

ANNEX

Services of General Economic Interest. Guidance for report to be submitted under 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:

- 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;*
- 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.*

In principle, paragraph 62 of the 2012 SGEI Framework sets 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:

General SGEI government expenditure by functions (millions EUR) [payments]		
	2014	2015
<i>Compensation for Services of General Economic Interest (1+2)</i>	6.129	13.868
1) Compensation granted on the basis of the SGEI Decision	6.129	13.868
2) Compensation granted on the basis of the SGEI Framework		

Non-compulsory information: If your Member State has not granted State aid for the provision of SGEI in certain sectors on the basis of the SGEI Decision or the SGEI Framework, information regarding other instruments to ensure the provision of those services would be very useful. If available, please provide a brief description of these instruments (e.g. direct aid to users, compensation complying with all four Altmark criteria, SGEI de minimis aid ...) and the sectors in which they are used. If you consider that for the sectors listed below your Member State only grants public financing to activities that are non-economic in nature and hence would not be in the scope of State aid rules, we invite you to also inform us of this (by describing why the subsidised activity is non-economic).

2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION

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

1) Hospitals (Art. 2(1)(b))

No state aid was granted.

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

a) Healthcare and long-term care

No state aid was granted.

b) Childcare

No state aid was granted.

c) Access to and reintegration into the labour market

No state aid was granted.

d) Social housing

No state aid was granted.

e) Care and social inclusion of vulnerable groups

No state aid was granted.

3) Air or maritime links to islands with average annual traffic below the limits set in Art. 2(1)(d)

No state aid was granted.

4) Airports and ports with average annual traffic below the limit set in Art. 2(1)(e)

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.
<p>In the field of aviation, aid is paid to Tallinna Lennujaam AS for the operation of small airports. The task of Tallinna Lennujaam AS at small airports (i.e. Kärđla, Kuressaare, Ruhnu, Tartu, Pärnu and Kihnu) is to ensure that the necessary infrastructure for regional development exists at these airports for regular flights to be operated, ground handling services and rescue services to be provided, and rescue and emergency flights to be operated.</p> <p>In order for a subsidy to be granted, the Ministry of Economic Affairs and Communications signs contracts for the use of earmarked appropriations from the State budget with Tallinna Lennujaam AS each year.</p>
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Contracts for the use of targeted support from the State budget.
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 for a duration exceeding 10 years and explain how this duration is justified.
Entrustments are of unlimited duration, but one-year contracts for aid provided for the performance of public services are concluded every year.
Explanation as to whether (typically) exclusive or special rights are assigned to the undertakings.
No
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Direct 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.
A methodology based on cost allocation is used.

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.

Typical arrangements for avoiding and repaying any overcompensation.	
<p>The contract stipulates that the state may inspect the effectiveness and impact of the use of the allocated funds. The company is also required to present to the State a report on the use of the aid.</p> <p>The contract stipulates that the recipient of aid is required to use that aid for the activities specified in the contract, and submit regular reports regarding those activities. Under the contract, if aid is not used for the purpose provided for, the entrepreneur is required to return it in full.</p>	
<p>A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for the aid above EUR 15 million 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>Transparency requirements are fulfilled by means of the register of state aid and de minimis aid, which is administered by the Ministry of Finance, and the possibility for the public to make enquiries, available on the website of the Ministry of Finance.</p>	
Amount of aid granted	
<p>Total amount of aid granted (in millions EUR)². This includes all aid paid in your territory, including aid paid by regional and local authorities. (A+B+C)</p>	
2014	2015
EUR 1.615 million	EUR 1.615 million
A: Total amount of aid granted (in millions of EUR) by national central authorities³	
2014	2015
EUR 1.615 million	EUR 1.615 million
B: Total amount of aid granted (in millions of EUR) by regional authorities⁴	
2014	2015
C: Total amount of aid granted (in millions of EUR) by local authorities⁵	
2014	2015

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 to all authorities should be reported.

⁴ See footnote 27.

⁵ See footnote 27.

Share of expenditure by aid instrument (direct subsidy, guarantees etc.) (if available)	
2014	2015
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ⁶	
2014	2015
The aid was granted to a single company (Tallinna Lennujaam AS), which in turn distributed the aid to four small airports in order to ensure the performance of public functions there. These airports were: Kärđla, Kuressaare (incl. Ruhnu), Tartu and Pärnu (incl. Kihnu).	The aid was granted to a single company (Tallinna Lennujaam AS), which in turn distributed the aid to four small airports in order to ensure the performance of public functions there. These airports were: Kärđla, Kuressaare (incl. Ruhnu), Tartu and Pärnu (incl. Kihnu).

