

**Opinion on proposed revision of the Services of general economic interest de minimis Regulation (hereafter – the draft *de minimis* SGEI regulation) (HT.6507)**

Latvian authorities generally welcome the draft *de minimis* SGEI regulation. It is important to regularly adjust the state aid rules (including, de minimis aid limit) to fit the economic realities and to maintain the competitiveness since it is necessary to develop aid programmes containing rules that are adequate to the current situation in the markets. Please, see below more detailed comments regarding the draft *de minimis* SGEI regulation.

| No. | Place in the document text   | Comments/Proposals  |
|-----|--|---|
| 1.  | Article 3. <i>De minimis aid</i><br><i>Point 2.</i> “The total amount of de minimis aid granted per Member State to a single undertaking providing services of general economic interest shall not exceed EUR 650 000 over any period of 3 fiscal years. The period of 3 fiscal years shall be determined by reference to the fiscal years used by the undertaking in the Member State concerned.” | <b>Latvian authorities welcome the Commission’s suggestion to increase SGEI <i>de minimis</i> aid ceiling.</b> Given the economic realities in the period of increased inflation we agree that the de minimis threshold should be raised.<br><br>Since there are many countries operating in the European Economic area, also the state aid rules applied in their territories should be aligned. One of the biggest trading partners of the EU is United Kingdom. Since in the UK-EU Trade & Cooperation Agreement (TCA) a Small Amounts of Financial Assistance for Services of Public Economic interest were foreseen amounting to <b>750,000 Special Drawing Rights</b> , the rules in the EU for aid to Services of General Economic interest should correspond aptly.<br><br>Since the general threshold is increased, we kindly ask the Commission to review also the other thresholds mentioned in the draft SGEI <i>de minimis</i> regulation, for instance, in Points 3 and 6 of Article 4. |
| 2.  | Article 2. <i>Definitions</i><br><i>Point 2.</i> “‘Single undertaking’ includes, for the purposes of this Regulation, all enterprises having at least one of the following relationships with each other: [..]”  | <b>Latvian authorities welcome the introduction of definition of single undertaking in the draft de minimis SGEI regulation.</b> Aligning the rules to the general <i>de minimis</i> regulation provides greater clarity for the aid grantors and aid applicants.   |
| 3.  | Article 6. <i>Monitoring</i><br><i>Point 4.</i> “Member States shall ensure that a central de minimis aid register containing complete information on all de minimis aid granted by any authority within the Member State concerned to undertakings providing services of general economic interest is made  | In Latvia, there is a <i>de minimis</i> register introduced in 2019 and as of January 1, 2022 it contains full data on <i>de minimis</i> aid granted in the 3-year period used for monitoring the <i>de minimis</i> thresholds. The register contains data on aid granted under all four <i>de minimis</i> regulations. A horizontal legal act establishes the procedures for monitoring and granting <i>de minimis</i> aid <sup>1</sup> . The register is accessible for all aid recipients via tax authority registry and for all aid grantors it is accessible through a website with prior user registration. We consider it vital to ensure that aid grantors who input the data   |

<sup>1</sup> <https://likumi.lv/ta/en/en/id/303512-regulations-regarding-procedures-for-accounting-and-granting-ide-minimisi-aid-and-samples-of-ide-minimisi-aid-accounting-forms> (the translation at this moment is not updated, but it clearly depicts all the basic rules/principles)

|  |  |
|--|--|
| <p>available. That central de minimis aid register shall be set up within 6 months after the entry into force of this Regulation. The central de minimis aid register must be set up in such a way as to enable easy access to the information. Information shall be published in a non-proprietary spreadsheet data format, which allows data to be searched, extracted, downloaded and easily published on the internet, for instance in CSV or XML format. <b>The central de minimis aid register must be accessible through a website without any restrictions, such as prior user registration. Alternatively, Member States can provide complete information on all de minimis aid granted by any authority within the Member State concerned in a register at Union level, if such a register becomes available. Member States shall publish the information included in paragraph 6 in the central register at national or Union level on all de minimis aid granted by any authority within the Member State concerned at the latest within 20 working days following the grant of the aid. Paragraphs 1 to 3 shall cease to apply to a Member State from the moment where the information of the national or, alternatively, of the Union central register covers a period of 3 fiscal years for all de minimis aid granted by that Member State.”</b></p> | <p>in the register shall be registered, otherwise it would not be possible to ensure data quality and reliability. In the meanwhile, the data on <i>de minimis</i> aid granted is available for anyone via Open Data portal<sup>2</sup> and on the webpage of Ministry of Finance<sup>3</sup>. Information is published in a non-proprietary spreadsheet data format, which allows data to be searched, extracted, downloaded, and easily published on the internet - in CSV or XML format. Data is updated daily.</p> <p>Please, <b>amend point 4 of Article 6 that if the data on <i>de minimis</i> aid granted by any authority is publicly available</b> (in CSV or XML format) even if there is user registration in place for national <i>de minimis</i> system (for instance, due to data security and data quality reasons), <b>the monitoring is well ensured and there is no obligation to provide <i>de minimis</i> data in a register at EU level.</b> Also, any requirement to transfer the data from a central <i>de minimis</i> registry in the member state to the EU level registry would create unnecessary administrative burden and is not justified.</p> <p><b>Regarding the timetable to develop the system</b> – the timetable indicated in the draft <i>de minimis</i> SGEI regulation is not realistic. The development of the register following the procurement procedure started on January 31, 2018 and the register was put into production on April 10, 2019 (the development time was 1 year and 2 months). Moreover, prior to that the development of register’s technical specification was also outsourced. Altogether – from the initial managerial decision to have the register (based on independent expert opinion) until it was put in the production, <b>it took ~2 years.</b></p> |
|--|--|

<sup>2</sup> <https://data.gov.lv/dati/eng/dataset/pieskirtais-de-minimis-atbalsts-latvija>

<sup>3</sup>

[https://deminismekletajs.fm.gov.lv/lv/sadala/komercdarbibas\\_atbalsta\\_kontrole/de\\_minimis\\_atbalsta\\_uzskaites\\_sistema/](https://deminismekletajs.fm.gov.lv/lv/sadala/komercdarbibas_atbalsta_kontrole/de_minimis_atbalsta_uzskaites_sistema/) (in Latvian)

|    |   |  |
|----|---|--|
| 4. | <p>Article 6. <i>Monitoring</i></p> <p><i>Point 4.</i> “[..] Member States shall publish the information included in paragraph 6 in the central register at national or Union level on all de minimis aid granted by any authority within the Member State concerned at the latest within <b>20</b> working days following the grant of the aid.”</p> | <p>The 20-working day registration condition set in Point 4 of Article 6 does not serve the purpose of a <i>de minimis</i> register. The information on <i>de minimis</i> aid granted should be entered in the register as soon as possible in order for the other aid grantors to have the most outstanding information on the amount left to reach the <i>de minimis</i> limits at the time they take the decision to grant the aid. <b>We propose to delete the last sentence of point 4 of Article 6</b> or have it reading: “Member States shall publish the information included in paragraph 6 in the central register at national or Union level on all de minimis aid granted by any authority within the Member State concerned within 1 (one) working day following the grant of the aid.”.</p> |
|----|---|--|