The De minimis Regulation
QUESTIONNAIRE

ABOUT YOU

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For rules on data protection on the EUROPRA website, please see: http://ec.europa.eu/geninfo/legal_notices_en.htm#personaldata

01. Do you object to the disclosure of your identity?
   Yes □  No X

02. Does any of the exceptions foreseen in Article 4 of Regulation 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents\(^1\) apply to your response? If so, please indicate clearly which parts should not be divulged, justify the need for such confidential treatment and provide also a non-confidential version of your response for publication on the Commission website.

Please provide your contact details below.

<table>
<thead>
<tr>
<th>Name</th>
<th>Joanne Welford</th>
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<tbody>
<tr>
<td>Organisation represented</td>
<td>Wales Council for Voluntary Action</td>
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<td>Main business activities</td>
<td>Baltic House, Mount Stuart Square Cardiff CF10 5FH</td>
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NOTE: You are requested to follow the order of the questions, even though you are not required to reply to all questions. You can also submit additional information that you consider relevant and which does not fit any specific question.

\(^1\) OJ L 145, 31 May 2001, p. 43.
SECTION A: FACTUAL INFORMATION ON THE USE OF THE DE MINIMIS REGULATION

Questions aiming at public authorities (both local and central):

1. Has support under the de minimis Regulation been granted in the territory of your authority (either by your authority or by regional/municipal/etc. authorities)? If so, please provide, if possible since the entry into force of the Regulation (2007), per year:
   a. the total amount of de minimis aid granted (total amount; average amount per undertaking; distribution of aid amounts per undertaking [< EUR 10.000; 10.000-50.000; 50.000-100.000; 100.000-200.000])
   b. the number of beneficiaries, if possible with a breakdown for large, medium-sized and small undertakings; if available please also provide data for microenterprises
   c. the sectors concerned, if possible in accordance with the NACE codes.
   d. if applicable and available, breakdown of aid granted on the territory of your authority by central authority and regional/local authorities.

   If you do not have precise data, please provide an estimate.

2. Are there differences in the use of the de minimis Regulation between regions/areas within the territory of your authority (e.g. if certain areas receive a relatively high volume of de minimis aid compared to others)? If so, please explain why.

3. Which aid instruments (grants, loans, guarantees, etc.) did you use under the de minimis Regulation? Please explain why you used those instruments and provide, if possible since 2007, for each instrument the total amount of de minimis aid and the number of beneficiaries per year.

4. Which objectives did your authority pursue with the aid granted under the de minimis Regulation (such as regional development, research and development, etc)? Please estimate, if possible, the percentages of de minimis aid granted for different purposes.

5. Have you carried out an assessment (overall or on a case-by-case basis) of the impact of the de minimis aid granted? If so, please explain and summarise its main results.

6. Regarding the measures for which you have used the de minimis Regulation, what would you possibly have done if no de minimis Regulation had existed? Would you have designed the aid measures differently, so that they could fall under the General Block Exemption Regulation? Would you have notified them? Or would you not have granted them at all? Please explain why and provide an estimate of the proportion of measures that would fall under each category.

7. Has your authority granted State aid measures slightly above the ceiling of the current de minimis Regulation? If so, please specify how often such measures were granted and whether those measures were granted under the General Block Exemption Regulation, under an authorised aid scheme or under an individual decision.

8. To what extent has the economic and financial crisis had an impact on the granting of de minimis aid in your Member State?
If applicable, please describe such impact and indicate if, and how, your authorities have adapted their de minimis aid granting policy in response.

In particular, please explain whether you have experienced an increase in de minimis aid directly targeting difficulties of companies relating to access to finance. Please explain if possible, to what extent this was relevant for small, medium-sized and large undertakings.

**SECTION B: GENERAL DE MINIMIS POLICY QUESTIONS**

**Questions aiming at all respondents:**

9. Please describe what you consider from your perspective as the main positive economic effects of support granted under the de minimis Regulation. Please substantiate and give concrete examples.

10. Please describe what you consider from your perspective as the main potential negative effects of support granted under the de minimis Regulation. Please substantiate and give concrete examples.

11. Do you consider that the application of the de minimis Regulation has led, in practice, to effects on competition and/or trade between Member States?

   Yes ☐ No ☐

   Please explain in which cases or sectors and why. For the purposes of your reply, please consider in particular also aggregate effects of de minimis aid.

12. Do you have concrete examples where de minimis aid was granted by another Member State/region which had an effect on undertakings in your Member State/region?

13. Do you consider that the de minimis Regulation has specific positive or negative effects on SMEs compared to large companies?

**SECTION C: TECHNICAL DESIGN OF THE DE MINIMIS REGULATION**

**Questions aiming at all respondents:**

14. Based on your experience with the application of the de minimis Regulation, are the provisions on the exclusion from the scope of application (Article 1) clear and adequate?

