Council Regulation (EU) 2018/1911 of 26 November 2018 amending Regulation (EU) 2015/1588 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid (Text with EEA relevance)

COUNCIL REGULATION (EU) 2018/1911

of 26 November 2018

amending Regulation (EU) 2015/1588 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid

(Text with EEA relevance)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 109 thereof,

Having regard to the proposal from the European Commission,

Having regard to the opinion of the European Parliament[(1)],

Whereas:

(1) Council Regulation (EU) 2015/1588[(2)] empowers the Commission to declare by means of regulations that certain specified categories of aid are compatible with the internal market and are exempted from the notification requirement of Article 108(3) of the Treaty.

(2) Centrally-managed EU funds, meaning funds under direct or indirect Union management (to the exclusion of funds under shared management with Member States), increasingly support activities in the common EU interest through financial instruments or budgetary guarantees, and thereby provide a particularly valuable contribution to growth and cohesion. The Commission should be enabled to declare that, under certain conditions, aid granted by Member States, where such aid is channelled through or supported by such centrally-managed financial instruments or budgetary guarantees, is compatible with the internal market and is not subject to the notification requirement. In the Commission's experience, such aid does not give rise to any significant distortions of competition, as it is aligned with the conditions applicable to the relevant financial instruments or budgetary guarantees, as implemented by Union bodies, and clear compatibility conditions can be defined.

(3) The promotion of European Territorial Cooperation is an important priority of EU cohesion policy. The Commission should be enabled to declare that, under certain conditions, aid for European Territorial Cooperation projects is compatible with the internal market and not subject to the notification requirement. In the Commission's

Changes to legislation: *There are outstanding changes not yet made to Council Regulation (EU) 2018/1911. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

experience, such aid only has limited effects on competition and trade between Member States and clear compatibility conditions can be defined.

(4) Therefore, the scope of Regulation (EU) 2015/1588 should be extended to include such categories of aid.

(5) Regulation (EU) 2015/1588 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

In point (a) of Article l(1) of Regulation (EU) 2015/1588, the following subpoints are added:

(xv) financing channelled through or supported by EU centrally-managed financial instruments or budgetary guarantees, where the aid consists in the form of additional funding provided through State resources;

(xvi) projects supported by EU European Territorial Cooperation programmes;.

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 26 November 2018.

For the Council

The President

J. BOGNER-STRAUSS