

Explanatory note accompanying the proposal for the revision of the Regulation on *de minimis* aid

The draft *de minimis* Regulation will replace the [*de minimis* Regulation 1407/2013](#)¹ which is set to expire on 31 December 2023. It is based on the results of a comprehensive State aid policy evaluation, the [Fitness Check](#)². A [Call for Evidence](#)³ was launched with a feedback period from 27 June 2022 to 25 July 2022. The Call for Evidence resulted in 132 submissions, mainly from companies and business associations (about half of the submissions) and public authorities (about 27% of the submissions).

Public funding that fulfils the conditions of State aid as defined in Article 107(1) of the Treaty on the Functioning of the European Union must normally be notified to the Commission and approved before it is put into effect. The principles underlying EU State aid rules serve to ensure that public spending does not cause unfair competition for companies operating within the EU's internal market. However, Member States are not obliged to notify to the Commission if the aid in question falls under the *de minimis* Regulation.

The *de minimis* Regulation exempts small amounts of aid from State aid control as they are deemed to have no impact on competition and trade in the EU internal market.

The draft Regulation proposes the following changes compared to the current Regulation:

- (i) a proposed ceiling of EUR 275 000 as the amount of *de minimis* aid that a single undertaking may receive per Member State over any period of three years. This increase of the ceiling aims to take into account the inflation (for the period 2014-2030, since the last increase of the ceiling was in 2006 and took in consideration the period until 2013). The ceiling for aid comprised in loans, aid comprised in guarantees and aids for undertakings performing road freight transport is also adapted.
- (ii) strengthening the transparency requirements by introducing a mandatory public register at national or EU level where Member States provide complete information on *de minimis* aid granted by any authority.

Next steps

Following the public consultation and the consultations of the Advisory Committee, the Commission may revise the draft Regulation, taking into account the feedbacks received from stakeholders and the Member States.

¹ Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid, OJ L 352, 24.12.2013, p. 1.

² Published on 30 October 2020, see: <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2044-Fitness-check-of-2012-State-aid-modernisation-package-railways-guidelines-and-short-term-export-credit-insurance>

³ See <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13458-State-aid-exemptions-for-small-amounts-of-aid-de-minimis-aid-update-en>