 March 2002 on infrastructure, which stipulates that 'For the infrastructure projects referred to in Article 2, first paragraph, subparagraphs 1° to 5° and 7° to 10°, the subsidy shall represent 60% of the total amount of expenditure that can be taken into account for the purpose of subsidisation'.

The basis for calculating infrastructure subsidies is determined in accordance with Article 17 of the Decree of 18 March 2002 on infrastructure:

'1. For the infrastructure projects referred to in Article 2, first paragraph, subparagraphs 1°, 3° to 5° and 7° to 10°, the total amount of expenditure that can be taken into account for the purpose of subsidisation shall include all the costs actually incurred in connection with the infrastructure projects, particularly the cost of labour and materials, the price revision provided for by law, the costs of the safety coordinator provided for by law, site insurance and/or site surveillance, VAT where this is not recovered, and the fees of project managers, architects, engineers and other experts.

Up to the agreed ceilings, costs resulting from derogations from the approved project can be taken into account as eligible expenditure if the envisaged derogations were notified to the government before the work was carried out and if these do not involve major changes to the project. Major changes to the project must be approved in advance by the government.

No later than the final statement, the applicant shall submit the following documents to the government:

- a detailed statement of reasons for the derogation;*
- the documents needed for the infrastructure project, provided for in Article 21, if they have not yet been submitted.*

Eligible expenditure incurred before the government gives its definitive promise in order to prepare the application referred to in Article 21 may be subsidised only where the infrastructure project in question is subsidised.

2. For the infrastructure projects referred to in Article 2, first paragraph, subparagraph 2°, the subsidy shall be calculated on a basis that cannot exceed the estimate made by the competent receiver of registration fees, the competent official from the state property purchase committee or an estimator approved by the government), (plus the measuring and notary costs and possibly plus the early repayment or emphyteutic charge provided for by law or paid by the authorities.

The total amount of expenditure that can be subsidised in the infrastructure projects referred to in Article 2, first paragraph, subparagraph 6°, shall include the sale price approved by the government, VAT where this is not recovered, and fees of designers.

3. Where an infrastructure project can be subsidised by other authorities, those subsidies must be requested. Except for the subsidy granted by the municipality in which the applicant is established, those subsidies shall be deducted from the overall project cost before the subsidy granted under this Decree is calculated. This shall also apply to any grant made by other authorities or public institutions and to any compulsory contributions to the costs, except for the contribution to the costs paid by the user of the infrastructure if said user can be subsidised.'

Staff cost subsidy

The amount of the staff cost subsidy is determined based on the Order of 22 May 2014:

'Article 159. Without prejudice to any management contract concluded in accordance with Article 13 of the Decree, approved childcare centres may obtain subsidies in accordance with the provisions of this Chapter within the limits of the available budget appropriations.

Article 160. The following staff costs incurred by childcare centres may be subsidised:

- 1. 1 full-time equivalent for the manager referred to in Article 156;*
- 2. 0.5 full-time equivalent for the educational supervisor referred to in Article 157;*

<p><i>3. 1 full-time equivalent for the administrative assistant referred to in Article 157.1.</i></p> <p><i>The Government Order of 22 June 2001 laying down the calculation bases for the subsidy of staff costs in the social affairs and health sectors shall apply to the subsidy of staff costs.</i></p> <p><i>Only costs for staff members with the diplomas referred to in Articles 156, 157 and 157.1 shall be taken into account.</i></p> <p><i><u>Article 161.</u> No later than six weeks after the end of each quarter, the childcare centre shall provide the department with quarterly evidence for the subsidy.</i></p> <p><i>If the quarterly evidence is submitted late, 5% of the subsidies may be withheld if the delay is one month or 10% if the delay is two months or more.</i></p> <p><i><u>Article 162.</u> Without prejudice to Article 159 and after verification by the department, the minister shall grant the subsidies referred to in this section to the centre applying for these. Subsidy applications shall be submitted to the department together with any evidence required.'</i></p>
<p>Typical arrangements for avoiding and repaying any overcompensation.</p>
<p><u>Infrastructure subsidies</u></p> <p>In principle, overcompensation is not possible for the infrastructure subsidies as 'the subsidy shall be paid on completion or acceptance of the work or after purchase, based on accounting documents and evidence of payment, and after the insurance policies referred to in Article 13 have been notified.' (Article 18(1) of the Decree of 18 March 2002 on infrastructure).</p> <p>Moreover, the total subsidy can be paid in the form of proportional instalments. The detailed progress reports submitted for this purpose must be approved by the project owner or the architect and must correspond each time to at least €10 000. However, the proportional payments cannot exceed 90% of the total subsidy. (Article 18(2) of the Decree of 18 March 2002 on infrastructure). 'On completion or acceptance of the work, a final statement shall be produced with all the necessary evidence and any derogations from the work specified in the schedule of conditions shall be the subject of a reasoned statement.' (Article 18(3) of the Decree of 18 March 2002 on infrastructure).</p> <p><u>Staff cost subsidy</u></p> <p>Once again, overcompensation is not possible in principle, as the subsidy is granted quarterly after supporting documents have been submitted and checked by the competent department. Furthermore, if the quarterly evidence is submitted late, 5 to 10% of the subsidies may be withheld. (<u>Articles 161 and 162</u> of the Order of 22 May 2014).</p>
<p>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), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).</p>
<p>Not applicable</p>
<p>Amount of aid granted</p>

Total amount of aid granted (in millions EUR) ² . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
€2 668.704	€3 150.678
A: Total amount of aid granted (in millions EUR) paid by national central authorities ³	
2018	2019
B: Total amount of aid granted (in millions EUR) paid by regional authorities ⁴	
2018	2019
C: Total amount of aid granted (in millions EUR) paid by local authorities ⁵	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁶	
2018	2019
1 beneficiary (legal status: non- profit organisation - ASBL)	1 beneficiary (legal status: non- profit organisation - ASBL)

² As stipulated in Article 9(b) of the 2012 SGEI Decision.

³ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

⁴ See footnote 3.

⁵ See footnote 3.

⁶ The Commission would welcome any information you might have about the aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

Annex 1

ANNEX I

Services of General Economic Interest: guidance for the report to be submitted following the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every two years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- a) a description of the application of this Decision to the services falling within its scope, including in-house activities;*
- b) the total amount of aid granted in accordance with this Decision, with a breakdown by the economic sector of the beneficiaries;*
- c) an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties, and;*
- d) any other information concerning the application of this Decision required by the Commission and to be specified in due time before the report is to be submitted.*

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

1. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (in EUR million)		
	2018	2019
<i>Compensation for Services of General Economic Interest (1+2)</i>		
(1) Compensation granted on the basis of the SGEI Decision		
(2) Compensation granted on the basis of the SGEI Framework		

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by using the following sections:

- 1) Hospitals providing medical care, including, where applicable, emergency services (Article 2(1)(b));
- 2) Social services (Article 2(1)(c));
 - a) Healthcare and long-term care;
 - b) Childcare;
 - c) Access and reintegration into the labour market;
 - d) Social housing;
 - e) Care and social inclusion of vulnerable groups;
 - f) Other social services (where applicable)
- 3) Air or maritime links to islands with average annual traffic not exceeding the limit set in Article 2(1)(d);
- 4) Airports and ports with average annual traffic not exceeding the limit set in Article 2(1)(e);
- 5) SGEI compensation not exceeding an annual amount of EUR 15 million (Article 2(1)(a));
 - a) Postal services;
 - b) Energy;
 - c) Waste collection;
 - d) Water supply;
 - e) Culture;
 - f) Financial services;
 - g) Other sectors (please specify).

For each of the items outlined above please provide information in the form of the following table:

<p>Point:</p> <p>1) Hospitals providing medical care, including, where applicable, emergency services (Article 2(1)(b));</p>
<p>Clear and comprehensive description of how the respective services are organised in your Member State¹</p>
<p>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.</p>
<p>1. Hospitals (Article 2(1)(b))</p> <p style="text-align: center;">I) Federal Government</p> <p>All Belgian hospitals, regardless of their type, size or legal form, essentially fulfil the same service of general economic interest (SGEI), i.e. providing hospital care. This SGEI is defined by the Consolidated Act of 10 July 2008 on Hospitals and Other Care Institutions (<i>Gecoördineerde wet op de ziekenhuizen en andere verzorgingsinrichtingen</i>) (the Hospitals Act) and its implementing decrees. Some hospitals, however, may also have been entrusted with other SGEI, which may have their own funding mechanism.</p> <p>The mission entrusted to hospitals is defined mainly in Article 2 of the Hospitals Act which provides:</p> <p style="padding-left: 40px;"><i>‘For the purposes of this Consolidated Act, hospitals shall be considered to be healthcare institutions where specialised medical examinations and/or specific treatments, coming under medicine, surgery and possibly obstetrics, can be provided at any time in a pluridisciplinary context, within the necessary, adapted medical, medical-technical, nursing, paramedical and logistical framework, to patients who have been admitted there and may stay there because their state of health requires this combination of care in order to treat or relieve the illness, restore or improve the state of health or stabilise the injuries as quickly as possible.</i></p> <p style="padding-left: 40px;"><i>These hospitals provide a <u>service of general interest</u>.</i></p> <p>Article 2 of the Hospitals Act includes the basic characteristics necessary for a care institution to be classified as a ‘hospital’. It also defines, in general terms, the public service for which the hospital receives funding. The service must be provided in a multidisciplinary context and within an adapted framework. It must always be possible for patients to spend the night in the institution.</p>

¹ If in a certain sector only a small number of individual SGEI exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because responsibility lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

The required framework is defined in greater detail in the 'accreditation standards', for which the federated entities have been responsible since the sixth State reform. These standards guarantee a minimum level of quality which a hospital's public service must meet. If a care institution meets the accreditation standards, the institution can receive an 'accreditation' from the responsible regional authority.

The accreditation standards determine the necessary medical, medical-technical and logistical framework and consist primarily of functional, architectural and staffing standards. The accreditation granted relates to both the hospital as a whole, pursuant to the Royal Decree of 23 October 1964 setting standards to be met by hospitals and their services (*Koninklijk besluit van 23 oktober 1964 tot bepaling van de normen die door de ziekenhuizen en hun diensten moeten worden nageleefd*) and to each of the hospital services, functions and care programmes run by the hospital. Specific standards apply to each hospital function, service or healthcare programme.

In other words, the standards ensure that the hospitals perform their service of general interest correctly. To this end, the federated entities carry out the necessary inspections and issue individual accreditation decisions if the hospital services meet the standards.

However, not all care institutions are eligible for funding. Supply planning is used in order to maintain the financial balance of the Belgian hospital system. In principle, only institutions which are included in 'programming' are eligible for funding for the services they provide.

In short, hospital services are governed by three main principles derived from the hospital legislation: programming, accreditation, and funding. In the first instance, care institutions are required to comply with the definition under Article 2 of the Hospitals Act. A decision is then taken as to whether the services provided by a hospital fit within a programme, after which the hospital's services, functions, care programmes, etc., can be accredited by the responsible authority, provided that the accreditation standards have been satisfied. Only once these three conditions have been met, can the funding authority, which in the context of hospital funding is typically the Federal Government, effectively allocate the funding.

In addition to this unique mission, there is an additional SGEI for hospitals with a 'paramedic' and/or 'emergency care' function: urgent medical assistance, within the meaning of the Act of 8 July 1964 on urgent medical assistance (*Wet van 8 juli 1964 betreffende de dringende geneeskundige hulpverlening*).

In general, the Federal Government remains responsible for organic legislation, the basic rules for programming and the financing of operations when these are organised by the organic legislation.

II) Specific to the Flemish Community

The impact of the sixth State reform is two-fold.

Firstly, the Flemish Community is responsible for the accreditation standards for all hospitals, on the understanding that the legislation enacted may not contain any organic legislation and may not have an impact on medical practice.

Accreditation standards determine the criteria to be met by a hospital, hospital service, care programme, function and medical-technical service to be accredited. These criteria may be, for example:

- Nature and content of the care
- Required infrastructure
- Spatial elements, for example possessing specific functions or services
- Quality standards and monitoring

Secondly, A1/A3 within the financial resources budget has also been transferred to VIPA (Flemish Infrastructural Fund for Personal Welfare). (This refers to the financial settlement of investments approved before the 6th State reform.)

As a result of the 6th State reform, the Flemish Community is also fully responsible for the healthcare policy in the eight rehabilitation clinics (specialised hospitals, individual geriatric and specialised treatment and rehabilitation clinics), including the financing of the operating costs. (Services included in the nomenclature are still financed by RIZIV/INAMI.)

III) Walloon Region

In accordance with Article 3(6) of the Decree of 11 April 2014 on the powers of the French Community, the exercise of which has been transferred to the Walloon Region and to the French Community Commission (*Décret relatif aux compétences de la Communauté française dont l'exercice est transféré à la Région wallonne et à la Commission communautaire française*), the Walloon Region exercises the powers in relation to health which had been delegated to the French Community, as referred to in Article 5(1) of the Special Act of 8 August 1980 reforming the institutions (*bijzondere wet van 8 augustus 1980 tot hervorming der instellingen*) (as last amended by Article 6 of the Special Act of 6 January 2014), with the exception of:

- a) university hospitals;
- b) rehabilitation agreements concluded with the hospitals referred to under point a);
- c) Royal Academy of Medicine of Belgium (*Koninklijke Academie voor Geneeskunde van België*);
- d) accreditation and introduction of quotas for healthcare professions;
- e) activities and services for preventive medicine for babies, children, pupils and students;
- f) matters coming under the missions entrusted to the *Office de la Naissance et de l'Enfance* (ONE);
- g) sports medicine check-ups;
- h) the *Société scientifique de médecine générale*.

The Walloon Region is responsible with regard to hospital policy for issuing the accreditation standards to be met by hospitals, hospital services, healthcare programmes and hospital functions.

It is also responsible for the financing of the hospitals' infrastructure and the medical-technical services (previously headings A1 and A3 of the financial resources budget of the hospitals).

The former financing system (regulatory provisions) was abolished on 1 January 2018 by Article 2 of the Walloon Government Decree of 17 December 2015, as amended by the Walloon Government Decree of 20 July 2017 repealing and amending certain provisions concerning the subsidisation of hospital investments, adopted in implementation of the Hospitals and Other Care Institutions Act, consolidated on 10 July 2008 (*Arrêté du Gouvernement wallon abrogeant et modifiant certaines dispositions relatives au subventionnement des investissements hospitaliers, prises en exécution de la loi sur les hôpitaux et autres établissements de soins, coordonnée le 10 juillet 2008*).

This former financing system has however remained in force (Article 3 of the aforementioned Walloon Government Decree of 17 December 2015):

1/ for the financing of investments in infrastructure and medical-technical services supplied by the Federal Government, on behalf of the communities, in accordance with Article 47/9, § 4, of the Special Act of 16 January 1989 on the financing of the Communities and Regions (*Loi spéciale relative au financement des Communautés et des Régions*) (in practical terms, this refers to the payment of the subsidies granted over the depreciation period for investments made by the hospitals before 1 January 2016);

2/ for the financing of investments occurring in the extension needed to finalise the construction schedule established in the protocol agreement concluded in the context of the Inter-Ministerial Conference on Public Health of 19 June 2006 (in practical terms, one hospital still comes under this provision, which was intended to ensure continuity of financing until the construction works were completed).

In 2017, the Walloon Region adopted a new financing mechanism for hospital infrastructure (Decree of 9 March 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals (*Décret relatif au prix d'hébergement et au financement de certains appareillages des services médico-techniques lourds en hôpital*), implemented by the Walloon Government Decree of 20 July 2017 implementing the Decree of 9 March 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals). This new mechanism entered into force on 1 July 2017.

The call for investment programmes for the first construction plan was published in the *Belgisch Staatsblad/Moniteur belge* on 27 March 2018 (Ministerial Decree of 12 March 2018). The first construction plan under this new financing was approved by the Walloon Government on 1 April 2019. 260 projects were selected.

IIIa) French Community

The French Community is responsible for:

- a) the four university hospitals;
- b) the agreements with the outpatient rehabilitation centres that depend on the four university hospitals
- c) accreditation and introduction of quotas for healthcare professions;
- d) activities and services for preventive medicine for babies, children, pupils and students;
- e) under the supervision of the *Office de la Naissance et de l'Enfance* (ONE);

- f) sports medicine check-ups;
- g) the *Société scientifique de médecine générale*;
- h) the appointment of the Permanent Secretary of the Royal Academy of Medicine.

More specifically, the Fédération Wallonie Bruxelles is responsible, with regard to the hospital policy of the university hospitals (Cliniques universitaires Saint-Luc in Woluwé-St-Lambert, ERASME university hospital in Anderlecht, Mont-Godinne university hospitals in Yvoir and the Sart-Tilman University Hospital Centre in Liège), for issuing the accreditation standards to be met by hospitals, hospital services, care programmes and hospital functions.

It is also responsible for the financing of the hospitals' infrastructure and the medical-technical services (previously headings A1 and A3 of the financial resources budget of the hospitals) of these four French-speaking university hospitals.

The former financing system (regulatory provisions) was abolished on 1 January 2016. The Decree of 13 July 2016 on financing of the maintenance and equipment of university hospital infrastructure (*Décret portant financement de l'entretien et de l'équipement des infrastructures hospitalières universitaires*) was enacted for the transfer of these powers. (This refers to flat-rate financing of medical and non-medical equipment, mobile equipment and medical-technical equipment.)

The Fédération Wallonie Bruxelles adopted a new financing mechanism for future hospital infrastructure in 2017 (Decree of 19 July 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals, implemented by the Decree of the Fédération Wallonie Bruxelles of 20 December 2017 implementing the Decree of 19 July 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals). This new mechanism came into effect on 1 July 2017. The call for investment programmes for the first construction plan was launched in 2018.

In general, the Federal Government remains responsible for organic legislation, the basic rules for programming and the financing of operations when these are organised by the organic legislation.

Since January 2019, the French Community also has responsibility for the agreements for the outpatient rehabilitation centres, which had previously been managed by RIZIV/INAMI, and it regularly makes advance payments to the regional insurance institutions, which in turn refund the lump sums owed to the outpatient rehabilitation centres.

IV) Common Community Commission

The Common Community Commission (hereinafter, CCC) regulates and manages the Community responsibilities in the Brussels Region which are common to both Communities (French-speaking and Dutch-speaking).

In the Brussels Capital Region, institutions responsible for so-called 'person-related matters' (health and social welfare) choose which Community they belong to, or may opt out of making that choice. If they choose not to identify with either Community, these institutions fall under the CCC and are called 'bi-Community institutions' or 'bi-person-related institutions'.

The CCC entrusts a service of general interest to:

- Hospitals: each healthcare institution as defined by Articles 2 and 3 of the Consolidated Act of 10 July 2008 on Hospitals and Other Care Institutions ('the Hospitals Act').
- Forms of collaboration between hospitals: each form of regulated partnership between hospitals pursuant to the Order of 4 April 2019 on accreditation, programming and accreditation procedures of hospitals, forms of partnership between hospitals or hospital activities ('the Hospitals Order' and/or the Hospitals Act).
- Hospital activities: hospital service, hospital department, hospital function, medical service, medical-technical service, care programme or other care and/or diagnostic activity of a hospital subject to obligatory accreditation pursuant to the Hospitals Order and/or the Hospitals Act.
- Psychiatric care homes: the temporary residence for psychiatric patients within the meaning of Article 6 of the Hospitals Act.

V) German-speaking Community

The German-speaking Community is responsible for hospital policy with regard to establishing the accreditation standards to be met by hospital services, care programmes and hospital functions.

In addition, the German-speaking Community is also responsible for financing the hospital infrastructure.

In general, the Federal Government remains responsible for organic legislation, the basic rules for programming and the financing of operations when these are organised by the organic legislation.

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

I) Federal Government

As has already been explained above, the hospitals' entrustment consists of various decisions taken at various levels of authority: programming, accreditation and funding.

A hospital service, a hospital function or a care programme is included in a programme, where appropriate. The Federal Government determines any programming and therefore decides **how many services, functions, care programmes, etc. may receive funding**.

Not all medical services, functions, medical-technical services or care programmes receive funding. The responsible regional authorities inspect the hospitals and, in the event of a positive assessment, issue accreditations to the programmed services, functions and care programmes. In other words, the responsible regional authorities determine which **hospitals are eligible for funding**.

The responsible regional authority takes individual accreditation decisions to this end. However, the decision to award funding provides the cornerstone. The **'financial resources budget'** is **established and granted by the Federal Minister for Public Health for each hospital separately**, within an annual (corresponding to a calendar year) overall budget, which is adopted in a Royal Decree submitted to the Council of Ministers².

The Minister informs the hospital manager of the individual decision together with the reasons for that decision. The decision is also reported to the *Federale Raad voor Ziekenhuisvoorzieningen* (Federal Council for Hospital Facilities)³. This Council is made up of experts, representatives of hospital managers, representatives of doctors and nurses and representatives of the health insurance institutions⁴.

II) Specific to the Flemish Community

For the services, functions and care programmes for which the Federal Government has established the programming, the Flemish Community first issues an authorisation for consideration in the planning. This takes place in accordance with the provisions set out in the Flemish Government Decree of 18 February 1997 establishing the procedure for obtaining a planning permit and an operating licence for intramural and transmural care facilities.

All hospital services, functions, departments, medical-technical services and care programmes are accredited in accordance with the Hospitals Act and its implementing decrees (Royal Decrees and Flemish Government Decrees). Accreditation takes place in accordance with the provisions of the Flemish Government Decree of 25 April 2014 establishing the procedures for healthcare facilities (*Besluit van de Vlaamse Regering van 25 april 2014 tot vaststelling van de procedures voor de gezondheidszorgvoorzieningen*) and takes the form of a decision signed by the Administrator General of the Agency for Care and Health (*Agentschap Zorg en Gezondheid*).

A template of the accreditation decision is annexed. This is simply an example of accreditation for hospital beds.

The Flemish Government does not have a template for a planning permit.

III) Walloon Region

The hospitals under the responsibility of the Walloon Region must be accredited in accordance with the Hospitals Act and its implementing decrees.

This accreditation takes the form of a Ministerial Decree, signed by the Walloon Minister for Health, and identifies all the services, functions, departments, medical-technical services and care programmes accredited in the institution, as well as the number of beds.

A template of the accreditation extension is enclosed as an annex to this report.

² Article 95(1) Hospitals Act.

³ Article 108 Hospitals Act.

⁴ Article 33 Hospitals Act.

IIIa) French Community

The French Community and Walloon Region (AViQ) administrations cooperate closely on the technical and administrative aspects of handling accreditation files. However, the accreditation decisions are signed by the Minister of the French Community responsible for the university hospitals.

IV) Common Community Commission

A SGEI mission is entrusted to hospitals and psychiatric care homes by accreditation, as is the type of partnership between hospitals or the hospital activity.

V) German-speaking Community

Accreditation standards:

The hospital services, care programmes and hospital functions under the responsibility of the German-speaking Community must be accredited in accordance with the Hospitals Act and its implementing decrees.

The accreditation procedure is described in the German-speaking Community Government Decree of 19 April 1995.

Infrastructure financing:

The German-speaking Community finances, on the one hand, past charges for financing hospital infrastructure (commitments entered into at federal level before the sixth State reform and transferred to the Communities; to be paid until 2048) via headings A1 and A3 of the financial resources budget and, on the other hand, the new infrastructure investments under the provisions of the Decree of 18 March 2002 on infrastructure.

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?

i) Federal Government

There is no time limit as far as the 'programming decision' is concerned. Programming is established taking into account the general and specific needs of the population. To this end, criteria are determined that, among other things, take into account the population figures, age structure, morbidity and geographical distribution.

Accreditation is granted by the responsible regional authority, which also specifies the period for which the accreditation is given:

- **Flemish Community:** A 'provisional accreditation' is granted for a period of six months, which, upon reasoned request by the management authority, may be extended once by a maximum of six months.

An 'accreditation' is granted:

1. for the general hospitals and for the hospital services of general hospitals: for an indefinite period;
2. for the psychiatric hospitals and for the hospital services of psychiatric services of psychiatric hospitals: for a maximum period of six years, which may be extended.

