Highlights

State aid: Commission prolongs crisis framework with stricter conditions – trend towards less and better targeted aid continues despite crisis-related spike
Joaquín Almunia, Vice President of the European Commission responsible for Competition Policy
Press Conference Berlaymont Press Room
Brussels, 1 December 2010
To read the full speech, click here

State aid: Commission prolongs crisis framework with stricter conditions
The European Commission has agreed to prolong into 2011 its state aid crisis framework subject to modified conditions to continue with a gradual phasing-out. The Temporary framework to support businesses access to finance maintains those measures that address ongoing market failures. But firms in difficulty are from now on excluded from the scope of the Temporary Framework to ensure an appropriate restructuring of the economy.
As to the financial sector, as of 1st January 2011, every bank requiring state support in the form of capital or impaired asset measures will have to submit a restructuring plan. The crisis support frameworks were introduced at the end of 2008 in response to the financial and economic crisis. Some adaptations were already made in July this year.
Read more

State aid: Scoreboard shows continued trend towards less and better targeted aid despite crisis-related spike
The volume of national support to the financial sector approved by the European Commission between October 2008 and October 2010 amounted to around € 4.5 trillion, the autumn State Aid Scoreboard shows. The amount actually taken up by banks in 2009 is around € 1.1 trillion. The bulk (76%) of this support comes in the form of State loans or guarantees to maintain interbank financing which would only have an impact on public finances, if they were called upon, whereas recapitalisation represents 12% and impaired asset relief 9%. Excluding the crisis-related support, total aid remained relatively stable at € 73.2 billion in 2009 or 0.62% of GDP and continued to re-focus on less distortive horizontal objectives such as aid for research and innovation, protection of the environment and support to SMEs.
Read more
'Scoreboard, reports and studies’ web page of DG Competition
State Aid Scoreboard - Autumn 2010 update: de en fr
Commission Staff working document: 'Facts and figures on State aid in the EU Member States': 01.12.2010 en
Previous versions of the Scoreboard and the State aid Survey
State Aid: Commission accepts commitments from Greece regarding incompatible aid in favour of Hellenic Shipyards

The European Commission has formally accepted the commitments proposed by Greece to comply with a Commission decision of 2008 that asked it to stop various guarantees and to recover illegal subsidies granted in favour of the civilian activities of Hellenic Shipyards (HSY) (see IP/08/1078). Nowadays HSY produces mostly military ships and Greece was concerned that the recovery might endanger those activities which it considers essential for its national interest. Instead Greece proposed to stop the various guarantees granted to HSY and that HSY repays part of the aid through the sale of its non-naval assets. It also proposed to compensate the absence of full recovery through a 15-year ban on the civilian activities of HSY. This will address the repeated distortions of competition in the past in a sector still affected by overcapacity while having no direct consequence on jobs.

State aid: Commission rejects ING’s request to repay hybrid capital to private investors

The European Commission has rejected ING’s request for an early repayment of around €1.2 billion in hybrid capital to private investors as it has yet to fully reimburse the Dutch State for the support it received, a condition set in the Commission State aid decision of 2009 (see IP/09/1729). As a consequence, the call by ING on the hybrid tier 1 instrument cannot go ahead on 31 December 2010.

New legislation


OJ C 325 of 02.12.2010, p. 11 bg es cs da de et el en fr it lv hu mt nl pl pt ro sk sl fi sv

Draft legislation and public consultations

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All public consultations: DG Competition
DG Agriculture
DG Maritime Affairs and Fisheries
Simplified Procedure: notification summaries

Invitation to comment on simplified procedure cases
The summaries of aid measures notified under the Notice on a Simplified Procedure for the treatment of certain types of State aid have been prepared by the Member States under their responsibility. The Commission can therefore not be held responsible for any incorrect or misleading information contained therein. Observations raising competition issues relating to the notified measure must reach the Commission no later than 10 working days following the date of the publication of a summary of notification. The submission shall include a non confidential version of the observations. For more information, click here.

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Decisions to open formal investigation

1. Decisions taken by the Commission
   - none -

2. Decisions pending OJ publication
   Click here to see the full OJ publication

3. Decisions published in the OJ from 02.11.2010 to 02.12.2010 – Formal comments period running
   * Where the last day of the public comments period falls on a public holiday in a Member State, the deadline for comments of parties residing in that Member State ends on the following working day.

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State Aid Weekly e-News No 43/10
### Final Commission decisions

#### 1. Decisions taken by the Commission

**1.1. Decisions to close formal investigation**

- **- none -**

**1.2. No objection decisions**

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#### 2. Public versions of decisions to close formal investigation*

* Since the OJ publication of no objection/no aid decisions follows very shortly their publication on the website, this section of the e-News focuses only on decisions to close formal investigations. For the latest texts of no objection/no aid decisions please look section 3 "Decisions published in the OJ".
### 3. Decisions published in the OJ

**3.1. Decisions to close formal investigation**

- none -

**3.2. No objection decisions**

* Decisions not to raise objections are frequently grouped together in one single document for publication in the Official Journal. Since the link can only be made to the top of the first page of the document, you may have to scroll down in the document to find a particular case.

