SA. 107952.MX - Annex to the information request

In the table below, you will find a list of compatibility conditions and provisions that may be relevant for the assessment of the legal basis concerning the block-exempted aid measure under monitoring (Commission Regulation (EU) No 651/2014, OJ L 187, 26.6.2014, p. 1, as amended).

Please provide information, in short form, in the column "Where to find them in legal basis or secondary law?" by a reference to the relevant paragraph and page number of the legal document, e.g. Art. 1, p. 3, Legal text; Paragraph 3, p. 5, Secondary law).
If a condition or provision is implicitly fulfilled i.e. it is not especially contained in the legal text of the aid measure, please give a short explanation where it is established.
Where a condition is not applicable, please put "N/A" and give a short explanation.

Annex regarding the legal basis

A. Common provisions of application

GENERAL COMPATIBILITY CONDITIONS	COMPLIANCE CHECK (OK?)
Article 1	
Article 1 – Exclusion of certain activities and aids above a certain amount (§2) The GBER shall **not** apply to: • R&D&I aid schemes with **average annual State aid budget exceeding EUR 150 million** from six months after their entry into force this Regulation may continue to apply for a longer period to any of these aid schemes after having assessed the relevant evaluation plan notified by the Member State to the Commission, within 20 working days from the scheme's entry into force. Where the Commission has already extended the application of this Regulation beyond the initial six months as regards such schemes, Member States may decide to extend those schemes until the end of the period of application of GBER, provided that the Member State concerned has submitted an evaluation report in line with the evaluation plan approved by the Commission. • any **alterations** of schemes referred above other than modifications which cannot affect the compatibility of the aid scheme under GBER or cannot significantly affect the content of the approved evaluation plan • aid to **export** related activities • aid **contingent upon use of domestic** over imported goods	Legal basis of the grant is the "Regulation on applied research of undertaking" Adopted on 21.03.2022 (available online (in Estonian)): Ettevõtja rakendusuuringute määrus-Riigi Teataja; and the English translation on Estonian Business and Innovation Agency's website: regulation_2022_2024.pdf Annual State aid budget does not exceed EUR 150 million as the total budget for the scheme SA.107952 (grants awarded 2023-2026) was EUR 31 200 000. Requirement specified in § 1 (2) The regulation does not apply: 3) recipients of aid in the cases set forth in article 1(2)–(5) of the European Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (ELT L 187, 26.06.2014, pages 1-78) (hereinafter referred to as the General Block Exemption Regulation);

Article 1 – Exclusion of certain sectors (§3) The GBER shall **<u>not</u>** apply to: • The processing and marketing of **agricultural products*** where the amount of aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned; or where the aid is conditional on being partly or entirely passed on to primary producers; • Aid to facilitate the **closure of uncompetitive coal mines** (Council decision 2010/787/EU); ** If an undertaking active also in sectors within the scope of GBER, the Regulation applies to aid granted in respect of these sectors provided that Member State ensures that the activities in the excluded sectors do not benefit from the aid.*	Requirement specified in § 1 (2) The regulation does not apply: 2) recipients of de minimis aid in the cases set forth in article 1(1) of European Commission Regulation (EU) No 2023/2831 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (ELT L, 2023/2831, 15.12.2023) (hereinafter referred to as De Minimis Aid Regulation); until 01.07.2024, the Regulation No 1407/2013 was applied; 3) recipients of aid in the cases set forth in article 1(2)–(5) of the European Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (ELT L 187, 26.06.2014, pages 1-78) (hereinafter referred to as the General Block Exemption Regulation);
Article 1 – Exclusion of companies concerned by the *Deggendorf* rule (§4) The GBER shall **<u>not</u>** apply to: (a) aid schemes which do not explicitly exclude the payment of individual aid; (b) ad hoc aid granted by the Member State in favour of an undertaking which is subject to outstanding recovery order following a previous Commission Decision declaring an aid illegal and incompatible with the internal market.	Requirement specified in § 1 (2) The regulation does not apply: 1) to an undertaking which is subject to an outstanding recovery order following a previous European Commission decision declaring an aid illegal and incompatible with the internal market;
Article 1 – Exclusion of companies in difficulty (§4) The GBER shall **<u>not</u>** apply to undertakings in difficulty • **by derogation**: this Regulation applies to undertakings which were not in difficulty on 31 December 2019 but became undertakings in difficulty during the period from 1 January 2020 to 31 December 2021.	Requirement specified in § 1 (2) 3) recipients of aid in the cases set forth in article 1(2)–(5) of the European Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (ELT L 187, 26.06.2014, pages 1-78) (hereinafter referred to as the General Block Exemption Regulation); and 5): The regulation does not apply to an undertaking in difficulty within the meaning of this Regulation. Which is defined in § 4 8[1]) an undertaking in difficulty is an undertaking that meets the criteria specified in Article 2(18) of the General Block Exemption Regulation or in