This is in implementation of the Flemish Government Decree of 25 April 2014.

- **Walloon Region:** provisional approval is granted for a period of six months, with the possibility of extending this provisional approval for one or more periods of six months. At the end of the provisional approval period, the hospital is approved for a maximum of five years. This approval is extended every five years.
- **French Community:** provisional approval is granted for a period of six months, with the possibility of extending this provisional approval for one or more periods of six months. At the end of the provisional approval period, the hospital is approved for a maximum of five years. This approval is extended every five years.
- **CCC:** a 'provisional accreditation' for a period of six months which may be extended and/or an 'accreditation' for a period of maximum six years, which may be extended.
- **German-speaking Community:** provisional approval initially for six months + extension of provisional approval + final approval (often for five years) + extension of the final approval.

The funding is provided via the allocation of the financial resources budget to each hospital, which in each case runs from 1 July up to and including 30 June of the following year.

Thus, in the context of hospital funding, no entrustments are assigned to hospitals for a period longer than 10 years. This is also laid down in law in the Hospitals Act [1].

ii) Flemish Community:

With respect to the duration of the underlying subsidies, compared to the previous questionnaire, it is necessary to take into account, in addition to the ongoing alternative subsidies, the new lump-sum subsidisation.

Alternative subsidies:

The utilisation grant is allocated for 20 consecutive years (Article 12 of the Flemish Government Decree of 18 March 2011 laying down rules for the alternative investment subsidies granted by VIPA (*Besluit van de Vlaamse Regering tot regeling van de alternatieve investeringssubsidies, verstrekt door het VIPA*)). In 2015, a number of facilities also opted for the one-off disbursement of the capital balance (Flemish Government Decree of 11 September 2015 regulating one-off disbursements of alternative investment subsidies granted by VIPA (*BVR van 11 september 2015 tot regeling van de eenmalige uitbetaling van de alternatieve investeringssubsidies, verstrekt door het Vlaamse Infrastructuurfonds voor Persoonsgebonden Aangelegenheden*)).

In both cases, the building must be used for a minimum of 25 years (Article 87 of the Flemish Government Decree of 18 March 2011 in conjunction with the Decree of 23 February 1994).

The long subsidy duration can be justified by the special investments required by the hospitals, which have to be written off over a period longer than 10 years.

Lump sums:

In addition, since 2017, lump sums have also been paid (see below) for investments and maintenance. Although these lump sums are paid for an indefinite period, they are associated with the duration of the public service obligation. In the underlying calculation, the lump-sum amounts take into account the economic lifetime during the lifecycle of the underlying assets. In addition, the lump sums are updated each year on the basis of the determining parameters, such as number of beds, operating theatres, etc. If, due to insufficient investments, the accreditation standards are no longer met, both the accreditation and the subsidisation are cancelled. As a result, the subsidies are in fact time-limited depending on the public service obligation conditions being fulfilled. The long subsidisation period can therefore also be justified here by the special investments required by the hospitals, which have to be written off over a period of more than 10 years.

Here too, the immovable property must be used for a minimum of 25 years.

III) Walloon Region

- A provisional accreditation of six months is granted to hospitals submitting an admissible accreditation application;
- This provisional accreditation may be extended by one or more identical terms;
- During the period of validity of the provisional accreditation, an inspection is carried out to check compliance by the hospital with the current accreditation standards;
- As a result of this inspection, the Minister may grant an accreditation to the hospital for a maximum period of five years;
- After these five years, a questionnaire is sent to the hospital and an inspection carried out with a view to the extension of its accreditation (circular letter procedure).
- Ad hoc inspections may be carried out in the accredited hospitals to check compliance with the accreditation standards.

IIIa) French Community

- Provisional accreditations of six months are granted to hospitals submitting an admissible accreditation application;
- These provisional accreditations may be extended by one or more identical terms;
- During the period of validity of the provisional accreditation, an inspection is carried out to check compliance by the hospital with the current accreditation standards;
- As a result of this inspection, the Minister of the French Community may grant an accreditation to the hospital for a maximum period of five years, or less in some cases. Where the standards are not being met, a more limited accreditation is issued pending compliance. In cases of non-compliance, the hospital must submit an action plan to remedy the shortcomings and must produce an annual progress report.

- After these five years, a questionnaire is sent to the hospital with a view to the extension of its accreditation for a further period of five years (circular letter procedure).
- Certain accreditations take place for an indefinite duration - immediately or after a period of temporary accreditation: mergers, partnerships, associations.

IV) Common Community Commission

The agencies of the United College of the CCC assess accreditation and ensure that the hospital or hospital service can be operational in circumstances compatible with the required standards.

A procedure is carried out to determine whether the standards have been met and whether the hospital, the type of partnership between hospitals or the hospital activity is integrated in the programming, at the end of which the institution receives:

- either a 'provisional accreditation' for a limited period of one year from the day of the application, which can be reviewed once;
- or an 'accreditation' for an indefinite period;
- or a 'refusal of accreditation'.

If it is established during the period of provisional accreditation or accreditation that the accreditation standards are no longer being met, a procedure to 'withdraw accreditation' can then be launched.

The justification for entrusting a SGEI for a period of more than 10 years is laid down in Article 11(1)(b) of the Services Directive: an authorisation granted to a provider shall not be for a limited period, except where the number of available authorisations is limited by an overriding reason relating to the public interest.

V) German-speaking Community

Accreditation standards:

- A provisional accreditation of six months is granted to hospitals submitting an admissible accreditation application;
- This provisional accreditation may be extended by one identical term;
- During the period of validity of the provisional accreditation, an inspection is carried out to check compliance by the hospital with the current accreditation standards (if an inspection is not possible, a detailed operating report is requested);
- As a result of this inspection, the Minister may grant an accreditation to the hospital for a maximum period of five years;
- Ad hoc inspections may be carried out in the accredited hospitals to check compliance with the accreditation standards.

There is no accreditation exceeding 10 years.

Infrastructure financing:

Infrastructure financing is undertaken:

- on the one hand, via the financial resources budget, which is calculated and communicated by FPS Health and accepted and paid for by the German-speaking Community.
The financial resources budget is communicated on 1 January and on 1 July of each year. A financing period starts on 1 July of year T and is valid until 30 June of year T+1. The financial resources budget is often updated on 1 January of year T+1.
- on the other hand, via subsidies under the provisions of the Decree of 18 March 2002 on infrastructure.
The subsidies are paid entirely to the hospitals on presentation of the supporting documents.

No entrustment lasting more than 10 years is granted to the hospitals in the context of financing hospital infrastructure.

[1] Article 105(1)(2)(a) of the Hospitals Act.

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

The right to operate as a hospital is assigned by the Federal Government to the organising authorities as part of the programming.

I) Federal Government

Article 81 of the Hospitals Act provides for the possibility of specifying certain medical treatments which must take place within a hospital framework⁵. To date, this provision has never been implemented. Therefore, no medical treatments are specified which have to be carried out exclusively by a hospital within the meaning of the Hospitals Act.

In addition, the list of heavy medical equipment must also be reported⁶. This list includes appliances or equipment for examinations and treatment, which are expensive either because of their purchase price or because they are operated by highly specialist staff⁷.⁷ Equipment on this list can be installed or run only after prior approval from the responsible regional authority. This requirement also applies to equipment which is set up outside a hospital environment and equipment for which no contribution is made to the investment costs.

This restriction is imposed because of the objective of monitoring the quality of care, controlling the population's exposure to radiation, centralising expertise and maintaining the financial balance of the healthcare system.

The list of heavy medical equipment includes the following appliances or devices:

- computed tomography (CT) scanner;

⁵ However, the article also allows for medical treatments to be specified which must take place outside a hospital framework.

⁶ Article 52 Hospitals Act.

⁷ Article 51 Hospitals Act.

- single-photon emission computed tomography scanner in combination with computed tomography scanner (SPECT-CT);
- positron emission tomography (PET) scanner;
- positron emission tomography scanner in combination with computed tomography scanner (PET-CT);
- positron emission tomography scanner in combination with magnetic resonance tomography scanner (PET-NMR);
- magnetic resonance tomography scanner (NMR), including the 'extremity-only' magnetic resonance tomography scanner;
- radiotherapy equipment with photon, proton, electron or hadron ion emission, including carbon ion therapy.

In addition, there are programming criteria for the PET scanner and the NMR. Accordingly, the Federal Government has laid down the maximum number of appliances which may be installed and run. However, it is the responsible regional authorities that decide which hospitals receive a licence and/or accreditation to run a service with a PET or NMR scanner. Furthermore, only hospitals are eligible to run such a service.

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

I) Federal Government

As has already been explained, Article 95 of the Hospitals Act provides that the financial resources budget for each hospital is fixed separately by the Minister for Public Health within an overall budget for the country as a whole. In other words, a budget is made available each year for the Belgian hospitals in the overall federal budget. This amount is then divided among the hospitals under the conditions and the calculation methods provided for by the Hospitals Act and its implementing decrees. The amount allocated depends, among other things, on the size and safe level of activity of the hospital and any special missions entrusted to the hospital (for example, university hospitals entrusted with teaching and research), the number of accredited services in the hospital, etc. The basis for the distribution is defined in Article 105 of the Hospitals Act. This Article specifies that the conditions and parameters for calculation of the compensation must be established by Royal Decree. The following points in particular must be determined in the Royal Decree:

'(...)

a) the period for which the budget is granted, which may not exceed 10 years apart from for the components of the financial resources budget which cover significant investment costs of the hospital requiring depreciation over a longer period, in accordance with generally accepted accounting principles;

b) the division of the budget into a fixed part and a variable part;

c) the criteria and the calculation methods, including the establishment of the activities accounted for and the terms for indexation;

d) with regard to the variable part, the compensation for the activities, in relation to a reference number, which are carried out in addition or which are not carried out;

- e) the establishment of the reference number referred to in the previous paragraph concerning the activity parameters taken into consideration;*
- f) the conditions and terms for review of certain elements;*
- g) offsetting against previous years, as referred to in Article 116 of the Hospitals Act (...)⁸.*

The details of these terms and conditions are contained in the Royal Decree of 25 April 2002 on establishing the financial resources budget for hospitals. The calculation parameters and terms of the financial resources budget are intended to cover the costs of hospitalisation, in accordance with Article 100 of the Hospitals Act⁹, and the costs from services provided in response to disasters or catastrophes, in accordance with Article 101 of the Hospitals Act, (and not to cover a series of costs established by law, in accordance with Article 102 of the Hospitals Act). Article 95 of the aforementioned Act specifies that the financial resources budget covers the financing of operating costs. In addition, these costs, under the general interest mission entrusted by law, as specified in Article 95, 'take into account only hospital care'.

To sum up, all hospitals are financed on the basis of identical rules. The financing relates only to the 'hospitalisation' heading.

The compensation mechanism consists of the allocation of financial intervention (the financial resources budget) in hospital costs, which is calculated a priori on the basis of the last known data at that time (accounting and financial data from previous years, data relating to charging for the activity in question). The compensation is subsequently revised on the basis of the actual figures, but this is examined in more detail in the next section.

The compensation is flat-rate and relates only to hospitalisation, including day surgery for outpatients, for:

- investment costs (immovable property, medical and non-medical equipment) and related financial costs [A1 and A2] (As a result of the sixth State reform, the financing of investment under section A1 has been transferred to the federated entities.)
- investment costs and costs of operating heavy medical equipment [A3 and B3] (As a result of the sixth State reform, the financing of investment under section A3 has been transferred to the federated entities.)
- operating costs of hospital services and 'common' services and covering the costs of related statutory obligations [B1, B4, B6, B9]
- costs of nursing and care staff [B2]

⁸ Article 105 of the Hospitals Act.

⁹ Article 100 of the Hospitals Act provides: 'Without prejudice to Article 97, the financial resources budget shall cover, on a flat-rate basis, the costs resulting from a stay on a ward and the provision of care to the hospital patients, including the hospital day-care patients, as defined by the King.'

- operating costs of the hospital pharmacy
[B5]

The 'compensation' given by the State in these various items, which are directly linked to the performance of the missions entrusted, is therefore State aid.

II) Specific to the Flemish Community

The State reform of 2014 transferred the financing of investment under sections A1 to A3 to the Flemish Government.

We therefore draw a distinction between VIPA support from before and after the sixth State reform.

Financial framework already present before the sixth State reform of 2014

Until 2014, hospitals could submit applications to the Flemish Government for the phased subsidisation of clearly defined investments in 20 equal annual utilisation grants. These projects were designated as 'construction schedule projects' and were also subsidised in part by the Federal Government (via the financial resources budget).

From 2014, no new commitments have been entered into. In 2014, the National Accounts Institute (INR-ICN) prescribed that the capital balance of all utilisation grants had to be charged to the budget. This full budgetary attribution has also given hospitals the option to have the outstanding capital balance of the utilisation grants paid to them in a lump sum.

Where a lump-sum subsidy payment was not selected (most lump-sum subsidies date from 2015), annual payments are still made until the twentieth utilisation grant has been paid.

The procedures for granting the subsidies were governed by the Flemish Government Decree of 18 March 2011 laying down rules for the alternative investment subsidies granted by VIPA. The procedure consists of three steps:

- care strategy plan
- technical-financial plan and agreement in principle
- utilisation grant

In the care strategy plan, the hospital formulates its vision for the next 10 years regarding the planned care provision in the region and its planned role in this. After approval of the care strategy plan, the hospital could apply to VIPA for approval of the technical-financial plan and to obtain agreement in principle. Three opinions (financial, functional and structural) were delivered, after which the file was submitted to a coordinating committee. Subject to a favourable opinion from this committee, the Minister could provide an agreement in principle in accordance with the available financial resources. The institution had to issue a commencement order within two years of that agreement in principle. An application could be made for a utilisation grant for the first time in the calendar year following that commencement order at the earliest.

In the meantime, all parties concerned have already given a commencement order and, as stated, no additional agreements of principle are possible any more.

In addition, the Flemish Community could provide security for loans for subsidised investments. Further details are laid down in the Flemish Government Decree of 16 July 2010 establishing the investment subsidy and the structural and physical engineering standards for care facilities (*Besluit van de Vlaamse Regering van 16 juli 2010 tot vaststelling van de investeringssubsidie en de bouwtechnische en bouwfysische normen voor de verzorgingsvoorzieningen*) ('sector Decree'), the Flemish Government Decree of 18 March 2011 laying down rules for the alternative investment subsidies granted by VIPA, and the Flemish Government Decree of 8 November 2013 facilitating infrastructure financing via the alternative investment guarantee granted by VIPA (*Besluit van de Vlaamse Regering van 8 november 2013 tot facilitering van de infrastructuurfinanciering via de alternatieve investeringswaarborg, verstrekt door het VIPA*).

Subject to a favourable financial opinion, VIPA was able to guarantee loans up to a maximum limit. The institution paid a guarantee premium for this and had to grant VIPA consent to establish securities. **From 2017, there were no further loan contracts guaranteed for the hospitals.**

The basic amount of the subsidies for the investments covered by VIPA was determined on the basis of a flat-rate amount per m² of the eligible area, corresponding to a maximum of 60% of the capped cost (exception: priority investments at 10%). This amount is paid in 20 annual utilisation grants, which also cover the cost of the pre-financing.

The applicant could call on the financial resources budget for the additional part (40% or 90% in the case of priority investments) which was not subsidised by VIPA and for certain types of investments which were subsidised at 100% only by the Federal Government (major maintenance, non-priority reconditioning works, investments in sustainable development, etc.).

The amount of the guarantee was also limited to $(10/6) \times$ basic amount of the VIPA subsidies \times 75%. The guarantee ensured lower funding costs, without VIPA intervening expressly in the funding costs (in that respect, the guarantee could not involve overcompensation of the funding costs either).

Subsidy flows resulting from the sixth State reform

From 2016, the expenditure on investments commissioned in section A1-A3 has been paid by the Social Security institutions on behalf of VIPA. This is a continuation of the former flows, as already mentioned in the previous SGEI reports.

In addition, from 2017, the following subsidy mechanisms have been launched:

- the strategic and maintenance lump sum: Flemish Government Decree of 14 July 2017 on the subsidisation of hospital infrastructure (*Besluit Vlaamse Regering van 14 juli 2017 betreffende de subsidiëring van infrastructuur van ziekenhuizen*) ('Subsidy Decree') and Flemish Government Decree of 14 July 2017 providing procedural rules for the subsidisation of hospital infrastructure (*BVR van 14 juli 2017 houdende de procedureregels voor de subsidiëring van infrastructuur van ziekenhuizen*) ('Procedure Decree');

- equipment financing: Flemish Government Decree on the subsidisation of equipment and appliances of the hospital medical-technical services and amending the Royal Decree of 25 April 2002 on establishing and settlement of the financial resources budget for hospitals regarding the financing of the costs of the aforementioned equipment and appliances (*Besluit van de Vlaamse Regering betreffende de subsidiëring van de uitrusting en apparatuur van de medisch-technische diensten van de ziekenhuizen en tot wijziging van het koninklijk besluit van 25 april 2002 betreffende de vaststelling en de vereffening van het budget van financiële middelen van de ziekenhuizen, wat de financiering van de lasten van de voormelde uitrusting en apparatuur betreft*).

The lump sums are characterised by:

- the strategic lump sum covers new building, extension and reconditioning of the hospital. The maintenance lump sum covers the expenditure for maintenance investments;
- the strategic lump sum is obtained following an application which fits within a care strategy plan, whereas the maintenance lump sum is submitted to the hospital without an application having to be made for it;
- both lump sums are calculated on the basis of objective parameters (beds, operating theatres, etc.) with compensation for interest and limited indexation;
- the lump sums are paid for an unlimited period.

The strategic lump sum must fit within the Flemish care strategy plan, as determined by the Flemish Government. As in the case of VIPA subsidisation via utilisation grants, opinions (financial, functional and structural) are delivered, after which the file is submitted to a coordinating committee. After this committee has issued its opinion, the Minister can strategically issue an agreement, depending on the available financial resources. Within two years of the agreement, the applicant must give the commencement order.

No care strategy plan has been devised to date. The strategic lump sums paid since 2017 relate to earlier construction schedule projects which had still not been commissioned before the Decree came into force, but had obtained agreement in principle, and otherwise sensitive cases. Under this agreement in principle, the earlier construction schedule projects already meet the care strategy requirements. For the 'sensitive' projects, i.e. projects of an urgent or unavoidable nature, an exception was provided for in the care strategy plan.

The financing of equipment provides compensation for investments in PET scanners, NMR and radiotherapy units. The amounts in the form of a lump sum are paid out as long as the accreditation of the service where the appliance is installed is valid. This is a relatively limited amount compared to the other lump sums.

III) Walloon Region

Four types of support are provided:

- Subsidies granted on the basis of the repayments made or started before 1 January 2016. These subsidies are paid by the Federal Government on behalf of the Walloon Region and deducted from the allocations paid by the Federal Government to the Walloon Region (heading A1 of the financial resources budget, see Royal Decree of 25 April 2002, as implemented by Article 3 of the Walloon Government Decree of 17 December 2015).
- The subsidies granted directly to the Walloon Region for construction works, priority reconditioning of investments in immovable property as well as investments in movable property for initial equipment (Articles 1925 to 1950 of the Walloon regulations on social and health action, as implemented by Article 3 of the Walloon Government Decree of 17 December 2015).

These subsidies relate to the completion of the works started before 1 January 2016, apart from for one hospital which has been authorised to award new public contracts in order not to have to interrupt a construction already started.

- The costs of hospital stays introduced by the Decree of 9 March 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals, implemented by Walloon Government Decree of 20 July 2017. These costs of hospital stays are intended to cover the construction, extension and reconditioning of the hospital, as well as building maintenance, materials and equipment and the costs for pre-operation.
- The regional guarantee for loans entered into by the hospitals to finance their infrastructure works (Walloon Government Decree specifying the conditions on which and the way in which the guarantee of the Walloon Government can be granted for loans to finance the operations referred to in Article 63 of the Hospitals and Other Care Institutions Act, consolidated on 10 July 2008 (*Arrêté du Gouvernement wallon déterminant les conditions et modalités selon lesquelles la garantie du Gouvernement wallon peut être accordée aux emprunts pour le financement des opérations visées à l'article 63 de la loi relative aux hôpitaux et à d'autres établissements de soins, coordonnée le 10 juillet 2008*)). This guarantee was granted to two hospitals, one of which in 2019, in each case to guarantee EIB loans.

IIIa) French Community

Before 2016: Subsidies were granted on the basis of the repayments for investments made or started before 1 January 2016. These subsidies are paid by the Federal Government on behalf of the French Community and deducted from the allocations paid by the Federal Government to the French Community.

The former financing system (regulatory provisions) was abolished on 1 January 2016. (This refers to flat-rate financing of medical and non-medical equipment, mobile equipment and medical-technical equipment.)

In 2017, the Fédération Wallonie Bruxelles adopted a new financing mechanism for hospital infrastructure in 2017 (Decree of 19 July 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals, implemented by Decree of the Fédération Wallonie Bruxelles of 20 December 2017 implementing the Decree of 19 July 2017 on the costs of hospital stays and the financing of certain heavy medical-technical equipment in hospitals). This new mechanism came into effect on 1 July 2017. The call for investment programmes for the first construction plan was launched in 2018.

On 25 April 2019, a decree on the insurance institutions of the French Community was adopted. The Government concluded a partnership agreement with the Walloon Region to establish the conditions for the intervention of the Walloon regional health insurance companies. Another decree of 25 April 2019 concerns the partnership agreement between the French Community and the Walloon Region on the accreditation of the Walloon regional health insurance companies.

With effect from 1 January 2019, the disbursement of advances – related to administrative costs and the financial costs of outpatient rehabilitation agreements related to a university hospital – is determined in decrees of the French Community Government.

At present, no hospital guarantee has been granted, but this is under review at present.

IV) Common Community Commission

The Joint Commission grants subsidies by law for the operating costs of hospitals' accredited coordination structures.

The CCC can grant financial compensation to cover the costs of new construction, extension and reconditioning works, hospital equipment and appliances or psychiatric care homes. It can also provide a guarantee for the balance of the eligible amount not covered by its financial compensation.

V) German-speaking Community

In 2018 and 2019, the German-speaking Community used only direct subsidies to finance the hospitals.

- Payment from headings A1 (investment costs for buildings, medical and non-medical equipment) and A3 (investment costs and operating costs of heavy medical equipment) of the financial resources budget.

RIZIV/INAMI distributes the financial resources to the insurance funds which then pay the financial resources to the hospitals. FPS Finance deducts these resources from the federal allocation to the German-speaking Community.

- Direct subsidies under the provisions of the Decree of 18 March 2002 concerning infrastructure.

Generally, the direct subsidy is equal to 80% of the eligible amount (real costs). This subsidy percentage applies, for example, to building construction.

A different subsidy percentage (60%) is applied to the equipment subsidy (medical or non-medical equipment) and furniture.

Lump sum for building maintenance: this relates to an amount granted for carrying out maintenance work for the upkeep of infrastructure.

The amount of this lump sum is determined according to the available budgetary resources and is divided between the hospitals depending on the number of authorised beds.

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

I) Federal Government

As outlined earlier, Article 95 of the Hospitals Act provides that the financial resources budget for each hospital is determined separately by the Minister for Public Health within an overall budget for the country as a whole. In other words, a budget is made available each year for the Belgian hospitals in the overall federal budget.

This amount is then divided among the hospitals according to the conditions and the calculation methods provided for by the Hospitals Act and its implementing decrees. The amount allocated will depend in particular on the size and level of activity of the hospital and any special missions entrusted to it (for example, university hospitals entrusted with teaching and research), the number of accredited services in the hospital, etc. The distribution basis is defined in Article 105 of the Hospitals Act. This Article specifies that the conditions and parameters for calculation of compensation must be established by Royal Decree. The following points in particular must be established in the Royal Decree:

'(...)

