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European Commission
Directorate-General for Competition, Unit 03
State aid registry
1049 Brussel

HT5224

**Targeted review of the General Block Exemption Regulation
(State aid): extension to national funds combined with certain
Union programmes**

Representing Association of Finnish Local and Regional Authorities (AFLRA) and thus Finnish municipalities, we thank for the opportunity, and comment on the consultation concerning General Block Exemption Regulation (State aid): extension to national funds combined with certain Union programmes as follows:

In Finland co-operation between municipalities and companies has grown during recent years and very likely will still significantly grow in the future. To ensure that this kind of co-operation would work smoothly and could optimally benefit both parties, it is very important, that by all parties all relevant forms of aid and financing can be recognized and their usefulness determined. In this reasoning also belongs the role of state aid.

In Finland this entirety also includes the idea that the co-operation should cause financial obligations to a municipality only, when relevant and warranted. By making sure that both parties are aware of all available forms of financing, this reasoning in the negotiations and concrete co-operation is easier.

When both parties are also aware of the state aid rules, their possibilities and restrictions, as well as GBER, this target is very much helped. We welcome the idea to extend the GBER to national funds, including EU shared management funds, combined with EU programmes managed centrally by the Commission.

As we understand it, the measures planned allow Member States to implement a wide range of public support measures without prior notification to the Commission. The mentioned areas such as research and development, environmental protection and support to SMEs are very important also in the co-operation between municipalities and companies.

We agree that these measures have the conditions to reduce the administrative burden also for municipalities and is likely to speed up delivery of public support, including support granted via EU structural funds.

There are naturally several funds and funding sources. Especially InvestEU includes elements that the municipalities and companies in Finland should exploit more actively. Especially with the background as described above - that the co-operation should be furthered, but in the way that the municipality should have more a helping and consulting role in as many cases as possible.

We feel that the planned actions have the qualifications to further co-operation between municipalities and companies here in Finland. That kind of development should be positive for both parties. Still, in practical level we feel that the principles of these new measures should be introduced and enlightened widely, both by national and EU authorities.

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ASSOCIATION OF FINNISH LOCAL AND REGIONAL AUTHORITIES

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