   Yes ☐ No ☐

   If not, please explain where you see a need for clarification or change.

15. Based on your experience with the application of the de minimis Regulation, is the specific provision for the road transport sector clear and adequate (both as regards the definition and the ceiling)?

   Yes ☐ No ☐

   If not, please explain where you see a need for clarification or change.
16. Is the current distinction between transparent and non-transparent aid (Article 2(4)) clear and adequate?

Yes ☐ No ☑

If not, please explain where you see a need for clarification or change.

17. Based on your experience with the application of the de minimis Regulation, are the provisions on cumulation (Article 2(5)) clear and adequate?

Yes ☐ No X ☑

If not, please explain where you see a need for clarification or change.

De minimis should only be used where there is not already state aid cover in place either through an existing approved scheme or a block exemption regulation. However many organisations revert to the use of de minimis by default because they do not fully understand the other regulations and exemptions that are in place. This means that some organisations are incorrectly using de minimis when other sufficient state aid cover is in place or in fact where there is no state aid at all.

The European Commission needs to continue to work to increase understanding and reduce the complexity of the state aid rules for civil society organisations as this has a direct impact on the de minimis regulation and how it is applied by organisations.

18. Based on your experience is the definition of the de minimis ceiling based on the amount received over a three-year period by one undertaking clear and adequate?

Yes ☐ No X ☑

If not, please explain where you see a need for clarification or change.

The de minimis EUR 200,000 limit needs to be much higher and perhaps applied over a lesser time frame than the current rolling three fiscal years. Proposals are currently being considered by the European Commission to reduce the procurement burden when public authorities are purchasing social, health and education services below a EUR 500,000 threshold. The de minimis exemption should be raised to at least equal this EUR 500,000 amount but we believe there is a strong case for a EUR 1,000,000 limit that would apply to civil society organisations. It is important that the European Commission recognise the inherent difference between civil societies not for profit and community benefit values as opposed to private for profit organisations. It needs to be recognised in the regulations that private for profit organisations have a much greater ability to effect trade in the internal market when in receipt of public financial support compared to civil society organisations.

The European Commission should look closely at the raising of the de minimis threshold, especially for civil society organisations, to at least EUR 500,000 and consider an amount closer to EUR 1,000,000. The rolling three year fiscal period should also be looked at as a two year rolling fiscal period would lessen bureaucracy and strengthen the de minimis accounting system.
SECTION D: MONITORING

Questions for public authorities:

19. How do you ensure a proper monitoring of the de minimis aid?

20. Have you set up a central register for de minimis aid?

If yes, please describe the functioning of your system. If possible, explain:

(a) How many authorities use and/or have access to your central register?

(b) How would you estimate the net cost (if possible provide full man-days/fulltime equivalents) to set up and run as opposed to a decentralized system of recording and monitoring?

(c) For what purposes do you use the information contained in your register?

(d) Does your register only cover de minimis measures or also State aid?

(e) If you compare the situation before and after the introduction of the register, what are in your view the main (positive and negative) changes?

If no, please explain why you have chosen not to set up a central register. Do you have an overview of de minimis aid granted at the central level through other means (please specify)?

Questions aiming at all respondents:

21. Have you encountered difficulties in applying the provisions on monitoring (Article 3), in particular concerning the respect of the ceiling?

Yes ☐ No ☐

If yes, please explain.

22. Please explain the workload (if possible provide full man-days/fulltime equivalents) caused by the monitoring provisions (Article 3), in particular concerning the respect of the ceiling and the records to be kept, and estimate, if possible, the administrative burden created by it.

SECTION E: MISCELLANEA

Questions aiming at all respondents:

23. Do you have any other comments on the application of the de minimis Regulation on issues other than those covered in the previous questions?

The fear of state aid is probably as great a barrier to organisations accessing support from the public purse than the actual state aid regulations themselves but the lack of easily accessible support and guidance on state aid, including the ability to use de minimis, is a huge barrier to the civil society because of its inability to purchase expensive legal advice.
The European Commission should investigate the funding of civil society state aid support workers across Europe who can de-mystify and support civil society organisations that have state aid concerns and queries. Complementing this there should be a much greater amount of support literature available that simplifies the language used in the regulations so that organisations can better understand state aid and to apply the necessary regulations such as de minimis.

24. Please provide copies of any documents or studies which may be relevant for assessing the application of the de minimis Regulation and contributing to the reflection on its future revision.

Please indicate whether the Commission services may contact you for further details on the information submitted, if required.

Yes ☐ No ☐

THANK YOU FOR RESPONDING TO THIS QUESTIONNAIRE.