- a) the period for which the budget is granted, which may not exceed 10 years apart from for the components of the financial resources budget which cover significant investment costs of the hospital requiring depreciation over a longer period, in accordance with generally accepted accounting principles;*
- b) the division of the budget into a fixed part and a variable part;*
- c) the criteria and the calculation methods, including the establishment of the activities accounted for and the terms for indexation;*
- d) with regard to the variable part, the compensation for the activities bearing a reference number which are carried out additionally or which are not carried out;*
- e) the establishment of the reference number referred to in the previous paragraph concerning the activity parameters taken into consideration;*
- f) the conditions and terms for review of certain elements;*
- g) offsetting against previous years, as referred to in Article 116 of the Hospitals Act (...)'¹⁰.*

Details of these terms and conditions are contained in the Royal Decree of 25 April 2002 on establishing the financial resources budget for hospitals (*Koninklijk besluit van 25 april 2002 betreffende de vaststelling van het budget van financiële middelen van de ziekenhuizen*).

The calculation parameters and terms of the financial resources budget are intended to cover the costs of hospitalisation, in accordance with Article 100 of the Hospitals Act¹¹, and the costs from services provided in response to disasters or catastrophes, in accordance with Article 101 of the Hospitals Act, (and not to cover a series of costs established by law, in accordance with Article 102 of the Hospitals Act). Article 95 of the aforementioned Act specifies that the financial resources budget covers the financing of operating costs. In addition, these costs, under the general interest mission entrusted by law, as specified in Article 95, 'take into account only hospital care'.

In short, all hospitals are financed on the basis of identical rules. The financing relates only to the 'hospitalisation' heading.

The compensation mechanism consists of the allocation of financial intervention (the financial resources budget) in hospital costs, which is calculated a priori on the basis of the last known data at that time (accounting and financial data from previous years, data relating to charging for the activity in question).

¹⁰ Article 105 of the Hospitals Act.

¹¹ Article 100 of the Hospitals Act provides: 'Without prejudice to Article 97, the financial resources budget shall cover, on a flat-rate basis, the costs resulting from a stay on a ward and the provision of care to the hospital patients, including the hospital day-care patients, as defined by the King.'

The compensation is subsequently revised on the basis of the actual figures, but this is examined in more detail in the next section.

The compensation is flat-rate and relates only to hospitalisation, including day surgery for outpatients, for:

- investment costs (immovable property, medical and non-medical equipment) and related financial costs [A1 and A2]
(As a result of the sixth State reform, the financing of investment under section A1 has been transferred to the federated entities.)
- investment costs and costs of operating heavy medical equipment [A3 and B3]
(As a result of the sixth State reform, the financing of investment under section A3 has been transferred to the federated entities.)
- operating costs of hospital services and 'common' services and covering the costs of related statutory obligations
[B1, B4, B6, B9]
- costs of nursing and care staff [B2]
- operating costs of the hospital pharmacy [B5]

The 'compensation' provided by the State under these various items, which are directly linked to the performance of the missions entrusted, is therefore State aid.

II) Specific to the Flemish Community

There has been no overcompensation of hospitals or hospital services. It can be said that, even with the VIPA subsidies included in the calculation, there is still undercompensation for hospital services.

A distinction is drawn between alternative subsidisation, financial resources budget and lump-sum subsidisation.

Alternative subsidisation:

The controls to ensure proper use of the awarded utilisation grants are carried out by VIPA officials (building technology consultants and financial analysts) and by officials from the Agency for Care and Health (doctors/paramedics who are responsible for providing functional recommendations).

In each case, following the application for the disbursement of an utilisation grant, an on-site check is scheduled during construction of infrastructure subsidised by VIPA. The report on and conclusions from these checks form the basis for the final calculation of the amount of the utilisation grant, since the amount previously calculated and assumed for the annual utilisation grant to be received may still change as a result of infringements or deficiencies which come to light during these checks.

The VIPA Sector Decree provides that, in principle, for a period of 20 years after a subsidised project has been commissioned, no investment subsidies can be obtained for the same project.

VIPA rules lay down minimum periods during which the hospital should have a right in rem or a right of enjoyment over the subsidised project. During this minimum period, consent must be obtained from VIPA or the Minister for any transfer, encumbrance with right in rem or right of enjoyment or change of use (Article 87(1) of the Flemish Government Decree of 18 March 2011 laying down rules for the alternative investment subsidies granted by VIPA). The minimum period for works is 25 years (Article 12, §1, third paragraph, of the Decree of 23 February 1994 concerning infrastructure for personal welfare).

In the event of infringement of the VIPA standards and conditions [or] the rules on public procurement, the VIPA subsidies granted are recovered in full (Article 88 of the Flemish Government Decree of 18 March 2011 laying down rules for the alternative investment subsidies granted by VIPA), as stipulated in Article 13 of the Act of 16 May 2003 laying down the general conditions applicable to budgets, control of subsidies and to the accounting of communities and regions.

A1/A3 as a component of the financial resources budget:

The controls which were already carried out by the Federal Government (just as with the other components of the financial resources budget) are continued here.

Lump-sum subsidisation:

For the strategic lump sum, detailed checks are carried out on project implementation depending on the SGEl, both during the works and over the project's economic lifetime (Procedure Decree):

For the strategic lump sum, the Fund may, at any time during the implementation of the works, check conformity with the strategic lump sum agreement. The Fund calls on members of staff to be at its disposal for the examination of the file (Article 17).

In the year following the infrastructure's commissioning year, the applicant conducts an overall evaluation of the project carried out. The evaluation, which as a minimum covers the construction process, the evolution of the cost price, usage data and user satisfaction, is carried out on the basis of a template made available by the Fund. The applicant sends the evaluation to the Fund (Article 21).

Here too, the applicant must have a sufficiently lengthy right of enjoyment (Article 3): 25 years for immovable property and five years for movable property. During these 25-year and 10-year periods, each practical change of use must receive the explicit consent of either VIPA or the Minister (Article 25).

For both the strategic and maintenance lump sum, provision is made for double-checking in the context of the SGEI obligations (Procedure Decree):

- Article 29: at least every 10 years from the first granting of the investment subsidies, checks are made to ensure that the hospital continues to satisfy the conditions to carry out its basic hospital mission in accordance with Article 2(3) of the Subsidy Decree. The basic hospital mission was established in the Consolidated Act of 10 July 2008 on Hospitals and Other Care Institutions, in the Decree of 17 October 2003 on the quality of health and welfare facilities (*Decreet van 17 oktober 2003 betreffende de kwaliteit van de gezondheids- en welzijnsvoorzieningen*), in Chapter VI of the Decree of 20 March 2009 introducing various provisions concerning the Welfare, Public Health and Family policy area (*Decreet houdende diverse bepalingen betreffende het beleidsdomein Welzijn, Volksgezondheid en Gezin*) and in the implementing decrees of these laws and decrees, with regard to the costs relating to investments in infrastructure necessary to perform these obligations to ensure access to high-quality, affordable health care accessible to all, in which the costs are largely charged to collective services.

If the basic hospital mission is no longer satisfied, the subsidisation is stopped and recovered with respect to the amount paid from the time that the basic hospital mission was no longer fulfilled.

- Article 30: the accounts of the hospital are also audited at least every three years. For this purpose, the financial flows relating to infrastructure investments are separated transparently from the obligations arising from the basic hospital mission. An audit framework was devised in which expenses and receipts from the investments are compared cumulatively every three years. If, at the time of the checks, the cumulative receipts exceed cumulative expenditure, it will have to be demonstrated that the surpluses will be used in future for investments within the basic hospital mission. This ensures that there is no overcompensation. This control will take place for the first time in 2020 for the years 2016, 2017 and 2018.

As stated earlier, following the sixth State reform the financing of the operating resources of the eight rehabilitation clinics became a Flemish responsibility. The legal basis is provided in the Decree of 6 July 2018¹². Article 86 of the Decree provides for an adaptation of the articles of the Hospitals Act concerning the financing of operating costs. Just as for hospitals under federal responsibility, the budget for rehabilitation clinics is determined by the Minister separately for each hospital. The calculation method and conditions are set out in the Flemish Government Decree of 7 December 2018¹³.

¹² Decree of 6 July 2018 on the transfer of the sectors of psychiatric care homes, supported living initiatives, rehabilitation agreements, rehabilitation clinics and multidisciplinary support teams for palliative care.

¹³ Flemish Government Decree of 7 December 2018 implementing the Decree of 6 July 2018 on the transfer of the sectors of psychiatric care homes, supported living initiatives, rehabilitation agreements, rehabilitation clinics and multidisciplinary support teams for palliative care.

The budget for rehabilitation clinics is established per working year on 1 January. The budget for rehabilitation clinics was calculated for the first time in 2019. The budget is made up of four parts: the basic budget, the provisional budget, the annually recalculated budget, and the corrective budget.

III) Walloon Region

The subsidies awarded on the basis of the write-off of investments made or started before 1 January 2016, are paid by the Federal Government for the account of the Region. The Federal Government is thus better placed to describe this mechanism.

The subsidies granted directly by the Walloon Region for construction works, for priority reconditioning of investments in immovable property and for investments in movable property for initial equipment, are made available in tranches:

- a first tranche of 30% of the amount of subsidy as soon as the order has been placed for the works and the works have actually begun, which must be apparent from the first progress report accompanied by the corresponding invoice;
- the second tranche of 30% is made available as soon as all progress reports and invoices submitted together reach the total of the first tranche;
- the third tranche of 30% is made available as soon as all progress reports and invoices submitted together reach the total of the first two tranches;
- the balance of the subsidy is made available to the applicant on approval of the final account.

For procurement of equipment and furniture, the subsidy is paid on presentation of the invoices.

In terms of the costs of hospital stays (see the above-mentioned Decree of 9 March 2017), the AViQ (regional health administration) communicates to the hospitals the costs for hospital stays which they can apply. The cost of the stay is invoiced by each hospital to the patient. The invoicing is covered by the insurance institutions which pass on the cost to the Region. This mechanism has been fully applicable since 1 July 2019. Prior to this date, certain amounts were divided between the hospitals by ministerial circular.

As regards the guarantee, the Walloon Region can act as guarantor to the borrowing party for all or part of the sums borrowed by the hospitals. To date, no borrowing party has triggered the guarantee.

IIIa) French Community

For the subsidies awarded on the basis of the repayments of investments made or begun before 1 January 2016, the payment is made by the Federal Government.

Since the transfer of responsibilities on 1 January 2016, the hospitals have received only a lump sum (**EUR 11 million in total for four university hospitals**) for medical equipment, non-medical equipment, mobile equipment, heavy medical-technical services and maintenance works), in accordance with the French Community Decree of 13 June 2017.

This mechanism still applied in 2018 and 2019. The new financing system for cost of stays only came into effect from 1 January 2020.

IV) Common Community Commission

The subsidies for the operating costs of hospitals' accredited coordination structures consist of annual flat-rate financial contributions according to the number of authorised beds.

The combination of the Joint Commission's financial compensation for investment costs and the guarantee may not lead to interventions that exceed the maximum cost price.

V) German-speaking Community

The financial resources budget is calculated by FPS Health. A few years after its notification, FPS Health carries out a revision (for instance, a review of the years 2011-2012 in 2017). The amounts overpaid or underpaid to the hospitals are deducted from or added to the next financial resources budget.

The procedures for awarding subsidy are regulated by the Decree of 18 March 2002 on infrastructure. For the procurement of equipment and furniture, the subsidy is paid on presentation of the invoices. For the procurement of works, a tranche of a maximum of 90% of the subsidy is granted on presentation of the progress reports and invoices. The balance is paid on commissioning of the works.

If a subsidy is granted to the hospitals in the form of a lump sum, the Community specifies the period (often three years) within which the hospitals must provide evidence that they have in fact invested the financial resources made available. The funds not used must be repaid and penalty interest is also charged.

Typical arrangements for avoiding and repaying any overcompensation.

I) Federal Government

As far as the Federal Government is concerned, as specified above, the budgets are calculated on the basis of the data already known. These are the accounting data of the hospitals concerned, which were collected during the previous years. With the help of these data, it is already possible to obtain a good idea of the amount to which the hospital will be entitled.

The public aid in the financial resources budget is then paid off in the form of 'twelfths', i.e. each hospital receives each month, from 1 July of each year until 30 June of the following year, a monthly amount corresponding to the State aid in its individual budget spread over 12 months. After having revised the amounts allocated on the basis of the accounting data collected later, any excess received is charged to the budget of the hospital in question.

The control of the hospitals receiving compensation from the financial resources budget is carried out at various levels. The law provides first and foremost for a compulsory external audit by the statutory auditor¹⁴. Finally, the Hospitals Act provides for checks by the inspectors designated for this purpose, without prejudice to the powers of the judicial police in the case of fraud or offence¹⁵.

The checks carried out by the officials are two-pronged. A financial inspection is organised. Firstly, a number of details are checked and validated before the subsidy is granted; secondly, the hospitals are subject to an on-the-spot inspection to check the accuracy of the financial data communicated afterwards.

A check is also carried out on the medical details¹⁶, which serve partly as a basis for determining the safe level of activity of the hospital and therefore also for the calculation of the compensation.

The financial resources budget is set in advance on the basis of the known data. When the real data for the financial year in question become known, certain items of the budget are revised to take account of the real data.

Article 92 of the 'Financing Decree' of 25 April 2002 establishes the items subject to revision in a transparent manner.

The Hospitals Act also provides for a mechanism which makes financial transparency possible within the hospital, pursuant to Article 93 of the Hospitals Act with regard to the Works Council, and Article 143 of the Hospitals Act with regard to transparency in relation to the Medical Council.

II) Specific to the Flemish Community

The following can be stated with respect to the Flemish infrastructure subsidies:

For the lump-sum subsidies, the regulations also once again explicitly include the auditing of cumulative receipts and expenses every three years. For the current alternative subsidies, a construction technology evaluation exists which shows that so far the subsidies are below the construction cost.

The 'twelfths' method for settling the budget for rehabilitation clinics was retained.

The budget for rehabilitation clinics is calculated on the basis of the most recent data. The number of factors for which a revision must occur has been limited. The components concerning 'end of career' measures and the incentive bonus are calculated on the basis of the known working year. Therefore, as is the case under the federal arrangements, there is no longer any provision and revision of these components. In accordance with Article 225 of the Implementing Decision, these components are revised only for the years 2014 to 2016, calculated by the Federal Government. From 2017, the actual situation had been used to calculate the budget for rehabilitation clinics, the first time in 2019.

¹⁴ Articles 86 to 91 of the Hospitals Act.

¹⁵ Article 127 of the Hospitals Act.

¹⁶ These are the minimum hospital data registered per patient and per hospital admission. This allows the authority to check how many admissions and interventions a hospital carries out per year.

The only structural revision that has been retained, as laid down in Article 256 of the implementing decision, is the revision of the fixed and variable part of the budget, on the basis of the actual distribution of the number of days of hospital treatment between the patients who are covered by health insurance and those who are not.

III) Walloon Region

As regards the subsidies awarded on the basis of the write-off of investments made or started before 1 January 2016, regularisations and recoveries are made by the Federal Government for the account of the Region. The Federal Government is thus better placed to describe this mechanism.

For subsidies granted directly to the Walloon Region for construction works and for priority reconditioning of investments in immovable property, recovery is possible under Article 61 of the Decree of 15 December 2011 organising the budget, accounting and reporting of the Walloon public administration units. It has not been necessary to enforce any recovery.

As regards the system for the cost of stay, there is no provision for a recovery mechanism.

IIIa) French Community

As regards the subsidies awarded on the basis of the write-off of investments made or started before 1 January 2016, regularisations and recoveries are made by the Federal Government for the account of the Region. The Federal Government is thus better placed to describe this mechanism.

The Decree of 19 July 2017 describes the system concerning the cost of stay and financing of certain equipment within services that have heavy medical-technical equipment such as radiology services with NMR scanners, radiotherapy services equipped with accelerators, and nuclear medicine services equipped with PET scanners; it also describes the principle of the fixed annual subsidy (set out in the Decree of 13 July 2016). These subsidies are intended to finance the maintenance and equipment of hospital infrastructures. As long as the amount in the new system is lower than in the previous system, the latest amount applies. Otherwise, only the amount in the new system will be recorded in the cost of stay.

This Decree has been implemented by the French Community Decree of 20 December 2017. It defines the principles of the correct price for construction as regards university hospitals, determines the maximum number of m² that are eligible under the construction plans, the price per m² and the maximum construction surface, the calculations of the cost of stay, the hospitals' invoicing capability, the procedure for approving the construction plans, and also the conditions for financing heavy equipment in medical-technical services and its calculation.

IV) Common Community Commission

Subsidy awards for operating costs of the hospitals' accredited coordination structures can be checked by inspecting records and documents on site. In addition, the coordination structures have to submit supporting documents quarterly as evidence of the general operating costs and staff salary costs. They also have to produce an annual financial and activity report on their operations and a financial and activity summary of their members.

Subsidies can be immediately recovered or suspended if the conditions are not met.

As regards the financial compensation for investment costs, the responsible departments of the Joint Commission carry out either on-site checks or checks based on supporting documents to ensure correct compliance with the physical, engineering and qualitative standards, as well as the utilisation of the buildings.

The purpose and utilisation of the property for which compensation has been received may not change during a period that is at least equivalent to the duration of the financial write-off of the investment, except if and insofar as the property or the balance that still remains to be written off corresponding to the proceeds from its sale continues to be utilised for providing hospital services or for activities in the public interest, subject to express prior consent. In the case of infringements, the allocated compensation will be recovered proportionally.

V) German-speaking Community

The subsidies granted to the hospitals under the provisions of the Decree of 18 March 2002 on infrastructure are paid on presentation of the invoices and of proof of their payment. In this way, the German-speaking Community avoids over-subsidisation.

With regard to the lump-sum subsidies granted to hospitals under the provisions of the Decree of 18 March 2002 on infrastructure, over-subsidisation is avoided by basing them on historic data when determining the amount of the subsidy and by fixing a period within which the subsidy may be invested. After this period, the part of the subsidy which has not been invested must be repaid to the German-speaking Community and penalty interest is added.

A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

Not applicable.

Amount of aid granted

Total amount of aid granted (in EUR million)¹⁷. This covers all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in EUR million) paid by local authorities¹⁸	
2018	2019
EUR 8 488 395 101.53	EUR 8 565 854 072.98
B: Total amount of aid granted (in EUR million) paid by regional authorities¹⁹	
2018	2019
Walloon Region Former financing (direct regional subsidy): EUR 10 095 010 New financing (via circular): EUR 24 313 222 paid	Walloon Region Former financing (direct regional subsidy): EUR 4 699 465 New financing (via circular from 1 January to 30 June): EUR 22 106 222 New financing (disbursement to insurance institutions for the cost of stay): EUR 21 468 000 paid.
Flanders (EUR) Paid out by VIPA: EUR 247 769 285.22 A1/A3 via Social Security: EUR 385 752 544.00 Total amount: EUR 633 521 829.22	Flanders (EUR) Paid out by VIPA: EUR 275 107 456.89 A1/A3 via Social Security: EUR 340 266 001 Total amount: EUR 615 373 457.89 Paid out by Z&G Budget for rehabilitation clinics 8 rehabilitation clinics EUR 90 467 157.78
French Community: Subsidies for investments and maintenance of heavy equipment in medical-technical services and also financed investments up to EUR 11 million (component of the former A1 subpart)	French Community: Subsidies for investments and maintenance of heavy equipment in medical-technical services and also financed investments up to EUR 11 million (component of the former A1 subpart) Subsidies (directly via the French Community's budget) for the lump sums for rehabilitation centres: EUR 10.5 million (for 2019, this financing payment was charged

¹⁷ As stated in Article 9(b) of the 2012 SGEI Decision.

¹⁸ If the aid amount cannot be split between central, regional and local authorities, only the total amount of aid granted for all authorities should be reported.

¹⁹ See footnote 3.

	to RIZIV/INAMI).
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CCC: Subsidies to hospitals' accredited coordination structures EUR 1 030 791.66 Investment subsidies to hospitals/psychiatric care homes EUR 19 922 664.17 Guarantees provided to hospitals/psychiatric care homes Not awarded	CCC: Subsidies to hospitals' accredited coordination structures EUR 1 030 791.66 Investment subsidies to hospitals/psychiatric care homes: EUR 19 757 058.93 of which EUR 2 199 000 as part of an amicable settlement with two hospitals Guarantees provided to hospitals/psychiatric care homes Not awarded
German-speaking Community: <i>Financial resources budget A1 and A3: EUR 4 292 946.51</i> A1: EUR 4 251 466.12 A3: EUR 41 480.39 <i>Subsidies (Decree of 18 March 2002): EUR 54 713.18</i> Constructions: EUR 0 Equipment and furniture: EUR 54 713.18 Maintenance: EUR 0 TOTAL: EUR 4,347,659.69	German-speaking Community: <i>Financial resources budget A1 and A3: EUR 4 148 083.47</i> A1: EUR 4 065 122.69 A3: EUR 82 960.78 <i>Subsidies (Decree of 18 March 2002): EUR 86 674.29</i> Constructions: EUR 0 Equipment and furniture: EUR 86 674.29 Maintenance: EUR 0 TOTAL: EUR 4 234 757.76
C: Total amount of aid granted (in EUR million) paid by local authorities²⁰	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
German-speaking Community: 100% direct subsidies	German-speaking Community: 100% direct subsidies

²⁰ See footnote 3.

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ²¹	
2018	2019

²¹ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the aggregation method.

<p>Federal Government No of hospitals: 175 Number of authorised beds: 68 055 Total budget assigned: 8 725 899 311 Average budget on 1 July: 49 862 282 Total account 700: 8 376 058 195.62 Average of account 700: 47 863 190</p> <p>German-speaking Community: - Number of beneficiaries in the hospital sector: 2 hospitals - Average aid amount from the German-speaking Community: EUR 2 173 829.85- Size of undertakings: Number of authorised beds: St. Vith: 156 Eupen: 192</p> <p>Walloon Region 37 general hospitals and 20 psychiatric clinics</p> <p>French Community: 4 French-speaking university hospitals</p> <p>Flanders No of hospitals: - General hospitals: 55 - Psychiatric clinics: 32 - Rehabilitation clinics: 8 Number of authorised beds: - General hospitals: 29 186 - Psychiatric clinics: 10 050 - Rehabilitation clinics: 1 003</p> <p>CCC: The total amount of EUR 19 922 664.17 in investment subsidies to hospitals/psychiatric care homes is made up of:</p>	<p>Federal Government No of hospitals: 164 Number of authorised beds: 66 997 Total budget assigned: 8 564 181 925 Average budget on 1 July: 52 220 621 Total account 700: data not yet available Average of account 700:</p> <p>German-speaking Community: - Number of beneficiaries in the hospital sector: 2 hospitals - Average aid amount from the German-speaking Community: EUR 2 117 378.88- Size of undertakings: Number of authorised beds: St. Vith: 156 Eupen: 192</p> <p>Walloon Region 36 general hospitals and 20 psychiatric clinics</p> <p>French Community: 4 French-speaking university hospitals</p> <p>Flanders No of hospitals: - General hospitals: 53 - Psychiatric clinics: 32 - Rehabilitation clinics: 8 Number of authorised beds: - General hospitals: 29 182 - Psychiatric clinics: 10 050 - Rehabilitation clinics: 1 003</p> <p>CCC: The total amount of EUR 19 757 058.93 in investment subsidies to hospitals/psychiatric care homes is made up of:</p>
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<ul style="list-style-type: none"> • EUR 2 893 081.44 Investments in hospitals - pre-financing. (private sector) • EUR 7 739 807.52 Credits for health institutions in the 'personal welfare' sector. (private sector) • EUR 4 683 975.42 Credits for health institutions in the 'personal welfare' sector. (public sector) • EUR 4 605 799.79 Investments in hospitals - pre-financing. (public sector) <p>The total amount of EUR 1 030 791.66 in subsidies to accredited coordination structures is made up of:</p> <ul style="list-style-type: none"> • EUR 343 597.22 Working subsidies to the coordination structures for the Brussels public hospitals • EUR 687 194.44 Working subsidies to the coordination structures for the Brussels private hospitals 	<ul style="list-style-type: none"> • EUR 3 796 378.43 Investments in hospitals - pre-financing. (private sector) • EUR 5 479 456.49 Investment subsidy for health institutions in the 'personal welfare' sector. (private sector) • EUR 4 008 462.38 Investment subsidy for health institutions in the 'personal welfare' sector. (public sector) • EUR 4 273 761.63 Investments in hospitals - pre-financing. (public sector) • EUR 600 000.00 Other transfers of capital to public undertakings (hospitals, etc.) to reimburse damages in the context of a court judgment. • EUR 1 599 000.00 Other transfers of capital to private undertakings (hospitals, etc.) to reimburse damages in the context of a court judgment. <p>The total amount of EUR 1 030 791.66 in subsidies to accredited coordination structures is made up of:</p> <ul style="list-style-type: none"> • EUR 343 597.22 Working subsidies to the coordination structures for the Brussels public hospitals • EUR 687 194.44 Working subsidies to the coordination structures for the Brussels private hospitals
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Account 700 = turnover

Sources: <http://www.health.belgium.be/nl/gezondheid/organisatie-van-de-gezondheidszorg/ziekenhuizen/cijfers-en-rapporten>

PLEASE ALSO FILL IN ANNEX 2 WITH THE TOTAL AMOUNTS PER SECTION FOR THE ENTIRE MEMBER STATE (NOT PER REGION, LOCAL AUTHORITY OR MUNICIPALITY).

