The State Aid Action Plan — a clear, comprehensive and predictable framework for state aid

A comprehensive five year reform of state aid policy to promote growth, jobs and cohesion

The guiding principles for a comprehensive reform of state aid rules and procedures over the next five years have been outlined in a State Aid Action Plan, recently adopted by the European Commission. Interested parties are invited to submit comments on the Action Plan by 15 September 2005, after which the Commission will present detailed reform proposals.

The complete text of the Action Plan is published on page 3 of this Newsletter. The article “Reforming state aid policy to best contribute to the Lisbon Strategy for growth and jobs” on page 29 gives further comments.

In particular, the Commission intends to reform the state aid rules to encourage Member States to contribute to the Lisbon Strategy by better focusing aid on improving the competitiveness of EU industry and creating sustainable jobs (more aid for R & D, innovation and risk capital for small firms), on ensuring social and regional cohesion and improving public services. The Commission also aims to simplify and streamline procedures, so that less aid will have to be notified, relevant rules will be easier to apply, and decision-making will be faster.

Further information, as well as the text of the Action Plan in all of EU’s official languages, can be found on DG Competition’s web site: http://europa.eu.int/comm/competition/state_aid/others/action_plan/