



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE

State aid: “de minimis” regulation finally answers SME concerns

- **New wording on maximum guarantee amount and aid cumulation avoids previous pitfalls**

Brussels, 12 December 2006. The final version of the amended regulation on “de minimis” State aid published by the European Commission today (Tuesday) was welcomed by UEAPME, the European SME employers’ organisation, as a balanced text providing sound answers to the key concerns the organisation voiced during the previous months. According to UEAPME, the last wording on the maximum guarantee amount, coupled with clarifications on the issue of aid cumulation, will warrant a set of workable rules that is perfectly in line with the spirit of the EC State Aid Action Plan.

The new “de minimis” rules foresee a maximum guarantee amount of 1.5 million EUR for guarantee schemes, instead of setting a threshold for the total loan amount. The loan amount can therefore fluctuate as long as the related guarantee is below the 1.5 million threshold, which is in line with UEAPME requests and with current practices in some EU Member States such as Italy and Germany. This solution increases flexibility in the use of guarantee schemes without having any influence on the amount of State aid provided under the “de minimis” rule.

“The final ‘de minimis’ regulation we see today is the result of several months of constructive discussions with the European Commission services on a number of aspects that were of particular concern for SMEs”, said **Hans-Werner Müller**, UEAPME Secretary General. “Previous versions of the text, for instance, did not allow guarantee schemes at all as such measures were deemed to be non-transparent, whereas the last text sets practical solutions for the issue.”

Concerning aid cumulation, UEAPME was pleased to read that, unlike earlier versions of the regulation, cumulation of “de minimis” aid with other forms of State aid is forbidden only if both forms of aid are meant to cover the same eligible costs. “The regulation now streamlines conditions for non-cumulation and clearly allows ‘de minimis’ aid to be awarded to companies that receive other forms of State aid for other purposes”, continued Mr Müller.

UEAPME called on the European Commission to include “safe harbour” measures within the guidelines on State aid for risk capital and the R&D&I (Research and Development and Innovation) framework in the forthcoming “general block exemption”. Such a measure would complete a set of rules that are important for SMEs and significantly reduce the bureaucratic burden, thereby ensuring a faster handling of State aid.

“The European Commission has gone a long way since the initial rules to reshuffle ‘de minimis’ State aid were proposed. We are satisfied with the final outcome and with the refined economic approach, which we hope will yield benefits for European small businesses. We look forward to the State aid action plan being completed in the same pragmatic way, in the spirit of less and better targeted aid”, concluded Mr Müller.

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EDITORS’ NOTE: UEAPME is the employers’ organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 81 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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