5) SGEI compensation not exceeding EUR 15 million (Art. 2(1)(a))

i. Postal services (NACE 53.1)

Clear and comprehensive description of how the respective services are organised in your Member State⁷
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>The distribution of national periodical publications in rural areas.</p> <p>Section 36¹ of the Postal Act [Postiseadus] lays down that the provider of the universal postal service is responsible for delivering national periodical publications. The Act also lays down the obligation to provide a public service in general terms and the conditions for ensuring that the obligation is fulfilled.</p>

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 type of aggregation made.

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.

The Postal Act does not explicitly designate or name the provider of the service of delivering periodical publications, but, in accordance with the Act, this can only be the provider of the universal postal service. Therefore the provider of the public service in question is the company providing the universal postal service.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Contract for the use of appropriations (compensation) from the State budget.
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 for a duration exceeding 10 years and explain how this duration is justified.
Entrustments are of unlimited duration, but one-year contracts for aid provided for the performance of public services are concluded every year.
Explanation as to whether (typically) exclusive or special rights are assigned to the undertakings.
No. The provider of the universal postal service has not been granted any exclusive or special right to provide the service of delivering periodical publications throughout Estonia.
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 State pays providers of universal postal services aid on the basis of a payment schedule. UPS providers enter into contracts with publishers for the delivery of periodical publications. The rates specified in contracts concluded with publishers for the distribution of publications in rural areas are established by UPS providers. UPS providers will reduce the amounts of the invoices for contracts by dividing the aid allocated from the State budget and the number of copies expected to be distributed in rural areas by the amount determined – i.e. the amount of aid received per copy. The rate for distributing publications in rural areas is reduced by an equal amount for all periodical publications.
Typical arrangements for avoiding and repaying any overcompensation .
When executing the contract, the State may demand that UPS providers return the unused amount of the appropriation by the end of the last month of validity of the contract, or reduce the aid to be disbursed in the subsequent calendar months by the amount of aid not used in accordance with the terms of the contract. The contract stipulates that the state may at any moment check the effectiveness and impact of the use of the allocated funds, the accuracy of the circumstances on which the aid is

conditional and the degree to which the aid is correctly targeted and effective. UPS providers are required to present to the State a report on the use of the aid.

If the number of copies of periodical publications delivered over a one-year period is lower than the predicted figure, the UPS provider will distribute the unused amount for that calendar year in full among publishers in January of the following year, based on the publisher's share of the overall number of copies of periodical publications delivered by the publisher in a particular rural area.

If the number of copies of periodical publications delivered over a one-year period is greater than the predicted number of copies, the provider of the universal postal service will recalculate the unit of aid.

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 conduct 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).

Transparency requirements are fulfilled by means of the register of state aid and de minimis aid, which is administered by the Ministry of Finance, and the possibility for the public to make enquiries, available on the [website of the Ministry of Finance](#).

Amount of aid granted

Total amount of aid granted (in millions of EUR)⁸. This includes all aid disbursed in your territory, including aid disbursed by regional and local authorities. (A+B+C)

2014	2015
EUR 1.278 million	EUR 1.278 million
A: Total amount of aid granted (in millions of EUR) by national central authorities ⁹	
2014	2015
EUR 1.278 million	EUR 1.278 million
B: Total amount of aid granted (in millions of EUR) by regional authorities ¹⁰	
2014	2015
C: Total amount of aid granted (in millions of EUR) by local authorities ¹¹	

⁸ As stipulated in Article 9(b) of the 2012 SGEI Decision.

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 27.

2014	2015
Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available)	
2014	2015
Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings) ¹²	
2014	2015
Number of aid beneficiaries: 1	Number of aid beneficiaries: 1

ii. Energy

Clear and comprehensive description of how the respective services are organised in your Member State¹³
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.
Generation and sale of thermal energy.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
A decision by the local government council regarding designation as a provider of an SGEI; aid is granted by decision of the management of the Environmental Investment Centre [SA Keskkonnainvesteeringute Keskus] on the basis of a regulation of the Minister for the Environment.
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 for a duration exceeding 10 years and explain how this duration is justified.
The average duration is less than 10 years.

¹¹ See footnote 27.

¹² The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision; for example, the number of beneficiaries by sector, average amount of aid, amount by aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, it 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.