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI

FRAMEWORK Please structure this part of your report by using the

following sections:

1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):

- i. Postal services;
- ii. Energy;
- iii. Waste collection;
- iv. Water supply;
- v. Air or maritime links to islands with average annual traffic above the limits set in Article 2(1)(d);
- vi. Airports and ports with average annual traffic above the limit set in Article 2(1)(e);
- vii. Culture;
- viii. Financial services;
- ix. Other sectors (please specify)

For each of the items outlined above please provide information in the form of the following table:

Clear and comprehensive description of how the respective services are organised in your Member State ²²
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.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation of whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Typical arrangements for avoiding and repaying any overcompensation.
A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

²² If in a certain sector only a small number of individual SGEI exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because responsibility lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Amount of aid granted	
Total amount of aid granted (in EUR million) ²³ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in EUR million) paid by national central authorities ²⁴	
2018	2019
B: Total amount of aid granted (in EUR million) paid by regional authorities ²⁵	
2018	2019
C: Total amount of aid granted (in EUR million) paid by local authorities ²⁶	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ²⁷	
2018	2019

²³ As stipulated in paragraph 62(b) of the 2012 SGEI Framework.

²⁴ If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

²⁵ See footnote 9.

²⁶ See footnote 9.

²⁷ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the aggregation method.

4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures within the 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.

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5. OTHER QUESTIONS

a. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision; in particular, please 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) to (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.

b. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework; in particular, please consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

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- c. If you have any other comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to list them in your report.

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Annex 1a



FLEMISH MINISTRY OF WELFARE, HEALTH AND FAMILY AGENCY FOR CARE AND HEALTH (AGENTSCHAP ZORG EN GEZONDHEID)

DECISION OF THE ADMINISTRATOR-GENERAL ON THE ACCREDITATION OF A HOSPITAL

THE ADMINISTRATOR-GENERAL OF THE AGENCY FOR CARE AND HEALTH,

Having regard to Article 128 of the Coordinated Constitution;

Having regard to the Special Act of 8 August 1980 reforming the institutions (*bijzondere wet van 8 augustus 1980 tot hervorming der instellingen*), as amended by the Special Acts of 8 August 1988, 16 July 1993 and 6 January 2014, in particular Article 5;

Having regard to the Coordinated Act on Hospitals and Other Care Institutions of 10 July 2008, last amended by the Royal Decree of 19 April 2020;

Having regard to the Royal Decree of 23 October 1964 setting standards to be met by hospitals and their services (*Koninklijk besluit van 23 oktober 1964 tot bepaling van de normen die door de ziekenhuizen en hun diensten moeten worden nageleefd*), last amended by the Flemish Government Decree of 15 February 2019;

Having regard to the Royal Decree of 6 November 1979 setting standards of protection against fire and panic to be met by hospitals;

Having regard to the Royal Decree of 30 January 1989 setting additional standards for the accreditation of hospitals and hospital services, and also further describing the hospital partnerships and the special standards to be met by them, as amended by the Royal Decree of 4 March 1991, amended by the Council of State Judgment of 19 February 1993, amended by the Royal Decrees of 12 October 1993, 23 December 1993, 28 March 1995, 20 August 1996, 6 May 1997, 15 July 1997, 21 January 1998, 23 June 1998, 15 October 2001 and 21 March 2003;

Having regard to the Royal Decree of 31 May 1989 further describing hospital mergers and the special standards to be met by them, amended by the Royal Decrees of 12 October 1993, 23 December 1993, 6 May 1997, 23 June 1998, 23 December 1998, 7 November 2000, 15 July 2002, 27 February 2003, 21 September 2004 and 17 September 2005;

Having regard to the Flemish Government Decree of 25 April 2014 establishing the procedures for healthcare facilities, last amended by the Flemish Government Decree of 26 April 2019;

Having regard to the Flemish Government Decree of 25 July 2014 delegating the responsibility for decision-making to the Members of the Flemish Government, last amended by the Flemish Government Decree of 2 October 2019;

Having regard to the Flemish Government Decree of 2 October 2019 determining the responsibilities of the Members of the Flemish Government, Article 7, §1;

Having regard to the Flemish Government Decree of 30 October 2015 governing the delegating of responsibility for decision-making to the Heads of Departments of the internal autonomous agencies, amended by the Flemish Government Decree of 16 June 2017;

Having regard to the Decision of the Administrator-General of 4 December 2019 on the delegation of certain responsibilities for care and health;

Whereas, on ..., the findings of the investigation were notified to the provisioning, as drawn up by the Agency for Care and Health;

DECISION:

Article 1: To ..., a non-profit association, situated in ..., is issued an accreditation under accreditation number ..., in ..., ... in ... for

- ... beds, of which
 - on the Campus ..., ..., ...
 - ... C-beds (beds for diagnosis and surgical treatment) from ...
of which ... C-beds for intensive care
 - ... D-beds (beds for diagnosis and medical treatment) from ...
... of which D-beds for intensive care
 - ... G-beds (beds for geriatric care) from ...
 - ... beds for specialised locomotor care from ...
 - ... beds for specialised chronic care from ...
 - ... beds for specialised palliative care from ...
 - on the Campus ..., ..., ...
 - ... A-beds (outpatient and inpatient hospitalisation) from ...
 - ... a-places (outpatient hospitalisation) from ...
 - ... G-beds (beds for geriatric care) from ...
 - ... M-beds (beds for maternity care) from ...
 - ... beds for specialised cardio-pulmonary care from ...
 - ... beds for specialised psychogeriatric care from ...
- the function of hospital pharmacy from

Brussels,
The Administrator-General of the Agency for Care and Health, by delegation, the Head of the
Specialised Care Department

Tom De Boeck

Annex 1db

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COMMISSION COMMUNAUTAIRE COMMUNE GEMEENSCHAPPELIJKE GEMEENSCHAPSCOMMISSIE		
Name of addressee		
Title, if any		
Address + No		
Post code City		

Brussels,

Our reference

Name of service
Contact person(s) in the service
Telephone number:
E-mail address:
Reference: 20/xx xx

Annex(es): X

Accreditation number: X

Your reference

References of addressee

Subject: <Institution>
<TypeAccreditation> of the function of palliative care

Dear Sir, Dear Madam,

Having regard to the Coordinated Act on Hospitals and Other Care Institutions of 10 July 2008;

Having regard to the Royal Decree of 15 July 1997 whereby certain provisions of the Hospitals Act, coordinated on 7 August 1987, were declared applicable to the function of palliative care;

Having regard to the Royal Decree of 15 July 1997 establishing the standards to be met by a palliative care hospital function in order to be accredited;

Having regard to the Decision of the United College of 9 July 2019 determining the procedure for accreditation, withdrawal of the accreditation and closure of hospitals, partnerships between hospitals and hospital activities;

Having regard to the administration's report, the conclusions of which were passed on to you on <TransConcl>;

Having regard to the opinion of the Advisory Council for Welfare and Healthcare of <Date>, signed on <TransAvis>;

We have the honour of awarding you the <TypeAccreditation> for the period of <Date> for the function of palliative care.

We would urge to use this period to bring yourself into line with all the legal and regulatory provisions. In particular, we request that you heed the observations made in the above-mentioned inspection report.

Yours faithfully,

The Member of the United College, responsible
for Health Policy,

The Member of the United College, responsible
for Health Policy,

A. MARON

E. VAN DEN BRANDT

Annex 1dc



COMMISSION COMMUNAUTAIRE COMMUNE
GEMEENSCHAPPELIJKE GEMEENSCHAPSCOMMISSIE

0 8 0 0 7	<Affix barcode here / Affix barcode here >
CCCGGC-HOP-5023	

Name of addressee
Title, if any
Institution
Address + No
Post code City

Brussels

Our reference

Name of service
Contact person(s) in the service
Telephone number:
E-mail address:
Reference: 20/xx xx

Annex(es): X

Accreditation number: X

Your reference

References of addressee

Subject: <Institution>
<TypeAccreditation> of <number and type of beds>

Dear Sir, Dear Madam,

Having regard to the Coordinated Act on Hospitals and Other Care Institutions of 10 July 2008;

Having regard to the Royal Decree of 23 October 1964 setting standards to be met by hospitals and their services (*Koninklijk besluit van 23 oktober 1964 tot bepaling van de normen die door de ziekenhuizen en hun diensten moeten worden nageleefd*),

Having regard to the Decision of the United College of 9 July 2019 determining the procedure for accreditation, withdrawal of the accreditation and closure of hospitals, partnerships between hospitals and hospital activities;

Having regard to the ministerial decision of <date> on the authorisation to introduced and use <number and type of beds>;

Having regard to the administration's report, the conclusions of which were passed on to you on <TransConcl>;

Having regard to the opinion of the Advisory Council for Welfare and Healthcare of <date>, signed on <TransAvis>;

Louizalaan 183 Avenue Louise – 1050 Brussels

www.ccc-ggc.brussels

Confidentiality level: 1

We have the honour of awarding you the <TypeAccreditation> for the period of <Date> for <number and type of beds>.

Yours faithfully,

The Member of the United College, responsible
for
Health Policy,

A. MARON

The Member of the United College, responsible
for
Health Policy,

E. VAN DEN BRANDT

Annex 2

ANNEX: FLEMISH GOVERNMENT SGEI REPORTING SHEETS – June 2020

1° Welfare, Public Health and Family policy area (page 2)

Sub-reports

1° Childcare

2° Service flats

3° Assistance organisations (*Bijstandsorganisaties*)

2° Work and Social Economy policy area (page 25)

Measures:

1° Temporary work experience - Public Social Welfare Centres (OCMW)

2° Vocational entrepreneurship training courses

3° Activity cooperatives

4° Local service economy

5° ESF

3° Living - Social Housing policy area (page 29)

4° Environment policy area (page 38)

Sub-reports

1. Energy

2° Green services

3° Recycling centres

5 Media policy area (page 54)

Sub-reports

1° Aid for Flemish regional television broadcasting organisations

2° Accessibility aid to television broadcasting

1° Welfare, Public Health and Family policy area

Sub-reports on the application of the 2012 SGEI Decision

1° Childcare

2° Service flats

3° Assistance organisations (*Bijstandsorganisaties*)

Sub-reports on the application of the 2012 SGEI Framework

Not applicable.

Complaints from third parties and other questions:

/

1° Childcare
Section (for example 1, Hospitals or 2b, Childcare)
2), b) Childcare
Clear and comprehensive description of how the respective services are organised in your Member State
A 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.
<p>Location of childcare</p> <p>Childcare may be organised only if the organiser has a licence for childcare. In order to obtain and hold a licence, the organiser must comply with the licence conditions. The licence conditions must guarantee a minimum level of quality. There is no corresponding subsidy for this, and it applies to anyone (Flemish Community) who wants to organise childcare. In other words, an organiser of childcare must always comply with the licence conditions without receiving a subsidy/State aid for this purpose.</p> <p>Organisers with a licence (i.e. who already comply with the licence conditions and consequently guarantee a minimum level of quality) can obtain one or more subsidies if they meet additional conditions, namely subsidy conditions. These are conditions which are linked to specific services and specific missions which the organisers would not undertake without subsidy. Organisers must fulfil specific subsidy conditions, depending on the subsidy. The government subsidises provision of these specific services.</p> <p>There are specific subsidies for the following missions:</p> <ul style="list-style-type: none"> - minimum opening hours - The parents pay a rate based on their income - Extra missions for vulnerable families - Inclusive childcare for children with special needs - for childcare with flexible opening times
B Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.

In the case of childcare, on the basis of the Subsidies Decree of 22 November 2013. In accordance with this act, a decision memorandum (a global memorandum with a decision on all applications) is then drawn up, which is signed by the general administrator of the independent government agency *Kind en Gezin*, and an individual entrustment decision for the applicant.

This individual entrustment takes place after a budget allocation exercise. The programming rules and specifications regarding calls for tenders are laid down in the Procedural Decree (Flemish Government Decree) of 9 May 2014 and a Ministerial Decree concerning its implementation. The information that must be included in the entrustment decision in accordance with Article 4 of Decision 2012/21/EU is contained in the combination of these separate documents.

C 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?

Almost all the subsidies have been granted for 10 years, with the exception of the subsidy for individual inclusive childcare, which is linked to the childcare for one specific child and which, therefore, can only be applicable within one specific period (in practice this is equivalent to a period of approximately two years at most).

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

There are no special rights.

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

The aid consists of direct subsidies.

The subsidies (basic subsidy, subsidy for income-related charges and bonus subsidy (*plussubsidie*) are based on an incremental system. This means that a multi-tiered system is used both for the subsidy conditions and for the subsidy amount.

For example, for the '*plussubsidie*':

- organisers must fulfil the conditions for specific services linked to the basic subsidy + the subsidy for income-related charges + the '*plussubsidie*',
- the subsidy amount is made up of the subsidy amount of the basic subsidy + the subsidy for income-related charges + the '*plussubsidie*'.

Therefore, the more services provided, the bigger the subsidy given, since the subsidy increases as more costs are incurred for carrying out the specific services. The subsidy given does not exceed that which is necessary to enable the specific services to be carried out.

Incremental system: Article 7 of the Subsidies Decree

'Article 7. The basic subsidy, the subsidy for income-related charges and the '*plussubsidie*' are awarded under the following incremental system:

1° an eligible childcare place from a higher tier can be awarded only if that place is also an eligible childcare place at a lower tier, more specifically:

- a) the '*plussubsidie*' referred to in Title 4 can be granted only if the organiser has been granted the subsidy for income-related charges referred to in Title 3;
- b) the subsidy for income-related charges referred to in Title 3 can be granted only if the organiser has been granted the basic subsidy referred to in Title 2;
- 2° the number of eligible childcare places at a higher tier shall never be higher than the number of eligible childcare places at a lower tier, more specifically:
 - a) the number of childcare places for which the organiser receives the subsidy for income-related charges referred to in Title 3 can never be higher than the number of childcare places for which the organiser receives the basic subsidy referred to in Title 2;
 - b) the number of childcare places for which the organiser receives the '*plussubsidie*' referred to in Title 4 can never be higher than the number of childcare places for which the organiser receives the subsidy for income-related charges referred to in Title 3.'

In addition to the incremental system, there are two forms of subsidy (subsidy for flexible opening times and subsidy for inclusive childcare) which are more modular.

Awarding of 'modular' subsidy: Article 7/1 of the Subsidies Decree

'Article 7/1. The subsidies for inclusive childcare shall be awarded in the following way:

- 1° the subsidy for individual inclusive childcare may be awarded if the organiser has a licence;
- 2° the subsidy for structural inclusive childcare or the subsidy for an inclusive childcare centre may be awarded if the organiser has been awarded at least a subsidy for income-related charges;
- 3° the subsidy for individual inclusive childcare may be combined with a subsidy for structural inclusive childcare or with a subsidy for an inclusive childcare centre;
- 4° the subsidy for structural inclusive childcare may not be combined with the subsidy for an inclusive childcare centre within the same care district;
- 5° the number of eligible childcare places with a subsidy for structural inclusive childcare shall never exceed the number of eligible childcare places based on the incremental system.

The subsidies for childcare with flexible opening times shall be awarded in the following way:

- 1° the subsidy for flexible group-based care may be awarded if the organiser has a basic subsidy. The number of eligible childcare places with a subsidy for flexible group-based care may never exceed the number of eligible childcare places with a basic subsidy;
- 2° the subsidy for flexible home-based care and the subsidy for flexible hourly packages of group-based care may be awarded if the organiser uses them at a childcare facility which has a subsidy for income-related charges.'

F 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 amounts are determined on the basis of the costs incurred by the organiser for carrying out the specific services.

In other words, the level of the subsidy amounts depends on a number of specific parameters, which determine the costs incurred by organisers,

such as the number of childcare services provided by the organiser and the average age of staff employed, since this too is a determining factor in the costs.

Furthermore, the regulations stipulate a number of quantitative conditions that must be met, which ensure that, in principle, organisers will not receive too much subsidy if they comply with these conditions (e.g. provide places for a certain number of children from vulnerable families, achieve an occupancy rate of at least 80%, have minimum opening hours per day and per year, use a specific pricing system with respect to parents, etc.). (The conditions can be found under heading a, with the summarised articles/provisions concerning the specific services per subsidy.)

‘Article 11. The basic subsidy for home-based care shall be EUR 267.30 per subsidised childcare place per calendar year.

Article 12. The basic subsidy for group-based care shall be EUR 578.37 per subsidised childcare place per calendar year.

Article 13. The amount indicated in Articles 11 and 12 shall be reduced proportionally for a subsidised childcare place that is not assigned for a full calendar year.

The Minister shall issue the detailed rules for calculation of this proportion.’

‘Article 17. The subsidy for income-related charges for home-based care shall be made up of:

1° a part based on childcare services;

2° a part based on the age of the persons in charge and of the employees who are responsible at the childcare facility for providing systematic support for the person in charge and who fulfil the conditions regarding knowledge of Dutch and the qualifications which the person in charge must satisfy.

The part based on childcare services indicated in point 1° of the first paragraph shall be calculated as follows:

1° the subsidy shall be EUR 21.90 for a childcare service lasting between five and eleven hours and 60% of that amount for a childcare service lasting less than five hours;

2° all childcare services at each home-based childcare facility of the subsidised group which fulfils the conditions set out in Articles 20 to 36 shall be included, with the exception of the following childcare services:

- a) childcare services at night;
- b) childcare services for children who form part of the home environment of the home-based child carer and for whom the child carer is responsible;
- c) childcare services to which the organiser decides not to apply the income-related charges system as referred to in Article 27, paragraph 2;

3° the number of childcare services subsidised shall not exceed 120% of the number of subsidised childcare places multiplied by the minimum number of compulsory opening days indicated in Article 14. To calculate that percentage, childcare services lasting between five and eleven hours shall be counted at 100% and childcare services lasting less than five hours at 60%.

The part based on the age of the persons indicated in point 2° of the first paragraph shall be calculated as follows:

1° the subsidy shall be EUR 431.42 per subsidised childcare place per calendar year if the average age of those persons is 20;

2° for each year above the average age of 20, the subsidy shall be increased by EUR 7.42 per subsidised childcare place, up to a maximum average age of 60;

3° the average age shall be calculated on the basis of all ages and the work arrangements of those persons.

The Minister shall issue the detailed rules, including how the persons in charge and the employees indicated in point 2° of the first paragraph are counted in the calculation of the average age and how their work arrangements are taken into account.

Article 18. The subsidy for income-related charges for group-based care shall be made up of:

1° a part based on childcare services;

2° a part based on the age of the child carers, of the persons in charge and of the employees who are responsible at the childcare facility for providing systematic support for the person in charge and who fulfil the conditions regarding knowledge of Dutch and the qualifications which the person in charge must satisfy.

The part based on childcare services indicated in point 1° of the first paragraph shall be calculated as follows:

1° the subsidy shall be EUR 23.37 for a childcare service lasting between five and eleven hours and 60% of that amount for a childcare service lasting less than five hours;

2° with the exception of childcare services at night, all childcare services at each group-based childcare facility of the subsidised group which fulfils the conditions set out in Articles 20 to 36 shall be included;

3° the number of childcare services subsidised shall not exceed 120% of the number of subsidised childcare places multiplied by the minimum number of compulsory opening days indicated in Article 14. To calculate that percentage, childcare services lasting between five and eleven hours shall be counted at 100% and childcare services lasting less than five hours at 60%.

The part based on the age of the persons indicated in point 2° of the first paragraph shall be calculated as follows:

1° the subsidy shall be EUR 5 529.66 per subsidised childcare place per calendar year if the average age of those persons is 20;

2° for each year above the average age of 20, the subsidy shall be increased by EUR 96.76 per subsidised childcare place, up to a maximum average age of 60;

3° the average age shall be calculated on the basis of all ages and the work arrangements of those persons.

The Minister shall issue the detailed rules, including how the persons in charge, the child carers and the employees indicated in point 2° of the first paragraph are counted in the calculation of the average age and how their work arrangements are taken into account.

Article 19. The amount of the subsidy indicated in Articles 17 and 18 shall be offset against the income-related charges indicated in Article 28, in proportion to the number of childcare places with a subsidy for income-related charges, as referred to in Articles 17 and 18.

Offsetting shall not be possible against:

1° any additional charge as indicated in Article 31;

2° the income-related charge paid for days of absence which were not justified.

The Minister shall issue the detailed rules for offsetting.'

'Article 37. The *'plussubsidie'* for home-based care and group-based care shall be EUR 647.50 per subsidised childcare place per calendar year.'

‘Article 40/1. The subsidy for flexible home-based care shall be:

1° per childcare service at flexible opening times with a maximum of one subsidy per child per day: EUR 2.87;

2° per subsidised childcare place with a subsidy for income-related charges per calendar year: EUR 10.75.

In addition, the subsidy indicated in Article 17, second paragraph, point 1°, shall be 160% of that amount for a childcare service which lasts longer than eleven hours or for a childcare service at night. By way of derogation from Article 17, second paragraph, point 2°, all childcare services shall be counted, including childcare services at night.

If, within the limits of the appropriations established for that purpose in the budget, some budget remains after payment of the subsidy for flexible home-based care per childcare service, as indicated in point 1° of the first paragraph, and after payment of the subsidy for flexible home-based care per subsidised childcare place, as referred to in point 2° of the first paragraph, this remaining budget shall be apportioned as follows:

1° the amount per childcare service, indicated in point 1° of the first paragraph shall be increased by a maximum of EUR 0.50;

2° if there is budget remaining after payment of the compensation indicated in point 1°, the amount per subsidised childcare place shall be increased by a maximum of EUR 2;

3° if there is budget remaining after payment of the amounts of compensation indicated in points 1° and 2°, the amount per childcare service shall be further increased by what is possible based on the remaining budget.’

‘Article 40/5. The subsidy for flexible group-based care shall be EUR 113.64 per subsidised childcare place per calendar year.’

‘Article 40/7. The subsidy for flexible hourly packages of group-based care shall be EUR 2 660.41 per hourly package.

By way of derogation from Article 17, second paragraph, point 2°, all childcare services shall be counted, including childcare services at night.’

‘Article 41. The subsidy for individual inclusive childcare for home-based and group-based care shall be EUR 9.54 per childcare service provided for a child with a specific care need.’

‘Article 45. The subsidy for structural inclusive childcare for home-based and group-based care shall be EUR 2 891.49 per subsidised childcare place per calendar year.

For each subsidised group, a maximum of one third of the number of licensed childcare places shall be eligible for this subsidy.

Article 46. The amount indicated in Article 45 shall be reduced proportionally for a subsidised childcare place that is not allocated for a full calendar year.

The Minister shall issue the detailed rules for calculation of this proportion.’

‘Article 50/1. The subsidy for an inclusive childcare centre shall be EUR 32 845 per calendar year and shall be reduced proportionally if the centre does not operate for a full calendar year.’

G Typical arrangements for avoiding and repaying any overcompensation.

