EC/Slovak Republic Europe agreement: five-year extension for State aid

1998/0073(CNS) - 27/02/1998 - Initial legislative proposal

PURPOSE : Extension by 5 years of certain aspects of the European Agreement between the EU and the Slovak Republic CONTENT : Article 64, para 4, point a) of the European Agreement between the EU and the Slovak Republic provides that, for the purposes of evaluating public aids granted by Slovakia, this country is - for a period of the first 5 years following the entry into force of the Agreement - considered as an area identical to those areas within the Community covered by Article 92 para 3, point a) of the Treaty (those regions in which the standard of living is abnormally low and where there is serious under-employment). The European Agreement also provides that this period may be extended by five years within five years by decision of the Association Council. The first period having come to its expiry, Slovakia has asked for an extension of five years. The Commission considers this country continues to fall within the criteria used for the eligibility of a region for aids covered by Art. 92. 3a) EC (in particular, GDP per capita of less than 75% of the Community's average GDP per capita). It proposes therefore that the Association Council should grant the requested extension. The decision provides, however, in the 2 years that follow the extension (and then each year), that Slovakia communicates to the European Commission the necessary regional data to evaluate whether the country still fulfils the required conditions.