¹³ If only a small number of individual SGEIs exist in a certain sector 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 whether (typically) exclusive or special rights are assigned to the undertakings.	
No.	
Which aid instruments have been used (direct subsidies, guarantees, etc.)?	
Grants (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.	
A methodology based on cost allocation is used.	
Typical arrangements for avoiding and repaying any overcompensation .	
The legislation on the basis of which the aid is granted and the decision to grant aid provide that the State has the right at any time to check that the appropriation is being used in a targeted and effective manner. The company is also required to present to the State a report on the use of the aid. The legislation stipulates that the recipient of aid is required to use the aid and to submit regular reports regarding its use. Under the legislation, if aid is not used in line with the conditions provided for, the entrepreneur is required to return it, or it will be recovered.	
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 conduct 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).	
Transparency requirements are fulfilled through the register of state aid and de minimis aid, which is administered by the Ministry of Finance, and the possibility for the public to make enquiries, available on the website of the Ministry of Finance .	
Amount of aid granted	
Total amount of aid granted (in millions of EUR) ¹⁴ . This includes all aid disbursed in your territory, including aid disbursed by regional and local authorities. (A+B+C)	
2014	2015
EUR 0.7 million	0
A: Total amount of aid granted (in millions of EUR) by national central authorities ¹⁵	

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

2014	2015
EUR 0.7 million	0
B: Total amount of aid granted (in millions of EUR) by regional authorities¹⁶	
2014	2015
C: Total amount of aid granted (in millions of EUR) by local authorities¹⁷	
2014	2015
Share of expenditure by aid instrument (direct subsidy, guarantees etc.) (if available)	
2014	2015
Additional quantitative information (e.g. number of beneficiaries by sector, average aid amount, size of the undertakings) ¹⁸	
2014	2015

iii. Waste collection

No state aid was granted.

iv. Water supply

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 27.

¹⁷ See footnote 27.

¹⁸ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision; for example, the number of beneficiaries by sector, average amount of aid, amount by aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, it 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.

Clear and comprehensive description of how the respective services are organised in your Member State¹⁹
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 SGEIs as clearly as possible.
Provision of public water supply and sewerage services.
Explanation of the (typical) forms of entrustment . If standardised templates for entrustments are used for a certain sector, please attach them.
Local government council decision on designation as a provider of an SGEI; aid is granted by a decision of the management of the Environmental Investment Centre on the basis of a regulation of the Minister for the Environment.
Average duration of the entrustment (in years) and the proportion of entrustments that last longer than 10 years (in %), broken down by sector. Specify in which sectors SGEIs were entrusted for longer than 10 years, and explain how this duration is justified.
The average duration is less than 10 years; the deadline is always set.
Explanation whether (typically) exclusive or special rights are assigned to the undertakings.
No.
Which aid instruments have been used (direct subsidies, guarantees, etc.)?
Grants (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.
A methodology based on cost allocation is used.
Typical arrangements for avoiding and repaying any overcompensation .
The legislation on the basis of which the aid is granted and the decision to grant aid provide that the State has the right at any time to check that the appropriation is being used in a targeted and effective manner. The company is also required to present to the State a report on the use of the aid. The legislation stipulates that the recipient of aid is required to use the aid and to submit regular reports regarding its use. Under the legislation, if aid is not used

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.

under the conditions provided for, the entrepreneur is required to return it, or it will be recovered.	
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 conduct 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 publication takes place at the level granting the aid (e.g. at the central, regional or local level).	
Transparency requirements are fulfilled through the register of state aid and de minimis aid, which is administered by the Ministry of Finance, and the possibility for the public to make enquiries, available on the website of the Ministry of Finance .	
Amount of aid granted	
Total amount of aid granted (in millions of EUR) ²⁰ . This includes all aid disbursed in your territory, including aid disbursed by regional and local authorities. (A+B+C)	
2014	2015
0	EUR 0.749 million
A: Total amount of aid granted (in millions of EUR) by national central authorities ²¹	
2014	2015
0	EUR 0.749 million
B: Total amount of aid granted (in millions of EUR) by regional authorities ²²	
2014	2015
C: Total amount of aid granted (in millions of EUR) by local authorities ²³	
2014	2015
Share of expenditure by aid instrument (direct subsidy, guarantees etc.) (if available)	

²⁰ As stipulated in Article 9(b) of the 2012 SGEI Decision.

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.

²² See footnote 27.

²³ See footnote 27.

