

European Commission, DG COMP

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## **EAPB comments on review of rules on exemptions for small amounts of aid (de minimis aid) in agriculture- HT.100254**

Dear Madam, Dear Sir,

European public promotional banks are key for supporting agriculture, a sector which is both suffering from climate change and making a major contribution to climate protection. Nearly 50% of our members (14/29) provide funding to farmers and more generally the agricultural sector which helps the sector undertake its transition to a more sustainable model. Agribusiness is not only of systemic importance during times of crisis but also an important problem solver in our quest for a sustainable economy and society. EAPB members are providing solid financial conditions in which much needed innovation and investment can be made. The aims of our members' funding are to promote more environmentally-friendly techniques for land cultivation, to protect the environment and climate and to improve biodiversity. Their activities focus on the implementation of targeted promotional measures. In doing so, the promotional banks always act on the basis of European State aid regulations.

With this in mind, we would like to make a few suggestions for amendments to the Commission's draft amendment to the de minimis Regulation in the agricultural sector.

### **1. de minimis threshold**

We highly welcome the fact that the European Commission wants to raise the de minimis threshold for de minimis aid in the agricultural sector to EUR 37,000. However, against the background of inflation in recent years, an increase to EUR 50,000, as proposed by several Member States at the end of April 2024, would be more appropriate.

In this context we would like to stress that like with the new general de minimis (2023/2831) and SGEI de minimis (2023/2832) regulation, the here proposed period for checking the ceiling / threshold of agriculture de minimis aid is "any period of three years", instead of three fiscal years as it was before. In many situations, the proposed relevant three year period worsens the status of final recipients, because in practice it prolongs the period, relevant for the consideration of granted de minimis aid to a single undertaking and it increases administrative burden to both parties (undertaking and grantor). This makes an increase of the threshold today all the more necessary.

### **2. Cumulation with SGEI de minimis aid**

Cumulation with SGEI de minimis aid should be possible in full and not only up to the maximum amount of the SGEI de minimis Regulation. Otherwise, there will be a contradiction with the provisions of the SGEI de minimis Regulation, which allows cumulation with all other de minimis aid.

### **3. Cumulation with de minimis aid in the fisheries and aquaculture sector**

Cumulation with de minimis aid in the fisheries and aquaculture sector should be made possible up to the maximum amount of the agricultural de minimis regulation, as this amount is above the de minimis limit for de minimis aid in the fisheries and aquaculture sector - in this case only EUR 30,000 per company in three fiscal years.

### **4. Period of validity**

We propose harmonising the period of validity of the agricultural de minimis regulation with the period of validity of the other de minimis regulations (General 2023/2831 and in the SGEI area 2023/2832). Both of the latter regulations apply until the end of 2030. For reasons of simplification, the period of validity of the amended agricultural de minimis regulation should also expire on 31 December 2030.

We stand at your disposal for any further questions.

Kind Regards,

EAPB



## European Association of Public Banks

European Association of Public Banks and Funding Agencies AISBL

*The European Association of Public Banks (EAPB) gathers over 30 member organisations which include promotional banks such as national or regional public development banks and local funding agencies, public financial institutions, associations of public banks and banks with similar interests from 17 European Member States and countries, representing directly and indirectly the interests of over 90 financial institutions towards the EU and other European stakeholders.*