Fears have been expressed that these grants, which play an important role in ensuring the survival and continued use of buildings of historic importance, may now be prohibited by the Commission under state aid rules.

Is this the Commission's intention, and, if so, what suggestions has it for ensuring that in the UK it continues to be possible to bring about the costly restoration of historic properties which have a relatively low market value?

Answer given by Mr Monti on behalf of the Commission

(18 March 2002)

The Commission welcomes the restoration of buildings of historic value, whereby the Member States select the eligible buildings.

State aid rules of the Treaty certainly do not stand in the way of such projects, where the costs which the market does not accept to bear, are taken over by the State.

It has to be reminded in that respect that the prohibition of State aids laid down in Article 87 §1 of the EC Treaty concerns only selective advantages to undertakings, i.e. entities having an economic activity, and which distort or threaten to distort competition.

According to the Commission Regulation (EC) No 69/2001 of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid (1), aid measures are deemed not to meet all the criteria of Article 87 §1 of the EC Treaty, if they don’t exceed EUR 100,000 over a period of three years.

Furthermore, Article 87 §1 of the EC Treaty only prohibits State aids insofar as they affect trade between Member States. It is questionable to what extent, if any, heritage regeneration grants financed through the State lottery and allowing the restoration of buildings with historic value affect trade between Member States.

In case these grants would satisfy the criteria set out in Article 87 §1 of the EC Treaty Article 87 §3 (d) would provide for an exemption to the prohibition of State aids concerning aid to promote culture and heritage conservation where such aid does not affect trading conditions and competition in the Community to an extent that is contrary to the common interest.


WRITTEN QUESTION E-0316/02

by Charles Tannock (PPE-DE) to the Commission

(12 February 2002)

Subject: Aid to Afghanistan

It has been widely reported that during the last few months large quantities of poppy seeds have been planted in northern Afghanistan. The promise of a bumper crop, together with the release of large opium stocks built up by the Taleban, is responsible for the market price for a kilogram of opium in Kandahar plummeting from $1,600 to $330. A farmer will receive about $300 for a kilogram of opium as opposed to less than $1 for a kilogram of wheat.

What steps will the European Union take to encourage farmers to earn a good living through the cultivation of alternative crops, and will European Union aid be linked to a willingness of Afghan officials and warlords to respect the new government’s decree prohibiting the production of opium as well as respect for the authority of the central government? Will the provision of aid also be conditional upon there being no reintroduction of the barbaric practice of stoning women to death for adultery?
Finally, what proportion of EU aid will be channelled through its own institutions and what proportion will be made available to NGOs? In cases where the European Union feels that aid is needed and the aid is dispersed through the Commission, what steps will be taken to ensure that the aid is made available in good time and not left in bank accounts or caught-up in labyrinthine bureaucratic procedures as has happened so often in the past with European aid budgets?

Answer given by Mr Patten on behalf of the Commission

(4 April 2002)

The Community considers the implementation of the poppy ban by the Afghan Interim Authority as an important step which deserves support.

Among the programmes to be financed by the Community and other partners involved in the reconstruction and rehabilitation process in Afghanistan are rural development programmes intended to contribute to the improvement of the situation of the population.

To this end, a number of assessment missions are currently in Afghanistan, including a Community food security/agronomic expert who is studying the potential for support in this area.

The principal conditionality for continuing Community assistance to the Afghan administration is its adherence to the terms of the Bonn/Petersburg Agreement, inter alia, commitment to a timetable for elections, introduction of an agreed legal framework, the establishment of a Human Rights Commission, co-operation in the fight against terrorism, drugs and organised crime, and respect for the basic principles of human rights and international humanitarian law to which Afghanistan is a party.

European Union aid is made up of bilateral pledges from Member States and a pledge from the Commission. Pledges from Member States have been made in differing forms and cover a variety of sectors of the reconstruction process, including agriculture and anti-drugs measures. Pledges for 2002 made at Tokyo in January 2002 were EUR 400 million from Member States, EUR 200 million from the Commission.

The Commission has set aside EUR 13 million from its first commitment in 2002 of EUR 57.5 million to be devoted to agricultural/rural regeneration and development. Precise project plans are being drawn up. These could include assistance to farmers and other members of the rural population previously involved in poppy cultivation. Other proposals in this area will be considered for further commitments later in the year. The fight against illegal drugs is an important cross-cutting issue in EC assistance to Afghanistan.

The Community generally channels its humanitarian assistance through non-governmental organisations (NGOs), United Nations (UN) aid agencies and international aid organisations. Depending on the nature of projects or programmes agreed for future funding, some assistance may now be implemented, where appropriate and with technical assistance, directly with central government agencies or local municipalities. No decisions have been made on proportions to be channelled via NGOs or via the central government. This will depend on individual decision on the best way to achieve the objectives for the assistance.

It is hoped that the setting up of a fully deconcentrated Union Office in Kabul operational as of 12 February 2002, will keep to a minimum the time taken to approve, adopt and put into implementation Community assistance programmes in Afghanistan. An early assistance package of project worth EUR 4.9 million was approved in December 2001 under the Rapid Reaction Mechanism and has been disbursed.