In practice, the regulations have included a variety of mechanisms:

- in the case of fewer services, *Kind en Gezin* will pay less subsidy, since part of the subsidy was based on the actual services provided (number of childcare places provided);
- in the year following payment of the subsidies, occupancy in the previous year will be calculated and *Kind en Gezin* will establish whether the other conditions were met. If they were not, *Kind en Gezin* will then recover the excess subsidy paid for the previous year on the basis of the Enforcement Decree of 11 December 2015 (Flemish Government Decree of 11 December 2015 on enforcement measures for childcare for babies and toddlers (*Besluit van de Vlaamse Regering over de maatregelen rond handhaving voor kinderopvang van baby's en peuters*));
- on 1 January each year, organisers must communicate the ages of the staff so that the average age is always up to date and the age-based subsidy component is always in proportion. This also avoids overcompensation.

In addition, the organisers have a number of obligations resulting in verifications revealing when despite the above mechanisms there is nevertheless overcompensation.

Articles 4 and 5 of the Subsidies Decree

'Article 4. Each year, organisers shall draw up a budget with a summary of the foreseeable income and the projected expenditure for the relevant specific services indicated in this Decree.

Organisers shall use an accounting system which separates income and expenditure relating to childcare activities in a transparent way for the purposes of allocating costs and incomes.

Article 5. Organisers may build up reserves with the subsidies indicated in this Decree in the way described in this Article.

Article 7 of the Enforcement Decree

'Article 7. *Kind en Gezin* shall decide to recover the subsidy in accordance with Article 57 of the Audit Decree (*Rekendecreet*), Article 13 of the Act of 16 May 2003 laying down the general conditions applicable to budgets, control of subsidies and the accounting of communities and regions, as well as for the organisation of the inspection by the Court of Audit, and Article 18 of the Flemish Government Decree of 8 November 2013 on the general rules for subsidisation (*Besluit van de Vlaamse Regering betreffende de algemene regels inzake subsidiëring*).

H A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

Kind en Gezin (the responsible agency) will publish this information on its own website with regard to the subsidies disbursed to the organisers of childcare in Flanders.

Link

to the website: <http://www.kindengezin.be/cijfers-enrapporten/rapporten/kinderopvang/babys-en-peuters/#Transparantie-Europa>

Flanders has a subsidy register listing all subsidies from Flanders irrespective of the amounts. However, this is still under construction. For further information:

<https://overheid.vlaanderen.be/subsidieregister>.

I Amount of aid granted

Total amount of aid granted (in EUR million). **This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)**

2018

2019

A: Total amount of aid granted (in EUR million) paid by national central authorities

2018

2019

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

2018

2019

EUR 573 715 748.2

EUR 619 984 761.08

C: Total amount of aid granted (in EUR million) paid by local authorities

2018

2019

Share of expenditure per aid instrument (**direct subsidy, guarantees, etc.**) (if available)

2018

2019

j. Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019
1852	1547

2°Service flats
Section (for example 1, Hospitals or 2b, Childcare)
2), f) Other social services
Clear and comprehensive description of how the respective services are organised in your Member State
A 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.

These are independent housing units for elderly people with communal facilities for optional services.

Subsidies for the construction of additional service flats with the closed-end investment company (CEIC) formula. Contribution towards the final building right settlement under a real-estate leasing contract in respect of private and public service flats/CEIC.

The blocks of service flats and sheltered housing complexes are provided with a view to integrating elderly people into society, as well as from the perspective of maintaining optimal independence and the sense of an adapted form of living which also provides protection.

As regards the services offered, the Decree states that 'the services must be brought within the reach of residents who may make use of them as desired, whenever this is necessary'. In a block of service flats, the emphasis is on independent living. The services (maintenance, meals, etc.) are incremental, with no objective other than providing a means of supporting the independence of the residents.

The Flemish Government chose to subsidise the building of service flats on the basis of the finding that, because the population is ageing, there is an enduring need for adapted housing options for elderly people, with service flats – as part of a differentiated range of facilities for the elderly – increasing in importance as a suitable housing alternative for the elderly. At the same time, it was established in 1994 that the number of completed housing units was well behind schedule and, as a result, the available capacity was falling a long way short of actual needs. It was decided, therefore, to promote this via a new funding system, under which investment subsidies from the Flemish Government are supplemented with the contribution of private capital.

The service flats are built on the basis of a building right which the promoter (OCMW [Public Centre for Social Welfare] or vzw [not-for-profit association]) wishes to grant to the CEIC (closed-end investment company) NV Serviceflats Invest subject to certain conditions, so that Serviceflats Invest obtains full ownership of the service flats ('the building contract'). The promoter undertakes to use the service flats, once built, as long-term leaseholder and to repay Serviceflats Invest the costs and financial expenses of construction in return for a minimum fee ('the ground rent') on the basis of a long-term lease agreement ('the lease').

Description of the public service obligations with which the service flats and sheltered housing complexes must comply:

Services are subject to an authorisation obligation (Flemish Government Decree of 17 March 1998) and accreditation obligation (Flemish Government Decree of 10 July 1985):

The flats must comply with pre-determined quality requirements, which are both architectural and structural, floor area standards, materials used and cost price. They must be functional and comfortable and adapted to the needs of elderly people. The flats and the entire building are designed in such a way as to take account of the potential problems elderly people may encounter when moving around. The flats are adapted in such a way that the elderly can remain responsible for maintaining the flat, for personal care and for preparing their meals for as long as possible.

These requirements form part of the accreditation standards described in Annex A to the Flemish Government Decree of 17 July 1985 laying down the standards which blocks of service flats, sheltered housing complexes or rest homes must meet in order to be eligible for accreditation (*Besluit van de Vlaamse Regering van 17 juli 1985 tot vaststelling van de normen waaraan een serviceflatgebouw, een woningcomplex met dienstverlening of een rusthuis moet voldoen om voor erkenning in aanmerking te komen*).

The Decree states that 'the services [offered] must be brought within the reach of residents who may make use of them as desired, whenever this is necessary' (Decrees on facilities for elderly people, coordinated in the Flemish Government Decree of 18 December 1991). In a block of service flats, the emphasis is on independent living. The services (maintenance, meals, etc.) are incremental, with no objective other than providing a means of supporting the independence of the residents.

Specific requirements:

- Quality: the quality requirements are laid down in the Ministerial Decree of 10 December 2001 on quality control in rest homes, day-care centres, short-stay centres, service flats and sheltered housing complexes in rest homes (*Ministerieel besluit inzake kwaliteitszorg in de rusthuizen, centra voor dagverzorging, centra voor kortverblijf, serviceflats en woningcomplexen met dienstverlening in de rusthuizen*). The other accreditation standards are specified in Annex A to the Flemish Government Decree of 10 July 1985 laying down the judicial procedure for accreditation and closure of blocks of service flats and sheltered housing complexes (*Besluit van de Vlaamse Regering van 10 juli 1985 tot vaststelling van de rechtspleging voor erkenning en sluiting van serviceflatgebouwen en woningcomplexen met dienstverlening*).

- Affordability: determination of the initial daily rate is unrestricted. The following adjustments must be approved by the Flemish Agency for Care and Health (*Vlaams Agentschap Zorg en Gezondheid*). The composition of the daily rate is specified in Article 1.8 of Annex A to the Flemish Government Decree of 10 July 1985 laying down the judicial procedure for accreditation and closure of blocks of service flats and sheltered housing complexes, with further details in point 3.3 of the Annex to Circular SFG/1/96 of 10 September 1996 providing clarification on the operation of blocks of service flats and sheltered housing complexes.

- Accessibility: in order to be able to obtain prior authorisation, it is necessary inter alia to be able to demonstrate the accessibility of the facility (Article 20 of the Ministerial Decree of 7 June 1999 laying down assessment criteria within the meaning of Article 5 of the Flemish Government Decree of 17 March 1998 establishing the programme for blocks of service flats and sheltered housing complexes (*Besluit van de Vlaamse Regering van 17 maart 1998 houdende vaststelling van het programma voor serviceflatgebouwen en woningcomplexen met dienstverlening*)).

- Continuity of service: accreditation standard 4.2 states that: 'A member of staff, who can respond to any call by an elderly person without delay, must be present at all times, day and night, in the facility itself or in the immediate vicinity.'

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

- Decrees relating to facilities for elderly people, coordinated in the Flemish Government Decree of 18 December 1991 (*Belgisch Staatsblad/Moniteur belge*, 20 August 1992);
- Residential Care Decree (*Woonzorgdecreet*) of 13 March 2009 (*Belgisch Staatsblad/Moniteur belge*, 14 May 2009);
- Residential Care Decree (*Woonzorgdecreet*) of 15 February 2019 (*Belgisch Staatsblad/Moniteur belge*, 3 May 2019);
- Flemish Government Decree of 10 July 1985 laying down the judicial procedure for accreditation and closure of blocks of service flats, sheltered housing complexes, rest homes (*Belgisch Staatsblad/Moniteur belge*, 30 August 1985);
- Flemish Government Decree of 5 June 2009 laying down the rules for granting prior authorisation for certain residential care facilities (*Besluit van de Vlaamse Regering tot vaststelling van de regels voor het verlenen van de voorafgaande vergunning voor sommige woonzorgvoorzieningen*) (*Belgisch Staatsblad/Moniteur belge*, 4 September 2009);
- Ministerial Decree of 7 June 1999 laying down assessment criteria within the meaning of Article 5 of the Flemish Government Decree of 17 March 1998 establishing the programme for blocks of service flats, sheltered housing complexes, rest homes and day-care centres (*Belgisch Staatsblad/Moniteur belge*, 29 September 1999);
- Flemish Government Decree of 17 July 1985 laying down the standards which blocks of service flats, sheltered housing complexes or rest homes must meet in order to be eligible for accreditation (*Belgisch Staatsblad/Moniteur belge*, 30 August 1985);
- Circular SFG/1/96 of 10 September 1996 providing clarification on the operation of blocks of service flats and sheltered housing complexes;
- Ministerial Decree of 10 December 2001 on quality control in rest homes, day-care centres, short-stay centres, service flats and sheltered housing complexes in rest homes (*Belgisch Staatsblad/Moniteur belge*, 28 March 2002);
- Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC (*Besluit van de Vlaamse Regering houdende de toekenning van een subsidie aan Openbare Centra voor Maatschappelijk Welzijn en verenigingen zonder winstoogmerk als tegemoetkoming in de vergoeding voor de verwerving van de eigendom van de serviceflatgebouwen die op hun grond zijn opgericht in het kader van een onroerende leasingovereenkomst met de BEVAK*) (*Belgisch Staatsblad/Moniteur belge*, 21 December 2001);
- Flemish Government Decree of 16 May 2008 amending the Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC (*Belgisch Staatsblad/Moniteur belge*, 27 August 2008).

The award of the subsidy to the promoters is subject to the conditions in Article 12 of the General Agreement between the Flemish Community and the CEIC Serviceflats Invest nv (*Belgisch Staatsblad/Moniteur belge*, 17 January 1996).

The subsidy eligibility requirements are laid down in Articles 3, 4 and 5 of the Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC:

o Article 3: The subsidy shall be granted with effect from the year following the year in which the service flats in question receive accreditation in accordance with the Decrees on facilities for elderly people, coordinated on 18 December 1991. It shall be paid to the promoter in the first quarter of the year to which it relates.

The disbursement shall be made via the custodian of the CEIC. The subsidy shall be paid only for as long as the service flats in question are accredited in accordance with the decrees indicated in the first paragraph.

o Article 4: The subsidy shall be a contribution to the compensation which the promoter must pay the CEIC at the end of the real estate leasing contract in order to acquire ownership of the service flats. Each year that it receives the subsidy, the promoter shall pay an amount that is at least equal to that subsidy into an account as security for the obligation to pay the compensation referred to in the first paragraph, as laid down in the real estate leasing contract which it concluded with the CEIC. The amounts paid annually shall be invested continuously and shall be used to pay the compensation referred to in the first paragraph.

o Article 5:

§ 1. Each year before 31 January, the promoter shall provide the authorities with proof of [missing] The award of the subsidy to the promoters is subject to the conditions in Article 12 of the General Agreement between the Flemish Community and the CEIC Serviceflats Invest nv (*Belgisch Staatsblad/Moniteur belge*, 17 January 1996).

The subsidy eligibility requirements are laid down in Articles 3, 4 and 5 of the Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC:

o Article 3: The subsidy shall be granted with effect from the year following the year in which the service flats in question receive accreditation in accordance with the Decrees on facilities for elderly people, coordinated on 18 December 1991. It shall be paid to the promoter in the first quarter of the year to which it relates. The disbursement shall be made via the custodian of the CEIC. The subsidy shall be paid only for as long as the service flats in question are accredited in accordance with the decrees indicated in the first paragraph.

o Article 4: The subsidy shall be a contribution to the compensation which the promoter must pay the CEIC at the end of the real estate leasing contract in order to acquire ownership of the service flats. Each year that it receives the subsidy, the promoter shall pay an amount that is at least equal to that subsidy into an account as security for the obligation to pay the compensation referred to in the first paragraph, as laid down in the real estate leasing contract which it concluded with the CEIC. The amounts paid annually shall be invested continuously and shall be used to pay the compensation referred to in the first paragraph.

o Article 5:

§ 1. Each year before 31 January, the promoter shall provide the authorities with proof of the payment it made in accordance with Article 4(2) during the preceding year, by means of a relevant statement of account.

§ 2. The promoter shall pay the compensation referred to in Article 4(1) to the CEIC, as stipulated in the real estate leasing contract concluded between them. No later than one month after that payment, it shall provide the authorities with proof thereof by means of a receipt supplied by the CEIC.

§ 3. The authorities may at any time ask a promoter for documents which relate to the subsidy.

<p>The subsidy shall be paid only for as long as the service flats in question are accredited (Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC). In order to be accredited, the accreditation standards must be met as set out in Annex A to the Flemish Government Decree of 17 July 1985 laying down the standards which blocks of service flats, sheltered housing complexes or rest homes must meet in order to be eligible for accreditation.</p>
<p>C 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?</p>
<p>The annual subsidy for each block of service flats or sheltered housing complex is always paid for 18 years.</p>
<p>D Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>No</p>
<p>E Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>

The compensation was determined on the basis of the investment cost for construction of a service flat.

Initially, the subsidy was EUR 961.83 per year per flat for 18 years (Flemish Government Decree of 30 November 2001). When this amount was set in 1995, it was calculated on the basis of the option that the subsidy, paid over 18 years and capitalised over 27 years, would constitute a sum equal to the nominal investment costs of a service flat (estimated at that time to be about BEF 2.4 million). This cost price was calculated on the basis of the data relating to the construction costs of the flats built as part of the emergency programme for social housing.

This calculation included:

Net construction cost for service flat with 50 m² net floor area + 15% communal areas.

Additional expenditure for adapted furniture or additional m² (to allow for the use of standard furniture).

Other fixed costs (12% VAT, 6% study costs, 2% for other costs such as soil investigation, technical inspection and ten-year liability insurance).

On 16 May 2008, the Flemish Government amended its Decree awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the acquisition of blocks of service flats built on their land under a real estate leasing contract with the CEIC. The subsidy to the promoter was increased from EUR 961.83 to EUR 1 140.43 per flat per year for 18 years, for promoters who, from 1 January 2007, sign a notarised real estate leasing contract for the construction of service flats with the CEIC. The reasoning behind the increase in the total subsidy sum received by promoters is the rise in construction costs recorded since the start-up phase. Initially, the proposal was to extend the duration of the subsidies to 24 years. In order to achieve the same result while retaining the subsidy period of 18 years, it was necessary to increase the amount of subsidy paid annually.

In view of the fact that the capitalisation of 24 annual subsidy amounts (EUR 961.83 per year) at 4.77% interest results in capital of EUR 50 043 after 30 years, the same amount can be achieved by paying 18 annual subsidy amounts of $\text{EUR } 961.83 \times 1\,1857 = \text{EUR } 1\,140.43$ per year.
F 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 is based on the cost allocation method.
G Typical arrangements for avoiding and repaying any overcompensation .
<p>In principle, no overcompensation is possible as the average investment cost per flat today is about EUR 114 000 and the total subsidy granted per flat is a maximum of EUR 20 527.74 ($1\,140.43 \times 18$ years).</p> <p>The subsidy is paid only for as long as the service flats for which the subsidy is granted are accredited.</p> <p>For each disbursement (annual, for 18 years), a check is made to see whether the block of service flats is still accredited, i.e. meets the accreditation standards as described in Annex A to the Flemish Government Decree of 17 July 1985 laying down the standards which blocks of service flats, sheltered housing complexes or rest homes must meet in order to be eligible for accreditation.</p> <p>The subsidy is paid only for as long as the service flats in question are accredited. If a block of service flats which was built with a CEIC no longer meets the accreditation standards and, as a result, is closed, the subsidy is no longer paid (Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC).</p> <p>During inspection visits to the facility, a check is carried out to see whether the accreditation standards are still met.</p> <p>The promoter submits a statement of account each year, showing that the annual subsidy is paid and invested in accordance with Article 4(2) of the Flemish Government Decree of 30 November 2001 awarding a subsidy to Public Centres for Social Welfare and not-for-profit associations as a contribution to the compensation for acquiring ownership of the blocks of service flats constructed on their land under a real estate leasing contract with the CEIC.</p> <p>There is no specific arrangement for repaying subsidies already disbursed.</p> <p>Each year, before each disbursement, the agency itself verifies whether the block of service flats is still accredited and whether an investment certificate has been submitted.</p> <p>To date, there have been no instances of recovery.</p>

<p>H A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
<p>The aid under the CEIC subsidy framework does not exceed EUR 15 million for a single block of service flats or for a single sheltered housing complex. Apart from the CEIC subsidies, no provision is made for any subsidisation of blocks of service flats or sheltered housing complexes.</p>	
<p>I Amount of aid granted</p>	
<p>Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)</p>	
2018	2019
<p>A: Total amount of aid granted (in EUR million) paid by national central authorities</p>	
2018	2019
<p>B: Total amount of aid granted (in EUR million) paid by regional authorities</p>	
2018	2019
Public CEIC: EUR 1 787 787.90 Private CEIC: EUR 88 391.64	Public CEIC: EUR 1 703 682.66 Private CEIC: EUR 88 391.64
<p>C: Total amount of aid granted (in EUR million) paid by local authorities</p>	
2018	2019
<p>Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)</p>	
2018	2019

3° Assistance organisations (<i>Bijstandsorganisaties</i>)
Section (for example 1, Hospitals or 2b, Childcare)
2), f) Other social services
Clear and comprehensive description of how the respective services are organised in your Member State¹
<p>A 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.</p> <p>An assistance organisation provides both individual assistance (financed by the budget holder's own resources) and collective assistance (financed by subsidies). The mission description of the collective assistance in respect of both the budget holder and the Flemish Agency for Persons with Disabilities (<i>Vlaams Agentschap voor Personen met een Handicap</i> - VAPH) is further detailed in Article 10 of the Flemish Government Decree of 11 December 2015.</p> <p>The package of tasks in relation to the budget holder consists of the following:</p> <ul style="list-style-type: none"> • developing communication channels • developing resources • initiatives to increase quality of life • build up expertise regarding budget expenditure • developing knowledge and expertise regarding cross-sector supply and collaboration <p>The VAPH's package of tasks consists of the following:</p> <ul style="list-style-type: none"> • Feedback on the development of the market of care providers to improve the PVF system [<i>Persoonsvolgende Financiering</i> - Personal budgets for people with a disability] • Jointly devising a system to flag improper budget use • Notifying fraud or abuse • Sharing knowledge and expertise on available supply and cost price <p>The quality of the service provision is guaranteed by the licence conditions (see Article 6 of the Flemish Government Decree of 11 December 2015).</p>
<p>B Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.</p>
<p>The assistance organisation must meet the following statutory licensing conditions (Article 6 of the Flemish Government Decree of 11 December 2015):</p> <p>The agency may award a licence as assistance organisation to a maximum of five organisations if they meet the conditions laid down in Chapter 3 of the Licensing conditions and licensing requirements of the Flemish Government Decree of 11 December 2015. In terms of procedure, each candidate assistance organisation must submit an application file to the VAPH. This involves completing a questionnaire, in which the conditions of the Flemish Government Decree of 11 December 2015 are assessed. After approval of this application by the VAPH, a licence is granted. This application procedure is also explained further in Article 15 of the Flemish Government Decree of 11 December 2015.</p>

C 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?

<p>The subsidy scheme applies indefinitely but the subsidy to an individual assistance organisation is granted for a maximum of 10 years. The subsidy can be stopped or extended after evaluation by the VAPH (in cooperation with the care inspectorate).</p> <p>In practical terms, the underlying legislation stipulates the following: Provided that the assistance organisation meets the conditions for the specific service provision referred to in this Decree, the subsidy shall last for a period of 10 years from the first award of the basic subsidy referred to in Article 16 (Article 3 of the Flemish Government Decree of 11 December 2015).</p> <p>However, the licence awarded to the assistance organisation is of indefinite duration (Article 6 of the Flemish Government Decree of 11 December 2015):</p>
<p>D Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>No</p>
<p>E Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>
<p>Assistance organisations receive annual operating subsidies, the size of which depends on the number of members. (See Article 16 of the Flemish Government Decree of 11 December 2015).</p> <p>The basic amount of subsidy is minimum EUR 40 000.</p> <p>For assistance organisations with fewer than 500 members, the basic subsidy is EUR 90 000.</p> <p>For assistance organisations with fewer than 500 members, the basic subsidy is calculated according to the formula: the number of members divided by 500 multiplied by EUR 90 000.</p> <p>A subsidy of EUR 170 is also granted for each affiliated budget holder.</p>
<p>F Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>
<p>Assistance organisations are in each case granted an amount calculated on the basis of the number of affiliated members (see above).</p>
<p>G Typical arrangements for avoiding and repaying any overcompensation.</p>
<p>Assistance organisations must keep separate accounts for the SGEI, are subject to strict conditions for the setting aside and use of reserves and must be able to account for their expenditure with regard to this SGEI (Chapter 2 and Article 18 of the Flemish Government Decree of 11 December 2015). Compliance with this Decree is monitored on a regular basis and at least every three years (Article 3(2) of the Flemish Government Decree of 11 December 2015).</p> <p>Where the use of subsidies cannot be accounted for, they are recovered (Chapter V of the Act of 16 May 2003 laying down the general conditions applicable to budgets, control of subsidies and the accounting of communities and regions, as well as for the organisation of the inspection by the Court of Audit (<i>Wet van 16 mei 2003 tot vaststelling van de algemene bepalingen die gelden voor de begrotingen, de controle op de subsidies en voor de boekhouding van de gemeenschappen en de gewesten, alsook voor de organisatie van de</i></p>

controle door het Rekenhof)).

<p>H A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
<p>In the past years (2018 and 2019), there were no instances of aid to individual assistance organisations exceeding EUR 15 million on an annual basis.</p>	
<p>I Amount of aid granted</p>	
<p>Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)</p>	
2018	2019
1 068	1 562
<p>A: Total amount of aid granted (in EUR million) paid by national central authorities</p>	
2018	2019
<p>B: Total amount of aid granted (in EUR million) paid by regional authorities</p>	
2018	2019
1 068	1 562
<p>C: Total amount of aid granted (in EUR million) paid by local authorities</p>	
2018	2019
<p>Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)</p>	
2018	2019
<p>Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)</p>	
2018	2019
Number of members: 4 360	Number of members: 5 168

Work and Social Economy policy area

The report below is submitted in accordance with Article 9 of the SGEI Decision of 20 December 2012 on behalf of the Work and Social Economy (WSE) policy area in Flanders.

1. Expenditure overview

Total SGEI government expenditure by legal basis (in EUR million)		
Total compensation for Services of General Economic Interest (1+2)	2018	2019
1) Total compensation granted on the basis of the SGEI Decision	EUR 54 115 931.31	EUR 63 311 344.24
2) Total compensation granted on the basis of the SGEI Framework	Not applicable	Not applicable

2. Description of the application of the 2012 SGEI Decision

During the 2018-2019 period, five measures were operational within the WSE policy area that were based on the SGEI Decision. The specific measures were as follows:

- the provision of vocational entrepreneurship training courses allocated by Syntra Vlaanderen,
- activity cooperatives,
- local service economy,
- guidance for individuals entitled to a subsistence income during temporary work experience
- ESF calls promoting social inclusion and poverty reduction.

