State aid: aid to industry and services, scoreboard for 2001 and 2002

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The committee adopted the own-initiative report by Philippe HERZOG (EUL/NGL, F) on the 2001 scoreboard for State aid. MEPs wanted to see a reduction in state aid, in any form whatsoever, which caused distortion of competition. While it welcomed the Commission's Scoreboard, the committee wanted to see more information from the Commission enabling an effective comparative analysis of the impact of state aid to be made and good practices to be identified. It agreed with the Commission that the "horizontal" priorities for public subsidies should be R & D, the environment, SMEs, training and employment. The committee also stressed that the overall decline in aid must not be to the detriment of strategic sectors or the competitiveness of European industry, and called for the introduction of comparative data on the aid granted in the major regions of the world, in sectors where competition takes place worldwide, and in particular on export aid of which the WTO is notified. It welcomed the Council's agreement to extend aid to the coal industry until 2010 and called for the Steel Aid Code to take into account restructuring of the industry in the new Member States such as Poland and the Czech Republic. The report also expressed support for financing ·services of general interest· and reiterated Parliament's belief that this should not constitute state aid and should not be subject to the notification requirement. It also supported the Commission's efforts to ascertain whether or not tax breaks causing unfair competition should be classified as state aid and called for it to report to Parliament. The committee said that Parliament should be involved in legislation governing state aid, through the codecision procedure. It also took the view that there should be an element of flexibility where regional aid is concerned, as long as this did not have an adverse effect on competition and trade in the EU.