



**Skärgårdarnas Riksförbund** - The national association for the Swedish archipelago, wishes to give the following contribution to the consultation on:

**Commission Regulation on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.**

Due to the current economic context, we welcome the general revision proposal of the de minimis threshold to 275 000 €.

However, we wish to also bring to the attention of the commission the fact that the development and sustainable care and maintenance of island communities without land connections are proportionately more expensive due to the higher cost of transportation to small, unbridged islands, which is not addressed in the Commission Regulation (EU) No 651/2014 (GBER) nor the recent revision (EU) 2021/1237. Therefore, on average, we estimate prices for different services to be 30-40% higher than on the mainland.

Ferry prices cause higher costs, as well as downtime during and between ferry departures and other tangible and perceived logistical obstacles.

**Skärgårdarnas Riksförbund** - The national association for the Swedish archipelago, therefore, proposes, bringing in mind article 174 of the Treaty on the Functioning of the European Union (TFEU), that the threshold for de minimis for SMEs (especially small and micro) on small, unbridged islands (e.g., less than 5 000 inhabitants) should be set at an additional 40%, i.e., 385 000 €.

This action will allow some micro and small businesses on the islands to compete on fairer terms on the mainland market and enable mainland-based enterprises to be more active on the islands. Which complies with article 107, 3c and is in line with the European Union's aim to:

- achieve sustainable development based on balanced economic growth and price stability and a highly competitive internal market economy with full employment and social progress and
- enhance economic, social, and territorial cohesion and solidarity within and among EU countries.

**Skärgårdarnas Riksförbund** - National association for the Swedish archipelago



Lotten Hjelm, Chairperson