



NOTAT

30. October 2019
DocumentNumber
Jen-dep

Overskrift

The Danish Government's response to the evaluation of the Communication on Important Projects of Common European Interest (IPCEI)

The Danish Government welcomes the opportunity to comment on the evaluation on the Communication on Important Projects of Common European Interest (IPCEI)

The Danish Government finds that the Communication on IPCEI (2014/C 188/02) has contributed in a positive way to provide helpful guidelines for member states when preparing schemes for an approval process that is as smooth and quick as possible, while ensuring a strict use and application of IPCEIs. When large cross border projects with clear common European added value entail so big risks that private investors are not willing to take them alone or considered unprofitable it is important that the states involved have the opportunity to grant state aid. However, such state aid should stimulate additional private investments and not distort competition in a disproportional way.

When dealing with big projects and potentially large amounts of state aid there is a potential for substantial distortion of the competition on the internal market.

Therefore, the Danish Government finds it important that state aid for IPCEIs in particular is assessed thoroughly by the Commission in a manner where the balance test is carried out on a solid and well-informed foundation of information. In addition the Commission should continue to apply the market-based principles in the communication, including monitoring the ex-post changes in the behavior as well as general market changes resulting from the state aid.

It is the Danish opinion that an IPCEIs within strategic value chains that are granted state aid should be open for participation of interested undertakings from all EU Member states.

Currently there is no clear procedure for how Member States can coordinate and cooperate on IPCEIs in advance of the state aid assessment. When dealing with strategic value chain IPCEIs we suggest that all Member States are provided with project descriptions well in advance before a formal state aid notification is sent to the Commission. We suggest a formalized process where Member States and other stakeholders are given a period where they can submit comments on the project or request to join the project. We need to ensure a transparent and inclusive process that allows for stakeholders and companies of all sizes to participate and contribute in order to ensure the best possible projects.

In general, we believe that IPCEIs should be allowed to pursue other objectives beyond climate and environmental objectives. However, strategic value chain IPCEIs should contribute in a clear and identifiable manner to one of the EU's climate objectives. The 2014 communication already states that projects must contribute in a concrete, clear and identifiable manner to one of more EU objectives, including but not limited to sustainable growth and the 2030 framework for climate and energy policies. We suggest putting higher weight on this criterion for projects to contribute to a climate neutral economy in the EU by 2050 at the latest in the Commissions' assessment of strategic value chain IPCEIs by giving it precedence over other EU objectives, i.e. exalting the criterion.

Please find enclosed the Danish response to the questionnaire on Evaluation of the Communication on Important Projects of Common European Interest (IPCEI) in the context of the fitness check on State aid policy. Please also find two Danish non-papers with suggestions to a greener and more transparent use of strategic value chain IPCEI and the governance structure for strategic value chains. We stand ready to further elaborate on our ideas or answer any follow-up questions you may have.

Finally, we refer to the Danish Government's response of 8th August on the general evaluation of the state aid rules also and in particular, the section on the organisation and financing of transport infrastructure projects ("Transport infrastructure and the implementation of the Trans-European transport network (TEN-T)").