

(98/C 82/189)

WRITTEN QUESTION P-2594/97**by W.G. van Velzen (PPE) to the Commission***(17 July 1997)**Subject:* State aids for research and development and competition rules

Reports recently appearing in the Dutch press and elsewhere concerning aid granted by certain Member States for research and development regularly suggest that such aid might not be in accordance with the EC Treaty, in particular Articles 92 to 94. On page 75 of the XXVIth Report on Competition Policy (1996), four cases are mentioned where the Commission has expressed serious doubts, including SGS Thomson and Philips.

1. Under Community law, do the SGS Thomson and Philips cases fall into the same category?
2. Why should these two cases fall outside the new framework regarding State aids for research and development of 17 February 1996?
3. What is the annual amount of government support for research and development in the EU granted by the Member States? How does this compare with the amount of aid granted by Japan and the United States?

Answer given by Mr Van Miert on behalf of the Commission*(22 September 1997)*

1. The SGS-Thomson and Philips cases where investigations have been opened by the Commission both concern individual aid to companies in the semiconductor sector. In the SGS-Thomson case, the work concerns technologies for semiconductor integrated circuits in application areas like computer and power supply, telecommunications, automotive, audio and radio, and other applications. The Philips case concerns technologies for semiconductor integrated circuits for personal digital assistants (PDAs) or personal intelligent communicators (PICs).

2. The assessment of the cases for the opening of the investigations has been carried out using criteria given in the guidelines for research and development adopted by the Commission in December 1995 ⁽¹⁾. The cases fall within the scope of Article 92(1) of the EC Treaty since the aid favours (on an individual basis) the companies concerned, each operating in highly competitive semiconductor market segments for which there is trade between Member States. When opening the investigations in both cases, the Commission expressed doubts regarding the proposed aid in relation to the necessity for the aid, the 'incentive' effect — an inducement for the company to pursue research it would not otherwise have pursued — as well as the nature of the work proposed. It is these concerns which are being addressed in the current investigation. A full description explaining why the investigations were opened in each case has been published in the Official journal (SGS-Thomson ⁽²⁾, Philips ⁽³⁾). A final Commission decision on both cases is still pending.

3. European research investment in 1995 amounted to 1.9% of gross domestic product (GDP), compared with 2.45% in the United States and 2.95% in Japan.

⁽¹⁾ OJ C 45, 17.2.1996.

⁽²⁾ OJ C 358, 27.11.1996.

⁽³⁾ OJ C 393, 31.12.1996.

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WRITTEN QUESTION P-2595/97**by Luigi Vinci (GUE/NGL) to the Commission***(17 July 1997)**Subject:* Segrate-Lacchiarella transport/transfer centre

On 24 May 1996 I tabled a written question to the Commission (E-1283/96) ⁽¹⁾ requesting clarification concerning Community funding for the construction of the Segrate-Lacchiarella transport/transfer centre, in connection with which various irregularities appear to have occurred. Subsequently, on 12 June 1997, Italian magistrates sent notification of investigation to various politicians and officials involved in the