



Mr Josè Manuel Barroso
President of the European Commission
European Commission
200 Rue de la Loi
1049 Bruxelles

13 June 2013

Dear President,

We would like to share with you our concerns on the ongoing **revision of Regional State aid rules**, in view of the upcoming College meeting which will be the last opportunity to address this crucial issue.

We have already several times reiterated our concerns about some of the proposed reforms the consequences of which would go against the political goals of Europe 2020, the regional policy 2014-2020 and the renewed industrial policy strategy.

BUSINESSEUROPE is still seriously concerned about the proposed exclusion of the possibility for non-SMEs to receive regional investment aid in "c" regions.

Recognising the fundamental role of larger companies/non-SMEs in supporting regional development is crucial. We strongly believe that limiting the possibility for non-SMEs to receive regional aid is not justified

BUSINESSEUROPE urgently calls on you for a revision of the draft guidelines to allow aid for non-SMEs in "c" regions. The compromise currently being discussed - referring to the possibility of granting aid for new or different activities – is not satisfactory in this regard.

Access to regional aid should be evaluated on the investment quality, its impact on the economy and its effect on competition, not on the company's size. Larger businesses often form important value chains with SMEs and are crucial for regional development.

Narrowing down possibilities to receive regional aid risks having an adverse effect, including for smaller business. Conversely, supporting larger companies as driving forces will have an incentive effect all along the value chain, with a positive impact not least on labour markets.

We trust you will take our comments into account and remain at your disposal to discuss the above recommendations further.

Yours sincerely,

Markus J. Beyrer