# Competition: state aid. 9th report

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Taking account of the Commission's presentation of its latest report on State aid in the European Union, the Council adopted the reaffirming the need to continue efforts to reduce this aid. The Council invites the Member States to: - continue their efforts to reduce aid levels, in terms of percentage of GDP; - reduce, by way of priority, with a view to eliminating, aid which has the greatest distortive effects; - reorient aid towards horizontal objectives, including cohesion and, where appropriate, small and medium-sized enterprises (SMEs); - further develop the use of "ex ante" and "ex post" evaluations of aid schemes, so as to rebalance them in a more effective way; such evaluations should focus on the quality of aid packages, their effects on competition and their impact; - improve the transparency and the quality of reporting to the Commission, particularly by national control and follow-up procedures as well as, where possible, by the provision of relevant statistics; The Commission is invited to: - develop, together with the Member States, statistical tools enabling these Conclusions to be followed up and devise indicators of effectiveness and efficiency; those indicators should thereafter, where appropriate, supplement the Scoreboard; - intensify the assessment of the impact of aid on competition, on the basis of economic criteria; - encourage exchanges of experience and concerted evaluation exercises, in order to benchmark the effectiveness of instruments on a European scale; - continue its efforts to simplify European rules on State aid, to modernise them and clarify them in order to make them more effective, particularly in terms of the length of processes; - submit an initial assessment of progress in 2002.