2014	2015
Additional quantitative information (e.g. number of beneficiaries by sector, average aid amount, size of the undertakings) ²⁴	
2014	2015

- v. Culture
- vi. Financial services
- vii. Other sectors (please specify)

Communications services (broadband)

Clear and comprehensive description of how the respective services are organised in your Member State²⁵
Please list what services in the respective sector have been defined as SGEIs in your Member State. Please list the contents of the services entrusted as SGEIs as clearly as possible.
<p style="color: green;">There are three aid measures in Estonia to ensure the availability of broadband Internet connections. Three providers provide aid using these measures (the Information System Authority (ISA), Enterprise Estonia (EE) and the Agricultural Registers and Information Board (ARIB)). Each aid measure is discussed separately below.</p> <p style="color: green;"><u>ISA</u>: The objective of granting the aid is to improve the availability of Internet connections in regions where broadband services are not available to end users due to the absence of new generations of electronic communication basic network infrastructure, and thereby to raise the competitiveness of those regions.</p> <p style="color: green;"><u>EE</u>: Under the aid measure 'Improvement of the availability of Internet connections through the introduction of new generations of electronic communications networks in the regions', services of general economic interest are defined as offering wholesale broadband basic network services to telecom operators on a non-discriminatory basis.</p>

²⁴ The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision; for example, the number of beneficiaries by sector, average amount of aid, amount by aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, it 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.

²⁵ If only a small number of individual SGEIs exist in a certain sector 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.

<p><u>ARIB</u>: The objective of granting the aid is to create access networks for delivering modern, next-generation broadband Internet connections to rural areas that do not yet possess sufficient network connections to make possible high-speed broadband services.</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><u>ISA</u>: Direct subsidies, which the ISA grants by adopting a decision to grant a subsidy.</p> <p><u>EE</u>: Based on the assessment of applications submitted during the open call for tenders, a two-stage decision-making process ensues: first a conditional decision is taken (a deadline is set for certain conditions to be fulfilled) and then, when the conditions have been fulfilled, the final funding decision is made.</p> <p><u>ARIB</u>: Applications submitted during the open call are assessed when the amount required to fund all of the applications that meet the requirements exceeds the budget for funding the activity in question. The ARIB assesses applications that meet the requirements on the basis of its assessment criteria. The criterion for determining the highest-ranked applications is the ratio of the estimated number of inhabitants living within 1.5 km of the connection points of the object of the investment to the amount of aid requested. After making the assessment, the ARIB makes a decision regarding the allocation of aid, in which the requirements for aid recipients are laid down.</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 for a duration exceeding 10 years and explain how this duration is justified.</p>
<p><u>ISA</u>: The duration does not exceed 10 years. In accordance with the conditions for granting a subsidy, and with the funding decision, all telecom operators must be offered wholesale network services on equal terms for at least 7 years after the end of the eligibility period. The period may be extended if an infrastructure owner possesses significant market power within the meaning of the Electronic Communications Act, or an infrastructure owner is in control of essential facilities (and as a result is an undertaking that possesses a dominant position in the market) within the meaning of the Competition Act.</p> <p><u>EE</u>: 7 years</p> <p><u>ARIB</u>: Applicants are required to maintain the object of the investment and use it in a targeted manner for at least seven years from the date of payment of the last instalment of the subsidy by the ARIB.</p>
<p>Explanation as to whether (typically) exclusive or special rights are assigned to the undertakings.</p>
<p><u>ISA</u>: No</p> <p><u>EE</u>: No</p> <p><u>ARIB</u>: No</p>
<p>What aid measures have been used (direct subsidies, guarantees, etc.)?</p>

<p><u>ISA</u>: Direct subsidies</p> <p><u>EE</u>: Direct subsidies</p> <p><u>ARIB</u>: Direct subsidies</p>
<p>What is the typical compensation mechanism as regards the respective services and is a methodology based on cost allocation or the net avoided cost methodology used?</p>
<p><u>ISA</u>: Methodology based on cost allocation</p> <p><u>EE</u>: Methodology based on cost allocation</p> <p><u>ARIB</u>: Methodology based on cost allocation</p>
<p>What are the typical arrangements for avoiding and repaying any overcompensation?</p>
<p><u>ISA</u>: Compensation is paid to cover actual costs incurred in the implementation of eligible activities. Payment is based on reports of work carried out and received in accordance with the contracts and invoices corresponding to those reports. The Regulation of the Minister lays down the obligation to inspect the aid recipient (in accordance with Article 6(1) of the Commission Decision) with the aim of determining that overcompensation has not taken place. Operators submit data that enables the ISA to check work done and the payment of compensation. The payment of compensation is regulated by Regulation No 37 of the Minister for Economic Affairs and Communications of 30 April 2015, 'Conditions for providing support for the construction of new generations of electronic communications basic networks and the procedure for preparing investment plans' and Regulation No 143 of the Government of the Republic of 1 September 2014, 'Conditions and procedure for determining the eligibility of costs compensated using the structural aid for the period 2014-2020, the payment of the aid and the making of financial corrections'.</p> <p><u>EE</u>: The EE decision provides that the aid recipient is required to cooperate with the Competition Board in carrying out a benchmarking pricing exercise for the provision of wholesale network services, and EE must be notified of any possible overcompensation. The decision also states that if overcompensation is identified, EE will, if necessary, assess the situation in cooperation with other aid providers, and will take a decision regarding the repayment of overcompensation. The aid recipient must repay the overcompensation if it has received overcompensation as a result of implementation of a funded activity.</p> <p><u>ARIB</u>:</p> <p>The procedure for this is laid down in a regulation of the Minister for Agriculture:</p> <ul style="list-style-type: none"> - Aid recipients are required to ensure that operators that provide broadband services to end users have equal access to the object of investment. - Aid recipients may not provide retail broadband services to end users themselves. - Aid recipients are required to enable undertakings providing broadband services to end users to install their devices and use the space provided for them at all of