A brief general description of these measures within the WSE policy area, including their general features, is provided below.

Point 2) Social services c) Access and reintegration into the labour market

The measures:

- Activity cooperatives
- Local service economy (WSE part)
- Guidance during temporary work experience
- ESF calls

come under point (2) Social services, c) Access to and reintegration into the labour

market (Article 2(1)(c)).

SGEI compensation not exceeding an annual EUR 15 million

The 'vocational entrepreneurship training courses' measure falls within the scope of point (5) Other SGEI compensation not exceeding EUR 15 million (Article 2(1)(a)).

Clear and comprehensive description of how the respective services are organised in your Member State

The Flemish Government has decided that each of these measures is a service which benefits society and that these services are offered in a principled and high-quality manner.

The parties providing these services are entrusted by the Flemish Government if they meet the established conditions; provision has been made for this in the relevant regulations. These conditions are proportionate and non-discriminatory and relate to the requirements regarding quality and implementation of the service. In a number of cases, the entrusted service providers may also be chosen on the basis of a public procurement procedure or an open call.

The period of entrustment usually varies from two to six years, depending on the measure. Occasionally, short-term contracts are awarded for six months to a year. For the 'guidance during temporary work experience' measure, the entrustments are awarded for 10 years to the Public Social Welfare Centres (OCMW).

No exclusive or special rights are granted under any measure.

The compensation mechanism on the basis of which the subsidies are granted also varies between the different measures. The price may be determined as a result of a public procurement procedure combined with predetermined target prices or may be a fixed amount which is set in advance on the basis of objective parameters.

Control points have been incorporated for all measures in order to verify whether the price and the parameters are still in line and whether any adjustments have to be made for the subsequent period. In addition, there is provision for a check on implementation; if abuses are discovered, compensation will be recovered.

Total amount of aid granted

The total amount of aid granted and the number of entrustments vary greatly depending on the measure, see table below.

Measure	2018		2019	
	Amount in EUR	Entrustments	Amount in EUR	Entrustments
Temporary work experience - Public Social Welfare Centres (OCMW)	EUR 18 425 195.00	308	EUR 22 226 325.00	300

Vocational entrepreneurship training courses	EUR 1 234 623.80	62	EUR 524 920.27	36
Activity cooperatives	EUR 749 674.80	5	EUR 682 748.58	5
Local service economy	EUR 26 569 654.89	207	EUR 24 858 390.29	185
ESF	EUR 7 136 782.82	62	EUR 15 018 960.10	68
Total	EUR 54 115 931.31	/	EUR 63 311 344.24	/

3. Complaints by third parties

Nil

4. Miscellaneous questions

The basic principles regarding compensation, calculation of costs and reasonable profit were described in the current SGEI regulations from an economic perspective, which is applicable mainly to economic services concerning network industries or comparable sectors. Applying this to the provision of services and subsidisation within the framework of Work and Social Economy is more difficult, and it is certainly not applicable in all respects.

Working with concepts such as reasonable profit, rate of return on capital or other profit level indicators and swap rates is suited to a business context, but cannot easily be applied, for example, to subsidising training courses, reintegration measures for job seekers or services of a predominately social nature, where making a profit is not always an objective. Where compensation is determined for the provision of a service, this is often based on expected costs, but no account is taken of a reasonable percentage of profit. The concept of reasonable profit in such a context chiefly creates many questions and uncertainties for policy-makers and service providers in the field.

It goes without saying that it is important to assess the implementation of a public contract and the financial resources used to do so, but the current SGEI regulations are not practicable when a very large number of service providers receive entrustments for a certain measure. The administrative burden that accompanies the current SGEI regulations is great, especially for smaller measures (< EUR 15 million), and requires an additional, disproportionate government investment.

In order to ensure that funding for service providers within the framework of more social SGEI entrustments can, in future, be provided correctly and with legal certainty, the SGEI regulations need to be rewritten in this respect and must take into account the uniqueness of various service providers. At the present time, there is considerable uncertainty in the field and in practice, which is dealt with to the best of the ability of those concerned, but without any legal certainty.

Social Housing policy area

Clear and comprehensive description of how the respective services are organised in your Member State

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.

In the Flemish Region, rental homes are being offered to a defined target group on favourable terms. The target group is identified on the basis of income conditions and property ownership conditions. In 2020, around 15.7% of all households in the Flemish Region were eligible for social housing. This social housing qualifies as an SGEI.

Social housing is provided under Article 2, §1, first paragraph, 22°, of the Flemish Housing Code (*Vlaamse Wooncode*):

- the Flemish Social Housing Association (*Vlaamse Maatschappij voor Sociale Wonen*) or social housing providers (*sociale huisvestingsmaatschappijen* - SHMs)
- accredited social rental agencies (*sociale verhuurkantoren* - SVKs)
- the Flemish Housing Fund (*Vlaams Woningfonds* - VWF)
- local authorities (municipality, inter-municipal association, partnerships, OCMW or welfare association)

Under the SGEI, housing is rented to a defined target group on favourable terms. Social housing must be rented to households who meet the eligibility conditions. The contractual relation between the social landlord and the tenant is governed by binding provisions listed in Title VII of the Flemish Housing Code and the Social Rental Framework Decision. In addition, the law on private rental of property, as set out in the Flemish Rental Housing Decree, applies.

Authorities other than those set out in the categories of social landlords listed in the second paragraph cannot perform the SGEI referred to in the third paragraph and they also do not have access to the government aid associated with the SGEI.

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

Social landlords provide a service of general interest. When entrusting this mission, a distinction must be made between the different categories of social landlords.

1. The VMSW (*Vlaamse Maatschappij voor Sociaal Wonen* - Flemish Social Housing Association) and the local authorities are public authorities. The activities of both are geared towards the general interest. In their capacity as social landlords, they are under the supervision of the social housing supervisor, a body of the Flemish Region which monitors whether or not social landlords follow the binding regulatory framework.

- The VMSW was set up by the Flemish Region as an external autonomous agency under public law (Article 30 of the Flemish Housing Code). The VMSW's missions are set out in the Flemish Housing Code (Article 33 et seq.)
- The local authorities are entities that are recognised in the Belgian Constitution and they are

involved in matters of solely municipal interest (Article 41 of the Constitution).

2. The other social landlords are private entities that are accredited by the Flemish Region and entrusted with missions of general interest in the field of social housing. The regulatory provisions limit their activities to the missions of general interest they must perform. They cannot perform any other activities. They are under the supervision of the social housing supervisor, a body of the Flemish Region which monitors whether or not social landlords follow the binding regulatory framework.

- The Flemish Housing Fund (Vlaams Woningfonds - VWF) is a private cooperative partnership accredited by the legislator (Article 50 of the Flemish Housing Code). The law requires the VWF, among other missions, to improve the living conditions for families and individuals in need of accommodation by making suitable housing available.
- Social housing associations (Sociale huisvestingsmaatschappijen - SHM) are accredited by the Flemish Government. They are private partnerships with a social objective that addresses the special objectives of Flemish housing policy. The accreditation conditions are laid down in the legislation (Article 40 of the Flemish Housing Code and the Flemish Government Decree of 22 October 2010 establishing the additional conditions and the procedure for accrediting social housing associations and establishing the procedure for assessing the performance of social housing associations (*Belgisch Staatsblad/Moniteur belge*, 29 December 2010)), as are the missions of a social housing association (Article 41 of the Flemish Housing Code). One of the social housing associations' missions is to improve the living conditions of families and individuals in need of accommodation, in particular those most in need, by ensuring there is a sufficient supply of social rental homes or social properties to buy, possibly including social facilities, paying attention to their integration in the local housing structure.
- Social rental agencies (Sociale verhuurkantoren - SVK) are accredited by the Flemish Government. They are non-profit associations or welfare associations. As accredited rental services, they contribute to helping achieve the right to housing and they act in the interest of the families and individuals most in need on the private rental property market. The accreditation conditions are laid down in the legislation (Article 56, § 3 of the Flemish Housing Code and the Flemish Government Decree of 20 July 2012 establishing the conditions for accreditation and subsidy for social rental agencies (*Belgisch Staatsblad/Moniteur belge*, 7 September 2012), and also the missions of a social rental agency (Article 56, § 2, third and fourth paragraph of the Flemish Housing Code). One of the missions of a social rental agency is to rent on the private rental market or take out a long lease on homes or rooms in order to lease high-quality homes or rooms to families and individuals in need of accommodation at a reasonable rental price and paying attention to providing housing security.

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 VMSW and the local authorities perform the SGEI referred to without the SGEI being expressly entrusted to them. Where they receive resources for performing the SGEI from the Flemish Region, they are required to lease the housing acquired with those resources to the defined target group on favourable terms. Where they no longer wish to use the housing acquired for the SGEI, they are required to repay the resources received, transfer the housing to other social landlords or use the resources in another manner in the general interest.

The Flemish Housing Fund and the social housing associations are accredited for an indefinite duration. They build social housing themselves which they are then required to lease to the defined target group on favourable terms. In this way, the resources invested continue to be used for social housing and it is ensured that social housing does not lose any resources.

Social rental agencies are accredited for an indefinite duration but are subsidised for a period of five years. They lease housing that they rent themselves from the private rental market to a defined target group on favourable terms, meaning that they do not make any structural investment in housing. After the end of the five-year subsidy period, the social rental agency can submit an application for an extension if it demonstrates that the subsidy conditions are met.

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

The special rights for social landlords associated with the performance of the SGEI consist in the following forms of compensation:

- Subsidised financing (for social housing associations ('SHMs'), local authorities, and VWF).
- Regional social adjustment (for certain SHMs).
- Infrastructure subsidies (for SHMs, local authorities and VWF).
- Subsidies for costs of merger/restructuring (for SHMs).
- Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF).
- Operating subsidies and growth subsidies (for SVKs).
- Support for active SHMs (for SHMs).
- Subsidies for staff costs (for certain SHMs and SVKs).

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

The organisations entrusted with the SGEI receive the following types of compensation:

- Subsidised FS3 financing (for SHMs, local authorities, and VWF): to finance the construction of new social rental housing or the refurbishment/rebuilding of existing social rental housing.
- Regional social adjustment (for certain SHMs): a subsidy for SHMs which suffer loss due to rental prices for their housing being lower than average, since their tenants have an income that is below average.
- Infrastructure subsidies (for SHMs, local authorities and VWF): subsidies for infrastructure work, preparing land for construction, social facilities, and intervention in the housing environment.
- Subsidies for costs of merger/restructuring (for SHMs): subsidy for the compensation of costs incurred in relation to merger operations/restructuring, which result from the accreditation conditions relating to minimum scale size.
- Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF): subsidies for SHMs and the VWF to encourage them to make energy investments in the existing social housing in the field of heating, insulation, glazing, ventilation, etc.
- Operating subsidies and growth subsidies (for SVKs): subsidy to cover certain staff and administration costs, frictional vacancy and diminishing value on tenancies.
- Support for active SHMs (for SHMs): subsidy awarded for the project management of construction and refurbishment of social housing on the basis of the FS3 loans taken out by the SHMs during 2014-2017 and proportionate to the SHM's share in the appropriations on an annual budget for the construction and refurbishment of social rental housing by the VMSW in 2017 – not a standard subsidy but only where a particular decision is taken to that end.

- Subsidies for payroll costs to certain SHMs and SVKs with regularised subsidised contract (*Gesco'*) projects.

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 different types of government aid are:

- Subsidised FS3 financing (for SHMs, local authorities, and VWF). to finance the construction of new social rental housing or the refurbishment of existing social rental housing. SHMs, local authorities and the VWF which wish to build social rental housing, are eligible for a subsidised loan with a 33-year duration at an interest rate of -1%. They then have to lease this housing in accordance with the regulatory framework, whereby the rental price must be established on the basis of the tenant's income, their family composition and the condition of the dwelling. This financing method provides for an almost break-even situation after 32 years when account is taken of the regional average acquisition and building costs of new-build projects, a refurbishment of 80% of the cost of a new-build after 33 years, rental to families who pay the average regional social rental price, indexed annually by 2%, an annual increase in land value of 2%, an annual increase in building costs of 4.01%, a limited maintenance flat-rate to be indexed by 2%, and residual value overall after the 32 years. In addition, any profit must be reused for the objective of the social landlord, meaning that no public aid can spill over to other activities.
- Regional social adjustment (for certain SHMs): this subsidy is awarded to a SHM when the normalised revenue of the SHM in the reference year is lower than the normalised expenditure in the normalised year, and is equal to the difference between the two. Sections 2 and 3 of Chapter V of the Financing Decision of 21 December 2012 set out how the revenue and expenditure is normalised. It is important to point out in that respect, that account is not only taken of revenue from the projects financed via FS3 but of all the SHM's income, i.e. also the revenue from non-subsidised projects or parts of projects (such as shops or garages - these are built only when they are required by the authority issuing the permit). Normalisation of the revenue and expenditure is mainly intended to enhance SHM efficiency. Thus, account is taken, among other things, of an extremely limited flat-rate for rent arrears and vacancy.
- Infrastructure subsidies (for SHMs, local authorities and VWF): subsidies for infrastructure work, preparing land for construction, social facilities, and intervention in the housing environment. The subsidy is calculated according to the method set out in Chapter 3 of the Financing Decision of 21 December 2012. The subsidy is limited to the real costs of the work.
- Subsidies for merger/restructuring costs (for SHMs): subsidy for the compensation of costs relating to merger operations/restructuring, which result from the accreditation conditions relating to minimum scale size. The subsidy is calculated in accordance with

the method set out in Chapter 1 of the Flemish Government Decree of 27 October 2017 subsidising any potential negative consequences for a social housing association as a result of restructuring, and amending several decrees of the Flemish Government on the operating and financing of social housing associations in implementation of the Decree of 28 April 2017 implementing the accompanying measures to promote the effective performance of the social housing associations (*besluit van de Vlaamse regering van 27 oktober 2017 tot betoelaging van de eventuele nadelige financiële gevolgen voor een sociale huisvestingsmaatschappij, ten gevolge van een herstructurering en tot wijziging van diverse besluiten van de Vlaamse Regering over de werking en financiering van de sociale huisvestingsmaatschappijen ter uitvoering van het decreet van 28 april 2017 houdende de invoering van begeleidende maatregelen ter bevordering van de performante werking van de sociale woonorganisaties*). The subsidy is limited, cannot in any case exceed the real costs associated with restructuring, and is in that case reduced to the amounts actually paid out and demonstrated.

- Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF): subsidy to compensate the costs incurred by carrying out an energy refurbishment of social housing. The eligible amount is limited, is capped at the real cost price of the investment and any other intervention is deducted.
- Operating subsidies and growth subsidies (for SVKs): subsidy to cover certain staff and administration costs, frictional vacancy and diminishing value on tenancies. The subsidy is calculated on the basis of the number of homes managed by the SVK. The subsidy payment takes into account only the net operating and staff costs. Costs that are recovered from the tenant and/or owner, and other operating revenue are deducted from the eligible costs. The subsidy to the SVK for staff and operating costs can never be higher than the net costs actually incurred. In addition, the Flemish Region subsidy does not cover all the costs of an SVK. In most cases, the total costs are higher than the subsidised costs. In addition, an important cost component is not subsidised, i.e. the costs of repairs to be borne by the SVK and which are not recoverable from the subtenant.
- Support for active SHMs (for SHMs): subsidy awarded for the project management of construction and refurbishment of social housing on the basis of the FS3 loans taken out by the SHMs. This concerns compensation of costs incurred by the SHM over the course of new building projects, where these costs had not been taken into account in the calculation of the basic subsidy.
- Subsidies for staff costs (for certain SHMs and SVKs) with regularised subsidised contract (Gesco) projects. The subsidy is flat-rate but reduced each year if the regularised Gesco staff members are no longer in service. In addition, the Ministerial Decree stipulates that the subsidised salary costs cannot be used to justify other subsidies provided from the expenditure budget of the Flemish Community.

Typical arrangements for avoiding and repaying any overcompensation.

All subsidy systems are set up so that they cannot generate profit or only to a very limited extent. The subsidies are always limited to the actual costs or to the flat-rate costs which are never higher than the costs charged in a non-social rental context.

On the basis of the accounting year results of each SHM, an annual check is carried out, where the return on all the assets ('return on capital employed') is calculated as regards the social leasing activities of the SHMs. Because the SHMs' individual results can be strongly influenced by decisions to sell, an average over five years is calculated. The standard against which the return is checked is the relevant swap rate, increased by 100 basic points (OLO 30 years of past five years + 1% (= 100 basic points) = 1.34% + 1% =

2.34%).

This calculation for 2014-2018 shows that the return at sector level for social rental activities is barely 1.17% and that no SHM achieves a return of more than 2.34% on social rental activities. The calculation of the return over 2015-2019 could at the time of concluding this report not yet take place but there are no indications that the SHMs' return for the social rental activities would have significantly increased.

In addition, the SHMs' financial health is closely monitored, particularly with a view to controlling the financial risks to which the Flemish Region is exposed due to the extensive credit loans. The risk of overcompensation (for example with SHMs that are in very good financial health) is avoided by means of decrees that ensure that any own resources built up can only be used for earmarked social housing objectives. The SHMs are also required to deposit those resources which they do not need for their day-to-day operations in an account with the VMSW, for which they receive compensation no greater than the market rate (which can again be used for social housing projects). A supervisor checks how the resources are spent. The frequency of the checks is determined on the basis of a risk assessment.

There is an annual reporting obligation for the SVKs, on the basis of which the eligible costs for the past working year are determined (Article 16, §3 of the SVK Decree). Where the subsidy appears to be higher than the eligible costs, the balance of the subsidy is not disbursed in full. In certain circumstances, it is also stipulated that the Minister will/can stop the subsidy and recover the subsidy already disbursed. This is the case, among others, where the SVK has unlawfully received an accreditation or subsidies on the basis of incorrect information or if it impedes checks investigating how the subsidy awarded is being used (Article 17 of the SVK Decree).

A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

Not applicable (social landlords do not perform any activities outside the SGEI).

Only SVKs can also perform other activities of general interest. The aid to SVKs is devised in such a way that the aid can be used only for the activity of leasing of social housing in accordance with the conditions of the social rental system.

- SVKs are required to perform analytical accounting where their operations form part of a larger package of missions. The supervisor is in charge of overseeing this.
- When an SVK does not use the subsidy in full, the balance of the subsidy is not disbursed (in full). An SVK cannot use the excess of its subsidy to build up a specific fund for diminishing value on tenancies.

Amount of aid granted

Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018

Subsidised financing (for social housing associations ('SHMs'), local authorities, and VWF)	EUR 85 527 million
Regional social adjustment (for certain SHMs)	EUR 5 361 million
Infrastructure subsidies (for SHMs, local authorities and VWF)	EUR 76 million
Subsidies for costs of merger/restructuring (for SHMs)	EUR 2 million
Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF)	EUR 20 million
Operating subsidies and growth subsidies (for SVKs)	Basic subsidy: EUR 9.4 million Additional subsidy: EUR 8.8 million Growth subsidy: EUR 1.8 million
Support for active SHMs (for SHMs)	EUR 15 million
Subsidies for staff costs (for certain SHMs and SVKs)	EUR 0.2 million

2019

Subsidised financing (for SHMs, local authorities, and VWF)	EUR 104.288 million
Regional social adjustment (for certain SHMs)	EUR 7.829 million
Infrastructure subsidies (for SHMs, local authorities and VWF)	EUR 54.996 million
Subsidies for costs of mergers/restructuring (for SHMs)	EUR 2 million
Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF)	EUR 20 million
Operating subsidies and growth subsidies (for SVKs)	Basic subsidy: EUR 13.9 million Additional subsidy: EUR 7.1 million Growth subsidy: EUR 2 million
Support for active SHMs (for SHMs)	EUR 10 million
Subsidies for staff costs (for certain SHMs and SVKs)	EUR 0.2 million

A: Total amount of aid granted (in EUR million) paid by national central authorities

2018

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2019

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

2018

Subsidised financing (for SHMs, local authorities, and VWF)	EUR 85.527 million
Regional social adjustment (for certain SHMs)	EUR 5.361 million
Infrastructure subsidies (for SHMs, local authorities and VWF)	EUR 76 million
Subsidies for costs of mergers/restructuring (for SHMs)	EUR 2 million
Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF)	EUR 20 million
Operating subsidies and growth subsidies (for SVKs)	Basic subsidy: EUR 9.4 million Additional subsidy: EUR 8.8 million Growth subsidy: EUR 1.8 million
Support for active SHMs (for SHMs)	EUR 15 million
Subsidies for staff costs (for certain SHMs and SVKs)	EUR 0.2 million

2019

Subsidised financing (for SHMs, local authorities, and VWF)	EUR 104.288 million
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Infrastructure subsidies (for SHMs, local authorities and VWF)	EUR 54.996 million
Subsidies for costs of mergers/restructuring (for SHMs)	EUR 2 million
Subsidies for the energy refurbishment of social rental housing (for SHMs and VWF)	EUR 20 million

Operating subsidies and growth subsidies (for SVKs)	Basic subsidy: EUR 13.9 million Additional subsidy: EUR 7.1 million Growth subsidy: EUR 2 million
Support for active SHMs (for SHMs)	EUR 10 million
Subsidies for staff costs (for certain SHMs and SVKs)	EUR 0.2 million

C: Total amount of aid granted (in EUR million) paid by local authorities

2018

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2019

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Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)

2018

2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)

2018

2019

ENVIRONMENT policy area

1. Energy

1. EXPENDITURE OVERVIEW

Total SGEI government expenditure by legal basis (in EUR million)		
	2018	2019
<i>Total compensation for Services of General Economic Interest (1+2)</i>	63	4
1) Total compensation granted on the basis of the SGEI Decision	63	4
2) Total compensation granted on the basis of the SGEI Framework	0	0

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

For each of the items outlined above please provide information in the form of the following table:

Point
5 b) Energy
Clear and comprehensive description of how the respective services are organised in your Member State
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 and missions that fall **within the scope of this decision**, are organised as described in points I and II below.

I. REG (rational energy use) public service obligations imposed on the network operators

Each network operator concerned by the obligations is designated by the regional energy regulator 'VREG' (*Vlaamse Regulator van de Elektriciteits- en Gasmarkt*), in accordance with Section II of the Energy Decree on the procedure for designating a network operator.

The services entrusted as SGEI concern the action obligations in accordance with Article 6.4.1/1 to 6.4.1/5, Article 6.4.1/7, Article 6.4.1/8, Article 6.4.1.9 to Article 6.4.1/11 of the Energy Decree. This only involves the obligations concerning the granting of incentive payments to investors in energy-efficient measures (for example, installing roof and wall insulation, glazing, solar boilers, heat pumps, heat pump boilers, performing energy scans, etc.). However, only for the obligations set out in Article 6.4.1/1 to 6.4.1/4, Article 6.4.1/5, § 1, first paragraph, 8°/1, Article 6.4.1/8 (with the exception of type II scans from 2019), Article 6.4.1/9 and Article 6.4.1/9/1 of the Energy Decree is SGEI aid provided to network operators.

Source:

<https://codex.vlaanderen.be/PrintDocument.ashx?id=1019755&datum=&geannoteerd=false&print=false>

II. Tasks performed by the energy houses

The concept of 'energy house' is defined in the Energy Decree as a 'local entity, as referred to in Title VIII of the Energy Decree of 8 May 2009, and authority which, at the level of one or more municipalities, either as credit intermediary or as creditor, offers the customer energy services focusing on energy-saving investments and which, in the capacity of creditor and credit intermediary, meets the following conditions:

- a) has a legal personality;
- b) has the necessary expertise and critical capacity at technical, legal, financial and accounting levels;
- c) can operate under the third-party investor principle and as local ESCO in the context of financing interventions for the target group;
- d) can ensure the social guidance of the target group.

The services entrusted as SGEI to the energy houses concern the basic tasks relating to the supply and management of energy loans, the other basic tasks to be performed, plus remodelled and experimental activities.

These tasks are set out in the cooperation agreement concluded by the Flemish Region in accordance with Article 7.9.1 of the Energy Decree. They are also further detailed in Articles 7.9.2, 7.9.2/1, 7.9.3/1 and 7.9.3/2 of the Decree.

