



"The voice of crafts and SMEs in Europe"

SMEs welcome new GBER and remind Commission to enforce its own rules

UEAPME is positive on widening the scope of the GBER, but the Commission must ensure monitoring and enforcement

Brussels 21st May 2014 – Today, the European Commission adopted its new “General Block Exemption Regulation on State aid (GBER)¹”, it defines all State aid measures where pre-notification to the European Commission is not needed. UEAPME, the European Craft and SME association, welcomes the widening of the scope of the new regulation covering 75 to 90% of all aid measures in the future and about 2/3 of the aid amount. Providers of State aid will have to face significantly less administrative burdens and will be able to grant aid measures to companies much faster than in the present situation. Currently, the measure has to be notified to the Commission and positively cleared by the EC in advance. SMEs will especially profit from the extension of SME risk finance measures to all financial instruments for SMEs, the inclusion of innovation support measures for SMEs and heritage conservation undertaken by craft enterprises. Furthermore, UEAPME sees in the inclusion of young persons in the definition of ‘disadvantaged workers’ a contribution to help them to enter the labour market.

Yet, UEAPME also sees a clear risk to this wider scope of the GBER. Assuming that up to 90% of all State aid measures are excluded from pre-notification, there is a high risk for distortion of competition if Member States do not apply the requirements for these exemptions. The European Commission therefore has to ensure an efficient ex-post monitoring of the measures implemented by Member States and an effective enforcement in the case miss-use is discovered. UEAPME hence welcomes the new provisions for transparency requiring a publication of a list of all companies having received State aid above 500.000 Euro as well as the kind of aid received. This will allow competitors to complain if aid measures are not in line with the regulation.

On this subject UEAPME offers in addition the following quotes from Secretary General Peter Faross:

“Today’s Block Exemption Regulation on State aid is an important step to reduce administrative burdens for the providers of State aid and it will contribute to faster and more targeted support measures for SMEs.”

“In the current economic situation, where SMEs are suffering from restraints to access capital and have difficulties to finance innovation, the widening of the rules for supporting risk finance to SMEs and the inclusion of innovation support measures for SMEs can contribute to bring the SME sector and with it the whole European economy out of the crisis.”

“Finally, we should not forget that State aid rules are made to insure a level playing field and to avoid distortion of competition. Therefore, allowing Member States to provide State aid without prior approval by the European Commission has to go hand in hand with sufficient ex-post monitoring and penalisation, if State aid has been provided in an unlawful manner.”

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EDITORS’ NOTES: UEAPME is the employers’ organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 80 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information please visit <http://www.ueapme.com/> or follow [@UEAPME](https://twitter.com/UEAPME) on Twitter.

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¹ http://ec.europa.eu/competition/state_aid/legislation/gber_regulation_en.pdf