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OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council
To: Delegations

No. prev. doc.: 8420/22

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL on foreign subsidies distorting the internal market
- Mandate for negotiation with the European Parliament
= *Statement by Italy*

Delegations will find attached a statement by Italy.

Regulation on foreign subsidies distorting the internal market

Declaration by Italy

While in a spirit of compromise Italy supports the Presidency's compromise text as a basis for the Council's mandate, we strongly believe that important aspects could be further improved in the course of negotiations, as follows.

- It should be clearly established in the binding part of the proposal that Member States will be duly consulted on the adoption of guidance regarding the criteria for determining the existence of a distortion caused by a foreign subsidy on the internal market, the application of the balancing test, and the application of the Commission's power to request prior ad hoc notifications.
- The list of redressive measures in Article 6(3) should be exhaustive, in order to ensure legal certainty.
- The delegated powers to the Commission under Articles 44, 45, and 45a of the Proposal concern essential elements, namely the thresholds for notification, and should therefore be deleted.
- Finally, the establishment of a database accessible to Member States and including all decisions adopted under the Proposal is essential for the correct functioning of public procurement and should be included in a specific article of the Regulation.

We are confident that such requests will be taken in due and serious account in the course of future negotiations.