A. Basic tasks regarding energy loans

Under Article 7.9.2 of the Energy Decree, the first basic task of the energy houses is to provide energy loans. Under Article 8.2.2, §1, of the Energy Decree of 8 May 2009, the Flemish Government may grant loans in support of investments under the promotion of rational energy use by means, inter alia, of granting loans via energy houses to final customers to finance investments in private homes serving as primary residence. Within the budget appropriations available, the Flemish Region makes available, by means of a credit line, interest-free loans to an energy house, with which a cooperation agreement has been concluded (see forms of entrustment below). The interest-free loans are repayable on the basis of the redemption part of the monthly instalments payable by private individuals, non-commercial bodies or cooperative associations to the energy house. The energy house grants loans to private individuals for investments in housing, to non-commercial bodies and cooperative associations. The loans granted by the energy house have a maximum duration of 96 months and are repayable via monthly instalments at an interest rate of 2%. A derogation applies to the interest rate for private individuals who rent the property from a social rental agency (interest-free loan), for private individuals who belong to the energy loans' priority target group (interest-free loan), and for non-commercial institutions and cooperative partnerships (interest rate of 1%). Depending on the case, minimum and maximum amounts also apply.

B. Other basic tasks

Under Article 7.9.2/1 of the Energy Decree, the other basic tasks of the energy houses are:
1 to inform, advise and guide residents by providing an easy-access energy one-stop shop where residents can obtain help answering their energy questions;

2° to provide structured basic information on at least:

- a) relevant municipal, provincial, regional and federal energy policy measures;
- b) energy incentive payments and loans, including loans from the financial sector;
- c) energy refurbishment;

3° to guide and support private individuals as a minimum with:

- a) applications for the incentive payments and loans referred to under point 2;
- b) comparing suppliers and, where applicable, changing energy suppliers;
- c) requesting and comparing quotes for energy refurbishment work;
- d) carrying out energy refurbishment work, and making it easier, including by providing services resulting from the energy scans performed by the energy house which focuses on guidance in implementing energy-saving investments (=T2 energy scans);
- e) interpreting thermographic information, solar maps, post-energy scan results and the energy performance certificate;

4° to coordinate local services performed, among others, by the people performing the energy scans who have been appointed by the respective municipality, and, where applicable, providing references to suitable professionals.

C. Tasks relating to remodelled and experimental activities

Under Article 7.9.3/2 of the Energy Decree, following a call for projects by the Flemish Government, remodelled or experimental projects or the pre-empting of new legislation which aligns with the objectives of the Flemish energy policy can be deemed to be SGEI.

Source:

<https://codex.vlaanderen.be/PrintDocument.ashx?id=1019755&datum=&geannoteerd=false&print=false>

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

I. REG (rational energy use) public service obligations on network operators

Each network operator concerned by the obligations is designated by the Flemish Regulator for the Electricity and Gas Market (*Vlaamse Regulator van de Elektriciteits- en Gasmarkt* - 'VREG'), in accordance with Section II of the Energy Decree on the procedure for designating a network operator. The REG public service obligations on network operators are laid down in the Energy Decree (see above).

Article 6.4.1/12 of the Energy Decree is the means through which SGEI aid is provided in accordance with Decision 2012/21/EU. It caps the total aid for REG public service obligations at EUR 15 million per year per network operator. The actual aid for the SGEI tasks is entrusted in each case by means of a decision.

II. Tasks for the energy houses

The energy houses perform their tasks in accordance with Title VIII, Chapter IX of the Energy Decree and the cooperation agreements concluded to this end with the Flemish Government. An energy house is proposed by the municipality (or municipalities), after consultation with the OCMW. It loses its accreditation automatically when the cooperation agreement has ended.

<p>Title VII, Chapter IX of the Energy Decree is the means through which SGEI aid is provided in accordance with Decision 2012/21/EU. It caps the total aid for energy houses at EUR 15 million per year per energy house. The actual aid for the SGEI tasks is entrusted in each case by means of a decision.</p>
<p>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?</p>
<p>I. Period of entrustment of REG public service obligations on network operators</p> <p>The public service obligations of network operators reported here are recurrent and not limited over time. The period of entrustment of the aid for the obligations falling under the SGEI Decision, is nonetheless limited over time and is laid down in Article 6.4.1/12, §5 of the Energy Decree, with compensation granted from the 2018 calendar year until no later than the 2028 calendar year.</p> <p>II. Period of entrustment of energy house tasks</p> <p>The duration during which the energy houses perform their tasks, depends on the following factors:</p> <p>A. The duration of the cooperation agreements concluded with the Flemish Region.</p> <p>B. In addition, the period of entrustment of the aid for the tasks falling under the SGEI is determined by the following:</p> <ul style="list-style-type: none"> a. compensation granted for staff and operating resources as part of the basic tasks relating to energy loans until the 2027 calendar year (Article 7.9.3); b. compensation granted for the other basic tasks run until the 2029 calendar year (Article 7.9.3/1); c. compensation granted for remodelled or experimental projects run until the 2029 calendar year (Article 7.9.3/2); <p>C. The Energy Decree further details the duration of tasks. The energy house may grant loans until 31 December 2018 at the latest, unless the loans involved are granted to:</p> <ul style="list-style-type: none"> a. private individuals belonging to the priority target group for energy loans; b. non-commercial bodies and cooperative associations, in which case until 31 December 2020 at the latest.
<p>Explanation whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p>Not applicable for the 2018-2019 period.</p>
<p>Which aid instruments have been used (direct subsidies, guarantees, etc.)?</p>

The aid instruments regarding direct subsidies are described in points I and II below.

I. Compensation to network operators for their REG public service obligations

Article 6.4.1/12 of the Energy Decree regulates the compensation (subsidies) to network operators for their REG public service obligations.

More specifically Article 6.4.1/12 defines all REG public service obligations as a financial public service obligation except for those for which compensation has been received and reported under the SGEI Decision.

It concerns a direct subsidy to the electricity distribution network operators, following application to the Flemish Energy Agency.

The aid given for the performance of the tasks listed in Articles 6.4.1/1 to 6.4.1/4, and 6.4.1/9/1 of the Energy Decree is determined by the Minister each year, within the threshold set in Article 6.4.1/12. For the application of the SGEI threshold of EUR 15 million, as referred to in Article 6.4.1/12, this compensation is ancillary to the compensation referred to in Article 6.4.1/1, first paragraph, 3°, 6.4.1/5, §1, first paragraph, 8° and 6.4.1/8 and 6.4.1/9 of the Energy Decree.

Aid for the performance of the tasks set out in 6.4.1/1, first paragraph, 3°, 6.4.1/5, §1, first paragraph, 8° of the Energy Decree is compensated on the basis of the real costs.

This compensation is therefore refunded as a matter of priority in application of the EUR 15 million threshold before compensation for other REG public service obligations.

For the tasks relating to the performance of energy scans (Article 6.4.1/8), the compensation takes account of a flat-rate amount that differs depending on the type of energy scan (maximum EUR 240, but indexed annually) and, where applicable, limited on the basis of the available resources in the budget.

The 'type 2' energy scans that include guidance for carrying out roof insulation, glazing or heating, were transferred to the energy houses and are therefore no longer compensated within the framework of the REG incentive payments. Moreover, when carrying out social energy efficiency projects (Article 6.4.1/9), account is taken of the actual expenditure and, where applicable, capped at the level of the available resources.

II. Compensation to energy houses for the tasks they perform

Under the Energy Decree, compensation can be granted to the energy houses and certain debts can be waived. This is developed in more detail in Chapter IX of Title VII of the Energy Decree.

It involves a direct subsidy to the energy houses which have concluded a cooperation agreement:

- A. Compensation relating to the provision and management of the basic tasks relating to energy loans (Article 7.9.3);
- B. Compensation relating to other basic tasks and T2 energy scans (Article 7.9.3/1);
- C. Compensation relating to remodelled and experimental activities following a call for projects (Article 7.9.3/2).

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

I. Compensation mechanism for REG public service obligations on network operators

The cost allocation (Article 6.4.1/12) is based on the real costs concerning the premiums paid by the network operators and on standardised costs (flat-rate) for the energy scans.

II. Compensation mechanism for energy house tasks

The cost allocation is as follows:

- A. Compensation for the basic tasks relating to the provision and management of the energy loans (Article 7.9.3) is based on:
 - 1° standardised costs (flat-rate) depending on the type of dossier dealt with (energy loan per target group);
 - 2° interest received by the energy house from private individuals, non-commercial institutions or cooperative partnerships that are also deducted from amounts resulting from paragraph 1°.
- B. Compensation for the other basic tasks of the energy houses (Article 7.9.3/1) is based on:
 - 1° the number of private households with the area of operation of the energy house; 2 the number of towns and municipalities within the area of operation of the energy house; 3° the number of T2 energy scans.
- C. Compensation relating to remodelled and experimental activities (up to now type 2 energy scans) (Article 7.9.3/2) is based on:
 - 1° any call for projects;
 - 2° staff costs and operating costs of the projects.

Typical arrangements for avoiding and repaying any overcompensation.

I. No overcompensation for REG public service obligations of network operators

The eligible costs are limited to the real cost and are capped for certain sub-obligations at a maximum amount, regardless of the real cost. This means in practice that no overcompensation is possible. Article 11.1.4 of the Energy Decree specifies that the Government at any time can request from the network operators any information and data necessary for the performance of the control for application of the compensation scheme:

- a) Where it is established that the amounts paid out to a network operator are higher than is necessary to cover the net costs of performing the public service obligations, any unduly paid compensation is then recovered.
- b) All data required to establish whether the compensation granted is compatible with Decision 2012/21/EU are kept for a period of 10 years and the data remain at the disposal of the European Commission.

II. No overcompensation of the energy house tasks

Article 11.1.6 of the Energy Decree specifies that the Government at any time can request from the energy houses any information and data necessary for the performance of the inspection of the compensation scheme's application:

- a) Where it is established that an energy house does not meet the conditions set out in the cooperation agreement, or if it is found that the amounts paid out are higher than those needed to cover the net costs for which compensation is paid, any unduly paid compensation is recovered.
- b) All data required to establish whether the compensation granted is compatible with Decision 2012/21/EU are kept for a period of 10 years and the data remain at the disposal of the European Commission.

When determining the net cost, account is also taken of the receipts on interest received by the energy houses from the loans awarded (see discussion on the compensation mechanism).

The reported amounts of gross compensation listed in Article 7.9.3, §2 for administering the energy loans are based on the compensation established and paid out to the local entities of the then Fund for the Reduction of Overall Energy Costs (*Fonds ter Reductie van de Globale Energiekost* - FRGE), and which were based on a benchmark concerning the costs borne in this respect by the social credit market. The current amounts simply correspond to the historical indexation of the amounts originally established and do not take account of the fact that in the meantime the duration of the loans has increased, among other factors, as a result of which the period of compulsory monitoring by the energy houses increases, including the associated staff and operating costs. Because this compensation consequently does not cover all the costs, there is no question of any overcompensation, as referred to in Decision 2012/21/EU.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

No compensation exceeding EUR 15 million has been paid to undertakings that also have activities outside the scope of the SGEI (see above).

Amount of aid granted

Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. **(A+B+C)**

2018	2019
63	4

A: Total amount of aid granted (in EUR million) paid by national central authorities	
2018	2019
B: Total amount of aid granted (in EUR million) paid by regional authorities	
2018	2019
63	4
C: Total amount of aid granted (in EUR million) paid by local authorities	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹⁰	
2018	2019

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Not applicable to Flemish energy responsibilities

4. COMPLAINTS BY THIRD PARTIES

NONE

5. OTHER QUESTIONS

NONE

2° Green services

Section (for example 1, Hospitals or 2b, Childcare)
Other sectors: Environment and nature management
Clear and comprehensive description of how the respective services are organised in your Member State
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.

In implementation of the Flemish Government Decree of 28 March 2014 on the granting of compensation to different actors for environmental initiatives performed by target group employees (*Besluit van de Vlaamse Regering van 28 maart 2014 houdende toekenning van compensatie aan verschillende actoren voor milieugerelateerde taken, uitgevoerd door doelgroepwerknemers*), compensation is paid for the services of actors (apart from municipalities) relating to preserving biodiversity, habitats and species.

Actors (any land user, land owner, forest group, regional landscape or fauna management unit) are eligible for compensation for nature-related activities (green jobs) which they recruit target group employees to carry out, provided that the works are related to the following types of land:

- 1° official nature reserves, as defined in Articles 32 to 36 of the Decree of 21 October 1997 on nature conservation and the natural environment (*Decreet betreffende het natuurbewoud en het natuurlijk milieu*);
- 2° nature areas whose official status is still in the process of being recognised in accordance with Articles 32 to 36 of the aforementioned Decree;
- 3° forests where works are being carried out under the coordination of a forest group;
- 4° land that is open to the public.

This scheme falls under the scope of Article 2(1)(a) and 2(1)(c) of the SGEI Decision. The latter can be considered as an offshoot of the social inclusion of vulnerable groups. The 'biodiversity policy' section in the ministerial policy document 2014-2019 states that Flanders must do its utmost to stimulate cooperation and integration between policy areas and sectors with a view to the preservation and reinforcement of biodiversity.

Target group employees are those referred to in:

- a) Article 5 of the Decree of 14 July 1998 on sheltered workplaces (*Decreet inzake sociale werkplaatsen*);
- b) Article 79, §1, of the Decree of 23 December 2005 on provisions for managing the 2006 budget (*Decreet houdende bepalingen tot begeleiding van de begroting 2006*);
- c) Article 2, 3°, of the Decree of 22 December 2006 on the local service economy (*Decreet houdende de lokale diensteneconomie*).

The activities which are eligible for compensation are specified in the same Decree.

Source: <http://www.ejustice.just.fgov.be/eli/besluit/2014/03/28/2014202552/justel>

Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
No standardised template is used. The applications submitted are checked for compliance with the conditions in the Flemish Government Decree of 28 March 2014. The requested compensation is granted provided it meets the conditions and sufficient appropriations are available.
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?
SGEI are entrusted to actors for a duration of three years, based on the submission of a standard contract and work plans. A three-year duration has been chosen in order to enable the project to act flexibly in reaching nature objectives, such as conservation objectives for special protected areas and protected European species, or implementation of species protection programmes.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Not applicable.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
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 compensation per activities package (= 600 hours) consists of a fixed sum of EUR 5 250. The compensation only compensates those tasks performed by the target group employee.
Typical arrangements for avoiding and repaying any overcompensation.
The compensation only compensates those tasks performed by the target group employee. It may not be combined with other Flemish Government compensation for the same purpose. The ministerial decisions assigning the compensation systematically specify that an actor must repay the awarded compensation if the conditions under which it was granted were not met; for example, the compensation was not used for the intended objectives or the Nature and Forest Agency has been impeded in investigating how the compensation is being used.
A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).
Not applicable.

Amount of aid granted	
Total amount of aid granted (in EUR million)⁶. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019

A: Total amount of aid granted (in EUR million) paid by national central authorities	
2018	2019
B: Total amount of aid granted (in EUR million) paid by regional authorities	
2018	2019
EUR 1 272 138.79	Maximum EUR 1 375 500.00 (2019 balances still to be evaluated at the latest by 1 July 2020 in line with Flemish Government Decree)
C: Total amount of aid granted (in EUR million) paid by local authorities	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹⁰	
2018	2019
Not available	Not available

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Not applicable.

4. COMPLAINTS BY THIRD PARTIES

NONE

5. OTHER QUESTIONS

NONE

3° Recycling centres

Point
5g) Waste services, which ensure the reuse of goods, including the collection, sorting and selling of those goods
Clear and comprehensive description of how the respective services are organised in your Member State⁵
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 recycling centres undertake the collection, sorting and sale of reusable goods. They aim for maximum reuse of products from the goods collected and in this way take care of the environment.

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

A recycling centre must have an accreditation relating to Article 9, §2 of the Materials Decree. Further rules regarding this accreditation are set out in the Flemish Government Decree of 20 May 2005 establishing the special rules on accreditation and subsidising of recycling centres.

To be accredited, a recycling centre must meet the following accreditation conditions:

1° the recycling centre combines at least the following three objectives, which are included in the statutes of the legal person:

a) take care of the environment by striving for maximum reuse of products from the goods collected;

b) develop and ensure employment for persons with occupational disabilities and for persons with difficulties entering the regular job market;

c) in the case of associations, do not grant financial advantages to the members; in the case of companies, the limited direct financial advantage paid by the company to the partners may not exceed the interest rate established by the King in implementation of the Law of 20 July 1955 establishing a National Cooperation Council (*Nationale Raad voor de Coöperatie/Conseil national de la Coopération*), applied to the amount of the shares actually paid up;

2° the recycling centre has a legal personality compatible with the objectives referred to in point 1°;

3° the natural persons who can commit the association or company to meet the following conditions:

a) own their civil and political rights;

b) in the last five years prior to the application for accreditation, have not incurred an effective criminal conviction for an infringement of environmental legislation in Belgium. Where persons are involved who do not hold Belgian nationality, they may not have infringed environmental legislation in their State of nationality;

4° the registered office of the recycling centre is located in a municipality located in the Flemish Region. The registered office may not be transferred to a location outside the Flemish Region;

5° the catchment area includes at least 75 000 inhabitants;

6° the recycling centre maximises the organisation of the services provided for both the sale of goods and the collection of goods so that all citizens can use them easily and in a customer-friendly manner. This entails that there are sufficient sales outlets and collection points, with extensive and varied opening hours and service provision;

7° the sales outlets of the recycling centre are accessible to all and have extensive opening hours. The sales outlets are limited to two closing days per week and are open for at least thirty hours per week;

8° a representative supply of reusable goods is offered for sale and possibly distributed per product group between various sales outlets. If there is one sales outlet in the catchment area, that sales outlet should sell at least six product groups. If there are several sales outlets in the catchment area, together they should sell at least six product groups. 'Product groups' are:

- a) electrical and electronic appliances;
- b) textiles;
- c) furniture;
- d) leisure goods;
- e) household goods;
- f) sundry articles.

For the duration of the accreditation, the recycling centre must comply with the following conditions:

1° the recycling centre is required to communicate any change in its statutes and formal amendment to its administrative details immediately by registered letter to the Public Waste Agency of Flanders (OVAM), including, for example:

- a) name, legal form, registered office and registration number of the holder;
- b) place of domicile, address or fax and telephone number of the holder and, where applicable, of the registered place of business and the administrative or trading address or of the place of employment in the Flemish Region;

2° the recycling centre limits its collection activities and the opening of sales outlets to the municipalities within its catchment area, as determined in the accreditation. In municipalities outside its catchment area, the recycling centre will organise only a collection of reusable goods or have it organised on its behalf, in agreement with the accredited recycling centre which, according to its accreditation, serves these municipalities;

3° the recycling centre must, on request of the Public Waste Agency of Flanders (OVAM), cooperate in OVAM awareness-raising and information campaigns;

4° within the time limits established by OVAM, the recycling centre each year provides the data from the previous year requested by OVAM. Amendments to the accreditation file are communicated immediately to OVAM.

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?

Since 22 August 2016, the accreditation as recycling centre is valid for an indefinite period. Since 2005, the recycling centres have been operating in a structured way and in the meantime the recycling centres have become stable, autonomous, independent undertakings which for years now have met the accreditation conditions.

This is the reason for now opting to award accreditations for an indefinite period. The results and operations are still monitored each year and there is the possibility of withdrawing the accreditation.

The subsidy is awarded to the recycling centre to achieve their objective of 'taking care of the environment by striving for maximum reuse of products from the goods collected'. There is no end to the duration of this objective since care for the environment through maximum reuse cannot be limited in time. Should it appear that the recycling centre does not meet the conditions, there is the possibility of withdrawing the accreditation, which means that the indefinite duration accreditation has safeguards.

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

The collection, sorting and selling of reusable goods is not the exclusive territory of the recycling centres. To be entitled to compensation, accreditation as a recycling centre is required.

the recycling centre limits its collection activities and the opening of sales outlets to the municipalities within its catchment area, as determined in the accreditation. In municipalities outside its catchment area, the recycling centre will organise only a collection or have it organised on its behalf, in agreement with the accredited recycling centre which, according to its accreditation, serves these municipalities;

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

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 subsidy is awarded for the general operation of the recycling centre with a view to achieving the objective 'take care of the environment by striving for maximum reuse of products from the goods collected'. For the 'catchment area' criterion, use is made of a fixed amount (EUR 404 000), which is indexed, per inhabitant of the catchment area. This amount is less than what is necessary to cover the net costs incurred in discharging the public service obligation, including a reasonable profit.

For the 'reuse' criterion, the remaining balance (EUR 404 000) (total available subsidy (i.e. EUR 808 000) minus the sum of the amounts calculated on the basis of the catchment area criterion, i.e. EUR 404 000) is divided by the total number of kilograms of reuse from the previous year of all accredited recycling centres.

By linking the amount of this payment to an existing figure which is monitored (kilograms of reuse), under no circumstances is more paid out than the amount required to cover the net costs of discharging the public service obligation, including a reasonable profit.

Various recycling centres have received subsidy amounts that are lower than EUR 500 000 over the past three tax years, meaning they fall under Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest.

Typical arrangements for avoiding and repaying any overcompensation.

OVAM can perform a complete or partial audit of the recycling centre. Checks are carried out on the extent to which the recycling centre meets the subsidy conditions, including not exceeding the amount of subsidy required to cover the net costs of discharging the public service obligation, including a reasonable profit. The figures used for the calculation of the subsidy according to the 'reuse' criterion (kilograms of reuse) are checked and approved annually by OVAM, in cooperation with KOMOSIE (the umbrella body).

In addition, there is a three-yearly audit of the reports which the recycling centres must submit each year, in which the figures used for awarding the subsidy are also checked. This audit also includes an inspection of the annual accounts and a financial analysis.

The subsidies are recovered in accordance with the current provisions of the Act of 16 May 2003 laying down the general conditions applicable to budgets, control of subsidies and the accounts of communities and regions, as well as for the organisation of the inspection by the Court of Audit.

A short explanation of how the **transparency requirements** (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

Not applicable.

Amount of aid granted

Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. **(A+B+C)**

2018	2019
xx	xx

A: Total amount of aid granted (in EUR million) paid by national central authorities

2018	2019

B: Total amount of aid granted (in EUR million) paid by regional authorities	
2018	2019
808 000.00	808 000.00
C: Total amount of aid granted (in EUR million) paid by local authorities	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)¹⁰	
2018	2019

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Not applicable.

4. COMPLAINTS BY THIRD PARTIES

NONE

5. OTHER QUESTIONS

NONE

MEDIA POLICY policy area

1° AID FOR FLEMISH REGIONAL TELEVISION BROADCASTING ORGANISATIONS

Point
Media policy – Structural aid for Flemish regional television broadcasting organisations
Clear and comprehensive description of how the respective services are organised in your Member State
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.
<p>Structural aid for Flemish regional television broadcasting organisations:</p> <ul style="list-style-type: none"> – vzw [not-for-profit association] Antwerpse Televisie (ATV) – vzw Regionale Omroep Brabant (ROB) – vzw TV-Kempen en Mechelen (RTV) – vzw Regionale Televisie Aalst – Dendermonde – Sint-Niklaas, Dagelijkse Regionale Informatie en Educatie (Daily Regional Information and Education) (TV Oost) – vzw Audio Video Studio Oost-Vlaamse Televisie (AVS) – vzw Vlaams Brusselse Media (VBM/ BRUZZ) – vzw Tele-Visie-Limburg (T.V.L.) – vzw West-Vlaamse Televisie Regio Zuid (WTV) – vzw FOCUS Televisie – Regionale televisie voor het Noorden van West-Vlaanderen (Regional television for northern West Flanders)
<ul style="list-style-type: none"> – vzw Regionale Televisie Vlaams-Brabant, Halle-Vilvoorde (Ring TV) Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.
<ul style="list-style-type: none"> – Decree of 27 March 2009 on radio and television broadcasting (<i>Decreet van 27 maart 2009 betreffende radio-omroep en televisie</i>) (= <i>Media Decree</i>). – Cooperation agreements (2018-2022) with the Flemish regional television broadcasters (no standardised template).
<p>Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector.</p> <p>Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?</p>
Normal duration of the cooperation agreement = five years.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
No
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Direct operating subsidy.
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Annual reporting on the implementation of the cooperation agreement.
Typical arrangements for avoiding and repaying any overcompensation.
<p>The aid measure concerns only a fraction of the actual costs. The emphasis of the cooperation agreement is on complying with the commitments to improve and guarantee the performance of the social mission and the economic viability of the Flemish regional television broadcasting organisations. The cooperation agreement (2018-2022) states the following:</p> <ul style="list-style-type: none"> - Where the conditions under which the subsidy was granted are not fulfilled or when the subsidy is not used for the target objectives for which it was granted, the administration shall recover the subsidy in full. - Where the subsidy exceeds the net costs of the subsidised project, the administration shall recover that part of the subsidy that constitutes overcompensation.