<p>the connection points of the object of investment.</p> <ul style="list-style-type: none"> - Aid recipients are required to enable electronic communications undertakings to use different technologies and additional services, and to provide broadband services at different data transmission rates. - Aid recipients are required to ensure that the pricing of the wholesale broadband service enables the provision of retail broadband services on similar terms to those in regions where there is normal market competition. - Aid recipients are required to ensure that the plans for the object of investment and the maps for the completed object of investment are disclosed on their website and in the State Register of Construction Works in accordance with technical possibilities. - Aid recipients are required to cooperate with the Competition Board in carrying out a benchmarking pricing exercise on the provision of wholesale broadband services. - Aid recipients must keep separate accounts of revenue and expenditure regarding the investment object and the associated activities from the date of submission of the application and for seven years following payment by the ARIB of the final instalment of the aid. - The aid recipient must repay overcompensation to the ARIB if it has received overcompensation while implementing a funded activity. 	
<p>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 conduct 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>Transparency requirements are fulfilled by means of the register of state aid and de minimis aid, which is administered by the Ministry of Finance, and the possibility for the public to make enquiries, available on the website of the Ministry of Finance. A list of projects is also available on the aid provider's website.</p>	
<p>Amount of aid granted</p>	
<p>Total amount of aid granted (in millions of EUR)²⁶. This includes all aid disbursed in your territory, including aid disbursed by regional and local authorities. (A+B+C)</p>	
<p>2014</p>	<p>2015</p>
<p><u>ISA</u>: 0</p> <p><u>EE</u>: EUR 2.536 million</p> <p><u>ARIB</u>: 0</p> <p>Total: EUR 2.536 million</p>	<p><u>ISA</u>: EUR 5.986 million</p> <p><u>EE</u>: EUR 3.694 million</p> <p><u>ARIB</u>: EUR 0.546 million</p> <p>Total: EUR 10.226 million</p>

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

A: Total amount of aid granted (in millions of EUR) by national central authorities²⁷	
2014	2015
<u>ISA</u> : 0	<u>ISA</u> : EUR 5.986 million
<u>EE</u> : EUR 2.536 million	<u>EE</u> : EUR 3.694 million
<u>ARIB</u> : 0	<u>ARIB</u> : EUR 0.546 million
Total : EUR 2.536 million	Total : EUR 10.226 million
B: Total amount of aid granted (in millions of EUR) by regional authorities²⁸	
2014	2015
C: Total amount of aid granted (in millions of EUR) by local authorities²⁹	
2014	2015
Share of expenditure by aid instrument (direct subsidy, guarantees etc.) (if available)	
2014	2015
Additional quantitative information (e.g. number of beneficiaries by sector, average aid amount, size of the undertakings)³⁰	
2014	2015
<u>ISA</u> : 0	<u>ISA</u> : 1
<u>EE</u> : 2 aid recipients (foundation and non-profit organisation), average amount of aid per aid recipient being EUR 3.13 million.	<u>EE</u> : 2 aid recipients (foundation and non-profit organisation), average amount of aid per aid recipient being EUR 3.13 million.
<u>ARIB</u> : 0	<u>ARIB</u> : 1

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

²⁸ See footnote 27.

²⁹ See footnote 27.

³⁰ 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 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:

- 1) SGEI compensation exceeding EUR 15 million and 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. Culture
 - viii. Financial services
 - ix. Other sectors (please specify)

No compensation was granted under the Framework.

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 and include the sector for which you have received the complaints, the contents of the complaints and the possible follow-up by your authorities.

No complaints have been received.

5. OTHER ISSUES

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

N/A

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 point 14 of the SGEI Framework;
- complying with public procurement rules in line with point 19 of the SGEI Framework;
- determining the net avoided cost as required by points 25-27 of the SGEI Framework;
- determining the reasonable profit level in line with points 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.

N/A