

ROADMAP

Roadmaps aim to inform citizens and stakeholders about the Commission's work in order to allow them to provide feedback and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have.

TITLE OF THE INITIATIVE	Revision of the Short-term export-credit insurance Communication
LEAD DG – RESPONSIBLE UNIT	DG COMP D3
LIKELY TYPE OF INITIATIVE	Communication
INDICATIVE PLANNING	Q4 2021
ADDITIONAL INFORMATION	-

This Roadmap is provided for information purposes only and its content might change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Roadmap, including its timing, are subject to change.

A. Context, Problem definition and Subsidiarity Check

Context

Export-credits enable foreign buyers of goods and services to defer payment. The payment deferral implies credit risk for the sellers, against which they insure themselves (export-credit insurance).

The short-term export-credit insurance Communication (STEC), which is in force since 2013, provides that trade within 27 EU Member States and nine OECD countries listed in its Annex, with a maximum risk period of up to two years, entails marketable risks and should, in principle, not be insured by the State or State supported insurers.

STEC lays down rules to ensure that State support to export-credits does not distort competition among private and public or publicly supported export-credit insurers and to create a level-playing field among exporters in different Member States.

The evaluation of STEC in the context of the State aid Fitness Check¹ concluded that the objectives of STEC are in principle achieved and that its rules are overall fit for purpose.

Problem the initiative aims to tackle

While the Fitness Check found that STEC rules are broadly fit for purpose, it also indicated that there are certain rules, which need an update, as well as technical adjustments to reflect the recent market developments.

Against that background, the initiative envisages adapting STEC by implementing the results of the Fitness Check evaluation and introducing limited changes to some of its provisions.

Basis for EU intervention (legal basis and subsidiarity check)

The Treaty on the Functioning of the European Union confers to the Union the exclusive competence in establishing of the competition rules necessary for the functioning of the internal market (Article 3 TFEU). Therefore, the subsidiarity principle does not apply.

B. What does the initiative aim to achieve and how

The initiative aims to implement the results of the Fitness Check evaluation to STEC. Since the Fitness Check showed that STEC ensures an adequate competition level between private and public export-credit insurers as well as between exporters in different Member States concerning trade within and outside the Union, the

¹ <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2044-Fitness-check-of-2012-State-aid-modernisation-package-railways-guidelines-and-short-term-export-credit-insurance>

initiative does not foresee any material changes in the update of STEC.

The initiative envisages a small number of amendments, which would be mostly of technical character, rather than representing substantial changes in the STEC policy approach.

The following amendments are envisaged:

a) Temporarily non-marketable risks for SMEs (point 18(b) of STEC) – the initiative intends to increase the EUR 2 million threshold since SMEs with annual export turnover above that amount might still find themselves in a position where it is impossible for them to find insurance for short-term export-credits. The initiative includes a proposal to increase the threshold to EUR 2.5 million as a technical update to take into account inflation developments in the meantime.

b) Transparency and reporting requirements (point 28 of STEC) - STEC predates most other State Aid Modernisation guidelines which were assessed in the Fitness Check. We suggest to introduce an obligation for the Member States to publish STEC reports alongside the other information provided already on the schemes, aligning this approach further with the intention of State Aid Modernisation to enhance the cooperation with Member States to ensure transparency of implemented measures.

c) Prolongation of the duration of STEC – The initiative includes the prolongation of STEC beyond 2021.

C. Better regulation

Consultation of citizens and stakeholders

The consultation activities aim at providing the concerned stakeholders and wider public an opportunity to express their views and opinions regarding the key elements of the initiative.

The planned consultation activities are:

- A public consultation on the draft communication that will be available via the [DG Competition website](#) in all official EU languages. It will be addressed to all stakeholders that have an interest in STEC and allow interested parties to provide feedback to the draft communication in all official EU languages. This will ensure transparency and accountability. The consultation on the draft communication is planned to be launched in Q2 2021.
- A consultation of EU Member States on the draft communication during a multilateral meeting.
- Further to the above, stakeholders are also invited to provide feedback to this roadmap.

Evidence base and data collection

The initiative builds on the evidence gathered in the Fitness Check exercise, as laid out in the [Staff Working Document](#) published by the Commission in October 2020.

The changes on STEC will be based on the evaluation in the context of the Fitness Check.

There is no impact assessment being prepared to support this initiative, given that the proposed revision is not expected to have significant economic, environmental and/or social impacts.