Competition: specific sectors, aids granted by states, art. 93 EC Treaty

1998/0060(CNS) - 18/02/1998 - Legislative proposal

OBJECTIVE: the proposal for a regulation seeks to increase transparency and legal certainty by codifying and clarifying procedural rules in the field of state aid. SUBSTANCE: At present, the only legal provisions on State aid procedures are those of Article 93 of the Treaty. However, through the Commission's practice and also the case law of the Court of Justice, a whole set of rules has been developed, which, due to the fragmentation of rules, is not transparent enough. The proposed regulation will allow the integration of the procedural rules in one coherent text. The Commission's proposal confirms that the obligation of prior notification and the 'standstill' principle established by Article 93(3) constitute the cornerstone of the system of control of State aid. Following the existing case-law of the Court of Justice, the Commission confers the obligation pursuant to Article 93(3) on the Member State concerned. The State aid control procedure is thus largely based upon a dialogue between the Commission and the Member State concerned which is the 'ordinary law' interlocutor of the Commission.