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### Block exemptions

Block exemption Information sheets published in the OJ and/or in the State aid register between 25.11.2010 and 02.12.2010

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### Court of Justice of the European Union

* In order to consult the available languages of documents uploaded in the Curia website, please click on the earth symbol on the left side toolbar.

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2. General Court

- none -

**European Economic Area**

Based on the Agreement on the European Economic Area (EEA), the EFTA States participating in the EEA have entrusted the EFTA Surveillance Authority and the EFTA Court with similar decision making powers to that of the Commission and the European Court of Justice, respectively, in the field of state aid for the EFTA States.

1. Decisions of the EFTA Surveillance Authority

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Public versions of decisions made available
Iceland
Regional aid concerning the construction of Verne Data Centre
Decision 418/10/COL
68955
Regional development aid
03.11.2010

Norway
Formal investigation with regard to sale of land by Oppdal municipality
Decision 417/10/COL
68642
Sale of land
03.11.2010

2. EFTA Court
- none -

3. State Aid New Legislation
- none -

4. Other EEA points of interest
- none -

Additional points of interest

Events

Autumn Conference on European State Aid Law 2010
This year’s autumn event - organised in cooperation with the Center for European Integration Studies (ZEI, University of Bonn) - will take place in Berlin. As in the past a workshop and a conference are planned to explore the latest developments in the field of European State aid law.
Berlin, 6-7 December 2010
For further information, click here

Autumn forecast 2010-2012: EU recovery taking hold, but progress uneven
The European Commission’s autumn forecast foresees a continuation of the economic recovery currently underway in the EU. GDP is projected to grow by around 1% in 2010-11 and by around 2% in 2012. A better than expected performance so far this year underpins the significant upward revision to annual growth in 2010 compared to the spring forecast. However, amid a softening global environment and the onset of fiscal consolidation, activity is expected to moderate towards the end of the year and in 2011, but to pick up again in 2012 on the back of strengthening private demand. With the economic recovery taking hold in the EU, labour-market conditions are expected to slowly improve over the forecast horizon, as is the budgetary situation. The unemployment rate is projected to fall to around 9% in 2012, with the public deficit declining to about 4% of GDP. Developments across Member States are nevertheless set to remain uneven.
Read more

Studies and reports

First estimates for the third quarter of 2010: Euro area GDP up by 0.4% and EU27 GDP up by 0.5%, +1.9% and +2.2% respectively compared with the third quarter of 2009
GDP increased by 0.4% in the euro area (EA16) and by 0.5% in the EU27 during the third quarter of 2010, compared with the previous quarter, according to first estimates released by Eurostat, the statistical office of the European Union. In the second quarter of 2010, growth rates were +1.0% in both zones.
Read more
Flash estimate - November 2010: Euro area inflation estimated at 1.9%

Euro area annual inflation is expected to be 1.9% in November 2010 according to a flash estimate issued by Eurostat, the statistical office of the European Union. It was also 1.9% in October.


Read more

October 2010: Euro area unemployment rate at 10.1%, EU27 at 9.6%

The euro area (EA16) seasonally-adjusted unemployment rate was 10.1% in October 2010, compared with 10.0% in September. It was 9.9% in October 2009. The EU27 unemployment rate was 9.6% in October 2010, unchanged compared with September. It was 9.4% in October 2009. Eurostat estimates that 23.151 million men and women in the EU27, of whom 15.947 million were in the euro area, were unemployed in October 2010. Compared with September, the number of persons unemployed increased by 84,000 in the EU27 and by 80,000 in the euro area. Compared with October 2009, unemployment rose by 0.590 million in the EU27 and by 0.402 million in the euro area.

Read more

Miscellanea

November 2010: Business Climate Indicator improves slightly in the euro area

The Business Climate Indicator (BCI) for the euro area registered a further gain in November, although the improvement was less marked than in the previous month. The level of the indicator now stands at its highest since December 2007, suggesting that the recovery in industry will continue in the coming months. The modest rise in BCI was mainly due to significantly brighter export order books and to more optimistic production expectations. The stocks of finished goods component improved also somewhat in November, but remained at very low level. On the contrary, managers’ assessment of the production trend observed in recent months decreased.

Read more

November 2010: Economic Sentiment is gaining further momentum

In November, the Economic Sentiment Indicator (ESI) improved further in both the EU and the euro area. The indicator increased strongly, climbing by 1.3 points to 105.2 in the EU and by 1.5 points to 105.3 in the euro area. These results were boosted by strong positive readings in Germany.

Read more

Next publication date: Friday 10.12.2010

Previous issues

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This e-News is issued every week to present the latest developments in the area of State aid. It features information on new legislative texts and proposals, decisions of the European Commission and the Courts of the European Union and other state aid–related documents and events. A great deal of additional information on State aid matters is available on the Internet. It can be accessed through the Europa server: http://ec.europa.eu/competition/index_en.html
Other documents related to the cases, can be found under the link to the State aid Register: http://ec.europa.eu/competition/state_aid/register/