A short explanation of how the **transparency requirements** (see paragraph 60 of the 2012 SGEI Framework) are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

[Culture, Youth and Media Department website](#) (soon to be revamped) + Media Decree + Budget Decree + annual subsidy decision and answers to parliamentary questions (Flemish Parliament website).

Amount of aid granted

Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)

2018	2019
<p>EUR 1 876 million = a subsidy of EUR 185 100 per Flemish regional television channel + EUR 25 000 to RTV for serving two news areas (RTV Mechelen and RTV Kempen).</p> <p>Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.</p>	<p>EUR 1 876 million = a subsidy of EUR 185 100 per Flemish regional television channel + EUR 25 000 to RTV for serving two news areas (RTV Mechelen and RTV Kempen).</p> <p>Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.</p>
A: Total amount of aid granted (in EUR million) paid by national central authorities	
2018	2019
Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.	Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.
B: Total amount of aid granted (in EUR million) paid by regional authorities	
2018	2019
Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.	Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.
C: Total amount of aid granted (in EUR million) paid by local authorities	
2018	2019
Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.	Media policy does not offer any prospects of other financial flows to the Flemish regional television broadcasting organisations.

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
/	/
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019
/	/

2° ACCESSIBILITY AID TO TELEVISION BROADCASTING

Section (for example iii. Waste collection or viii. Financial services)
Media policy – Accessibility aid to private television broadcasting organisations for television programmes
Clear and comprehensive description of how the respective services are organised in your Member State
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.
Accessibility aid for television programmes to private television broadcasting organisations: <ul style="list-style-type: none"> – DPG Media/ Medialaan – N.V. SBS Belgium
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
<ul style="list-style-type: none"> – Article 151 of the Decree of 27 March 2009 on radio and television broadcasting (<i>Decreet van 27 maart 2009 betreffende radio-omroep en televisie</i>) (= Media Decree). – Flemish Government Decree of 14 December 2012 establishing the schedule and quota for making broadcast programmes accessible and providing subsidies for the implementation of Article 151 of the Media Decree (<i>Besluit dd. 14 december 2012 van de Vlaamse Regering betreffende de vastlegging van een tijdsplan en quota voor het toegankelijk maken van omroepprogramma's en betreffende het verstrekken van subsidies ter uitvoering van artikel 151 van het mediadecreet</i>) (= implementing decree).
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?
10 years from the date of entry into force of the implementing decree (i.e. the date of publication in the <i>Belgisch Staatsblad/Moniteur belge</i> , namely 19 December 2012).
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
No
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Project grant.
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.
Annual reporting on the implementation of the aid measure for the relevant year in accordance with the Ministerial Decree, i.e. previously results-orientated
Typical arrangements for avoiding and repaying any overcompensation.
<p>The aid measure concerns only a fraction of the actual costs. The emphasis of this aid measure is on making the televised news and current affairs programmes accessible by means of live subtitling.</p> <p>During the final settlement, the administration checks whether the conditions and target objectives under which and for which the subsidy was granted have been fulfilled. In the event of any shortcomings, the administration proceeds to recover the part of the subsidy insufficiently justified.</p>

<p>A short explanation of how the transparency requirements (see paragraph 60 of the 2012 SGEI Framework) are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).</p>	
<p>Culture, Youth and Media Department website (soon to be revamped) + Media Decree (Article 151) and implementing decree + Budget Decree + annual subsidy decision and answers to parliamentary questions (Flemish Parliament website).</p>	
<p>Amount of aid granted</p>	
<p>Total amount of aid granted (in EUR million). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)</p>	
2018	2019
<p>EUR 0.474 million</p> <p>This amount was distributed on the basis of an allocation key as follows:</p> <ul style="list-style-type: none"> - Medialaan: EUR 0.434 - SBS Belgium: EUR 0.040 <p>Media policy does not offer any prospects of other financial flows to these private television broadcasting organisations.</p>	<p>EUR 0.474 million</p> <p>This amount was distributed on the basis of an allocation key as follows:</p> <ul style="list-style-type: none"> - Medialaan/DPG Media: EUR 0.434 - SBS Belgium: EUR 0.040 <p>Media policy does not offer any prospects of other financial flows to these private television broadcasting organisations.</p>
<p>A: Total amount of aid granted (in EUR million) paid by national central authorities</p>	
2018	2019
<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>	<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>
<p>B: Total amount of aid granted (in EUR million) paid by regional authorities</p>	
2018	2019
<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>	<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>
<p>C: Total amount of aid granted (in EUR million) paid by local authorities</p>	
2018	2019
<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>	<p>Media policy does not offer any prospects of other financial flows to the above-mentioned private television broadcasting organisations.</p>

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)	
2018	2019

4. Complaints by third parties

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures within the 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.

Nil

5. OTHER QUESTIONS

- a. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision; in particular, please 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.

No

b. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision; in particular, please consider the following issues:

- ☐ carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- ☐ complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- ☐ determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- ☐ determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

No

c. If you have any comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to list them below.

No



The Minister-President of the Flemish Government, Flemish Minister for Foreign Affairs, Culture, ICT and Facilities Management

COMMUNICATION TO THE FLEMISH GOVERNMENT

Subject: Reporting on the EU State aid package for services of general economic interest (SGEI)

This communication to the Flemish Government concerns the performance of the biannual reporting obligation set out in the SGEI State aid package.

This communication consists of the following information:

1. Background
2. Recent developments
3. Reporting obligation
4. Reporting approach
5. Reporting results
6. Agreement
7. A separate annex with the reporting sheets
8. A separate annex with the financial data from the reporting sheets to be reported according to the European Commission template

1. Background

The SGEI State aid package has been in force since 2012 (replacing the previous arrangement from 2005) and consists of four instruments that apply to all (national, regional, local) authorities granting compensation for the performance of SGEI:

- ☐ the Communication of 20 December 2011 explains the basic concepts of the State aid legislation that are relevant to SGEI, such as the concepts of aid, the SGEI itself, economic activity, the relation between public procurement rules and State aid rules;
- ☐ SGEI de minimis Regulation 360/2012 (Commission Regulation of 25 April 2012 on the application of Articles 107 and 108 TFEU to de minimis aid granted to undertakings providing services of general economic interest) sets out that SGEI compensation of a maximum of EUR 500 000 EUR over a period of three fiscal years, does not fall under State aid control;

- ❑ the Decision (Commission Decision of 20 December 2011 on the application of Article 106(2) TFEU to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest) exempts Member States from the obligation to notify compensation for public services where the compatibility conditions set out in the Decision are met;
- ❑ the amended framework (of 20 December 2011 for State aid in the form of public service compensation) sets out rules for assessing SGEI compensation constituting State aid and the SGEI compensation which the decision exempts. These cases have to be notified to the Commission and may be declared compatible where they meet the criteria set out in the Framework.

On 29 April 2013 the Commission published a 'Guide on the application of the EU rules on State aid, public procurement and the internal market to services of general economic interest, and in particular to social services of general interest'.

2. Recent developments

As a result of the COVID-19 crisis, the Commission drew up an amendment of the SGEI de minimis Regulation 360/2012 as regards 1° the extension of the validity period until 31 December 2023 (instead of the end of 2020 at present), and 2° the applicability of the Regulation to undertakings facing difficulties because of the COVID-19 crisis between 1 January 2020 and 30 June 2021. Article 1 of the Regulation states that it does not apply to 'aid granted to undertakings in difficulty'. The proposal was discussed by experts from the Member States at the meeting of the State Aid Advisory Committee on 26 June 2020. All Member States present (22 out of 27) approved the proposal. The Commission was set to publish the proposal officially at the beginning of July, giving the Member States one month in which to respond. Following a second consultation of the State Aid Advisory Committee in September, the approval process was set to be completed in the autumn, allowing the amended regulation to enter into force at the beginning of 2021.

3. Reporting obligation

The SGEI State aid package includes reporting requirements (as was the case under the former State aid package from 2005).

Under Article 9 of the SGEI decision and paragraph 62 of the SGEI Framework, Member States had to submit a first report to the Commission on 30 June 2014 and then every two years.

The intra-Belgian coordination and exchanges of information to draw up the final report take place via the Inter-ministerial Economic Commission (*Interministeriële Economische Commissie* - IEC) at FPS Economy. The IEC secretariat started the written coordination via the State Aid Working Group on 10 December 2019.

As per previous reporting, each authority/entity draws up its own sub-report and submits it to FPS Economy. FPS Economy submits the final report to the Commission through the Permanent Representative to the EU. The Commission's reporting deadline was 30 June 2018 [sic] in principle but was extended to 31 August as a result of the COVID-19 crisis. The IEC expected the sub-reports at the latest by 10 August (report of the State Aid Working Group of 19 June 2020).

On 29 January 2020, the European Commission reminded the Permanent Representatives of this reporting obligation by letter.

4. Reporting approach

For the first report in 2014, there was an ad hoc SGEI working group operating within the Strategic Consultation on Administrative Organisation (*'Strategisch Overleg Bestuurlijke Organisatie'*); it was then agreed that each policy area would determine on the basis of an internal screening whether or not, and for which departments, reporting was considered necessary.

Reporting needed to be pragmatic and focused on compliance with the SGEI Decision. Only the SGEI policy applications had to be reported (i.e. what has been definitively approved, not any policy intentions). It was agreed to use the Commission reporting template for the internal reports. In addition, by analogy with previous SGEI reporting, the practice of participation (by the Welfare, Public Health and Family department) in an intra-Belgian sectoral reporting on the hospital sector was approved.

The previous reporting approach within the Flemish Government was the draft Communication to the Flemish Government of 19 July 2013 (VR 2013 1907 MED 0424). The result of the first report was established with Communication VR 2014 0407 MED.0315/1. The report was annexed (VR 2014 0407 MED.0315/2) to the Communication. In 2016, the report was point No 27 of the Communication at the meeting of 15 July 2016 (Communication VR 2016 1507 MED.0320/1). On 22 June 2018, the Communication with the 2018 report was approved (VR 2018 2206 MED.0240/1 and VR 2018 2206 MED.0240/2).

The Commission publishes national SGEI reports on DG Competition's webpage:

https://ec.europa.eu/competition/state_aid/public_services/reports_2016_2017_en.html

As with the previous reports, the Commission's letter of 29 January again contained the reporting template. The 2020 template is almost identical to the 2018 template.

The method used for previous reporting was repeated for this report, which means that each policy area/each entity determines, on the basis of an internal screening, whether or not, and for which departments, reporting on compliance with the SGEI Decision is considered necessary. As a starting point, the analysis used to prepare the previous report could of course be used. In essence, this report is an updating exercise.

The above-mentioned Commission letter is sent to the Chancellery and Public Governance department by the Economy, Science and Innovation (*Economie, Wetenschap en Innovatie* - EWI) department (owing to its relation to State aid matters). Receipt of the above-mentioned Commission letter and the start of the SGEI report were communicated by the Chancellery and Foreign Affairs department (*Departement Kanselarij en Buitenlandse Zaken* - DKB) to the policy areas (by e-mail of 23 January 2020 and 3 February 2020). The policy areas were asked to submit the results of their analysis and any reporting sheets.

5. Reporting results

The following policy areas sent replies stating that, following further analysis, there was nothing to report: Chancellery and Public Governance (*Kanselarij en Bestuur*), Domestic Administration Department and Agency (*departement en Agentschap Binnenlands Bestuur*); Finance and Budget (*Financiën & Begroting*); department reporting to the independent government agency, Flemish Tax Administration, and the Flemish Fund for the Payment of Tax (*Vlaams Fonds voor de Lastenbelgeling*); Agriculture and Fisheries (*Landbouw & Visserij*) department; Mobility and Public Works department; Education and Training department; Culture, Youth, Sport & Media: sub-area Sport; *Internationaal Vlaanderen* (Flanders Investment & Trade refers to its own arrangements); Economy, Science and Innovation (*Economie, Wetenschap en Innovatie*) through the Innovation and Entrepreneurship Agency (*Agentschap Innoveren & Ondernemen*).

Reporting sheets were received from the following policy areas:

- Culture, Youth, Sport & Media: sub-area Media
- Welfare, Public Health & Family: this policy area also notified participation in the drawing-up of the sub-report on the hospital sector coordinated at the federal level (FPS Public Health, Food Chain Safety and Environment).
- Work and Social Economy
- Environment
- Living - Social Housing

The reporting sheets are annexed to this Communication. A number of financial data from the sheets are recorded in the Excel table in accordance with the European Commission template.

6. Agreement

The reporting sheets annexed to this Communication are submitted to FPS Economy as the SGEI report from the Flemish Government.

The Minister-President of the Flemish Government,
Flemish Minister for Foreign Affairs, Culture, ICT and Facilities Management

Jan JAMBON

Annex 7

ANNEX 1

Services of General Economic Interest: guidance for the report to be submitted following the 2012 SGEI Decision and the 2012 SGEI Framework

The reporting obligations are set out in Article 9 of the 2012 SGEI Decision:

Each Member State shall submit a report on the implementation of this Decision to the Commission every two years. The reports shall provide a detailed overview of the application of this Decision for the different categories of services referred to in Article 2(1), including:

- a) a description of the application of this Decision to the services falling within its scope, including in-house activities;*
- b) the total amount of aid granted in accordance with this Decision, with a breakdown according to the economic sector of the beneficiaries;*
- c) an indication of whether, for a particular type of service, the application of this Decision has given rise to difficulties or complaints by third parties, and;*
- d) any other information concerning the application of this Decision required by the Commission and to be specified in due course before the report is due to be submitted.*

Paragraph 62 of the 2012 SGEI Framework sets in principle identical reporting obligations for aid granted under the 2012 SGEI Framework.

Please structure your report as follows:

a. EXPENDITURE OVERVIEW

Please complete the following table:

Total SGEI government expenditure by legal basis (in EUR million)		
	2018	2019
Compensation for Services of General Economic Interest (1+2)		
1) Compensation granted on the basis of the SGEI Decision		
2) Compensation granted on the basis of the SGEI Framework		

b. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

Please structure this part of your report by using the following sections:

- 1) Hospitals providing medical care, including, where applicable, emergency services (Article 2(1)(b));
- 2) Social services (Article 2(1)(c))
 - a) Healthcare and long-term care
 - b) Childcare
 - c) Access and reintegration into the labour market
 - d) Social housing
 - e) Care and social inclusion of vulnerable groups
 - f) Other social services (if applicable)
- 3) Air or maritime links to islands with average annual traffic not exceeding the limit set in Article 2(1)(d)
- 4) Airports and ports with average annual traffic not exceeding the limit set in Article 2(1)(e)
- 5) SGEI compensation not exceeding an annual amount of EUR 15 million (Article 2(1)(a))
 - a) Postal services
 - b) Energy
 - c) Waste collection
 - d) Water supply
 - e) Culture
 - f) Financial services
 - g) Other sectors (please specify)

For each of the items outlined above please provide information in the form of the following table:

Section (for example 1, Hospitals or 2b, Childcare)
Clear and comprehensive description of how the respective services are organised in your Member State²²
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.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
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?
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.

²² If in a certain sector only a small number of individual SGEI exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because responsibility for it lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

Typical arrangements for avoiding and repaying any overcompensation.

A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings that also have activities outside the scope of the SGEI are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).
Amount of aid granted

Total amount of aid granted (in EUR million)². This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in EUR million) paid by national central authorities³	
2018	2019
B: Total amount of aid granted (in EUR million) paid by regional authorities⁴	
2018	2019
C: Total amount of aid granted (in EUR million) paid by local authorities⁵	
2018	2019
Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)⁶	
2018	2019

Please also fill out Annex 2 with the total amounts per section for the entire Member State (not per region, local authority or municipality).

² As stipulated in Article 9(b) of the 2012 SGEI Decision.

³ If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

⁴ See footnote 3.

⁵ See footnote 3.

⁶ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative

information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the aggregation method.

3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

Please structure this part of your report by using the following sections:

- 1) SGEI compensation exceeding EUR 15 million, falling outside the SGEI Decision (please specify the Commission decision approving each measure if applicable):
 - i. Postal services
 - ii. Energy
 - iii. Waste collection
 - iv. Water supply
 - v. Air or maritime links to islands with average annual traffic above the limits set in Article 2(1)(d)
 - vi. Airports and ports with average annual traffic above the limit set in Article 2(1)(e)
 - vii. Culture
 - viii. Financial services
 - ix. Other sectors (please specify)

For each of the items outlined above please provide information in the form of the following table:

Section (for example iii. Waste collection or viii. Financial services)
i. Postal services
Clear and comprehensive description of how the respective services are organised in your Member State ⁷
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.
<p>SGEI for the delivery of recognised newspapers and magazines, entrusted to bpost following a competitive, transparent and non-discriminatory procedure with due regard for the rules on public procurement.</p> <p>The purpose of the SGEI is to ensure a wide distribution of the written press across Belgium in order to increase the level of information and diversity of opinions, and thus promote the public's participation in the political debate. The SGEI guarantees equal and affordable access to recognised newspapers and magazines for each Belgian citizen.</p>
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
A competitive, transparent and non-discriminatory procedure was organised with due regard for the rules on public procurement and resulted in the concession agreement for delivery of recognised newspapers and the concession agreement for the delivery of recognised magazines.
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?
Five years (2016-2020) + two-year extension up to 2022
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.

⁷ If in a certain sector only a small number of individual SGEI exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because responsibility for it lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial. Since cases falling under the SGEI Framework will be limited in number, the Commission expects a detailed description of each practical measure.

No, the SGEI entrustment of recognised newspapers and magazines strives towards the objective, as a 'last resort', of allowing newspapers and magazines to be delivered to homes at standard (across the whole territory) and affordable rates.

This means that bpost must be deemed to be a supplier of last resort that intervenes only where, and to the extent that, publishers cannot or do not want to use another operator for the delivery of their newspapers and/or magazines,

which means there is no exclusivity and each publisher retains the freedom to use a service provider other than bpost.

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

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.

NAC methodology, including reasonable profit, and also upper limits.

In practical terms, there are four mechanisms where only the lowest amount is considered for compensation to the concession:

- 1) The upper limits as determined in the specifications and the concession agreement.
- 2) The ex ante compensation based both on the estimated volumes and costs in the BAFO (best and final offer) financial plan.
- 3) The ex post compensation based on the real volumes and costs (after clawback, i.e. where ex post (for clawback application) < ex ante, then 1/3 of the difference is added to ex post).
- 4) Monthly overview statement, based on real volumes and quality but according to variable compensation established in the financial plan (BAFO) and the agreement.

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

- **Annual control and clawback**
 - Each year, bpost provides all the necessary information making it possible to determine whether or not there has been any overcompensation.
- **Reasonable profit:**
 - See the decision-making practice of the European Commission concerning SGEI.
 - Reasonable profit is determined on the basis of the financial plan of the (latest) offer/BAFO (best and final offer), given the assumption that the financial parameters comply with the market and reflect a reasonable risk-adjusted profit.
- **Net costs:**
 - Net costs concern the difference between all the costs necessary for managing the SGEI and bpost's revenue.
 - To calculate the net costs necessary to perform the public service obligation, the net avoided cost (NAC), as described by the European Commission in its Framework, is given preference, except where using the NAC does not seem feasible or appropriate. In this latter case, in line with the preference stated by the Commission in the Framework, the method used is based on cost allocation.
- **Revenue:**
 - 'Revenue' should be taken to mean all revenue associated with the SGEI, as estimated and declared in bpost's BAFO financial plan and actually refunded by the Belgian State and the publishers.
 - When bpost generates an excessive profit owing to special or exclusive rights not associated with the public service obligation, this excessive profit must also be deemed to be profit for the calculation of any overcompensation, regardless of whether such profit may qualify as State aid.
- **Efficiency incentives:**
 - In order to give an incentive to bpost to perform the SGEI as efficiently as possible, when establishing the overcompensation, account is taken of both the ex ante net costs (as they appear from the BAFO financial plan) and the ex post updated net costs (as they appear from bpost's accounting).
 - Where, due to the efficient performance of the SGEI by bpost, the amount of ex post net costs in a given year is lower than the ex ante net costs belonging to the volume of delivered newspapers achieved in that year, bpost must then refund 67% of the difference back to the Belgian State. The net compensation may not in any case be higher than the ex ante net costs (possibly increased by a reasonable profit).
- **Control and necessary data:**
 - Keeping separate internal accounts between the SGEI on one hand and other activities on the other.
 - An annual operational and financial statement is submitted to the Belgian State. The Belgian State is entitled to request all additional data necessary to check the veracity of the data in the above-mentioned annual statement.

The amount of compensation is checked annually by an audit committee, made up of four independent auditors: two members, including the chair, are appointed by the Belgian State, and the other two by bpost.

A short explanation of how the **transparency requirements** (see paragraph 60 of the 2012 SGEI Framework) are being fulfilled. 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), or alternatively explain if and how publication takes place at the level granting the aid (e.g. central, regional or local level).

All the information from the call for candidates towards the conclusion of the concession agreement is available on the website of the Belgian regulator (Belgian Institute for Postal Services and Telecommunications - *Belgisch Instituut voor Postdiensten en Telecommunicatie* (BIPT)).

(<http://www.bipt.be/nl/consumenten/post/universele-postdienst/kranten-en-tijdschriften>)

Amount of aid granted	
Total amount of aid granted (in EUR million) ⁸ . This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)	
2018	2019
A: Total amount of aid granted (in EUR million) paid by national central authorities ⁹	
2018	2019
B: Total amount of aid granted (in EUR million) paid by regional authorities ¹⁰	
2018	2019
C: Total amount of aid granted (in EUR million) paid by local authorities ¹¹	
2018	2019

⁸ As stipulated in Paragraph 62 b) of the 2012 SGEI Framework.

⁹ If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

10 See footnote 9.

11 See footnote 9.

Share of expenditure per aid instrument (direct subsidy, guarantees, etc.) (if available)	
2018	2019
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹²	
2018	2019

Please also fill out Annex 2 with the total amounts per section for the entire Member State (not per region, local authority or municipality).

4. COMPLAINTS BY THIRD PARTIES

Please provide an overview of complaints by third parties, in particular litigation before national courts, regarding measures within the 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.

On 13 October 2016, the *Vlaamse Federatie voor Persverkoopers* (VFP) (Flemish Federation of Press Distributors) lodged an appeal against the decision of the European Commission in case SA.42366 (2016/N – Belgium – ‘State compensations to bpost for the delivery of public services over 2016-2020’). The Belgian State, and bpost itself, both intervened in support of the Commission. The VFP waived its appeal on 18 January 2019.

5. OTHER QUESTIONS

- a. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Decision; in particular, please consider the following issues:
 - drawing up an entrustment act that complies with Article 4 of the SGEI Decision;

¹² The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented

in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the aggregation method.

- 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.

b. Please indicate whether your authorities have experienced difficulties in applying the 2012 SGEI Framework; in particular, please consider the following issues:

- carrying out a public consultation in line with paragraph 14 of the SGEI Framework;
- complying with public procurement rules in line with paragraph 19 of the SGEI Framework;
- determining the net avoided cost as required by paragraphs 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with paragraphs 33-38 of the SGEI Framework;

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

No specific difficulties were encountered.

c. If you have any comments on the application of the SGEI Decision and the SGEI Framework on issues other than the ones covered in the previous questions please feel free to list them below.