	point 10(a) of the IPCEI Communication, except such start-up or scale-up in the event of which share premium is not included in the share capital.
Article 1 – Exclusion of aid measures violating Union Law (§5)	Requirement specified in § 1 (2) 3) recipients of aid in the cases set forth in article 1(2)–(5) of the European Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (ELT L 187, 26.06.2014, pages 1-78) (hereinafter referred to as the General Block Exemption Regulation);
The GBER shall **not** apply to State aid measures, which entail, by themselves, by the conditions attached to them, or by their financing method, a non-severable violation of Union law, in particular: (a) aid measure where the grant of aid is subject to the obligation for the beneficiary to have its headquarters or to be predominantly established in the relevant Member State. Requirement for an establishment or branch in the aid granting Member State at the moment of payment of the aid is allowed. (b) aid measure where the grant of aid is subject to the obligation to use nationally produced goods or national services; (c) aid measures restricting the possibility for the beneficiaries to exploit the research, development and innovation results in other Member States.	
Article 4 – Individual notification thresholds	
The GBER shall **not** apply to aid which exceeds: • Research and development: i. if the project is predominantly fundamental research: EUR 40 million per undertaking, per project; where more than half of the eligible costs of the project incurred through activities within the category of fundamental research; ii. If the project is predominantly industrial research: EUR 20 million per undertaking, per project; where more than half of the eligible costs of the project incurred through activities within the category of industrial research or industrial research and fundamental research taken together; iii. if the project is predominantly experimental development: EUR 15 million per undertaking, per project; where more than half of the eligible costs of the project incurred through activities within experimental development; iv. if the Eureka project or project implemented by a Joint Undertaking (Article 185 or Article 187 TFEU), the amounts referred to in points (i) to (iii) are doubled. v. if the aid for research and development projects is granted in the form of repayable advances which, in the absence of an accepted methodology to calculate their gross grant equivalent, are expressed as a percentage of the eligible costs and the measure provides that in case of a successful outcome of the project, as defined on the basis of a reasonable and prudent hypothesis, the advances will be repaid with an interest rate at least equal to the discount rate applicable at the time of grant, the amounts referred to in points (i) to (iv)	The supported activities are listed in § 8: (1) The following goals and activities aimed at achieving the results mentioned in § 3 will be supported: 1) conducting applied research; 2) conducting experimental development; 3) conducting a feasibility study for the activities mentioned in point 1) or 2); 4) applying for the initial protection of intellectual property created as a result of the activities mentioned in points 1) or 2); 5) making the investments of the R&D infrastructure that provides R&D services to the undertaking; 6) implementation of the IPCEI project. The amount of aid per project is regulated in § 10: (1) The minimum amount of aid requested for an applied research or product development project is one hundred thousand euros and the maximum amount is two million euros per project. (2) The minimum amount of aid requested for an R&D

are increased by 50 %; vi. aid for feasibility studies in preparation for research activities: EUR 7,5 million per study; vii. for aid for SMEs for research and development projects awarded a Seal of Excellence quality label and implemented under Article 25a, the amount referred to in Article 25a (2,5 million per SME per research and development project or feasibility study); viii. for aid Marie Skłodowska-Curie actions and ERC Proof of Concept actions implemented under Article 25b the amounts referred to in Horizon 2020 or Horizon Europe programme rules); ix. for aid involved in co-funded research and development projects implemented under Article 25c, the amounts referred to in Horizon 2020 or Horizon Europe programme rules; x. for aid for Teaming actions implemented under Article 25d, the amounts referred to in Horizon 2020 or Horizon Europe programme rules; • for investment aid for research infrastructures: EUR 20 million per infrastructure; for aid for innovation clusters: EUR 7,5 million per cluster; • innovation aid for SMEs: EUR 5 million per undertaking, per project; • for aid for process and organisational innovation: EUR 7,5 million per undertaking, per project. The thresholds shall not be circumvented by artificially splitting up the aid schemes or aid projects.	investment project is one hundred thousand euros and the maximum amount is five million euros per project. Aid payments are regulated in § 25: (1) The aid will be paid to the beneficiary on the basis of supporting documents relating to the expenditure actually incurred or paid up to the amount of the self-financing, in accordance with the conditions laid down in the decision granting the application. The support for administrative costs is paid on the basis of a flat rate. (2) Payment of the aid on the basis of actual costs is conditional on the implementation of the project activities, the incurrence and payment of eligible costs. (3) The aid may be paid out on the basis of the cost statements paid to the extent of the self-financing if the eligible costs have been incurred and paid to the extent of the self-financing. If the aid payment is made on the basis of the cost statements paid to the extent of the self-financing, the beneficiary is obliged to submit to the Estonian Business and Innovation Agency the documents certifying the payment of the unpaid part of the cost within ten calendar days of the receipt of the aid payment. Based on the above: i: N/A. Fundamental research activities are not supported. ii, iii and vi: The maximum aid for industrial research and experimental development projects, including feasibility studies, is EUR 2 million per project. v: N/A. Aid is not granted in the form of repayable advances. iv, vii, viii, ix and x: N/A. Eureka, Seal of Excellence quality label projects, Marie Skłodowska-Curie actions, ERC Proof of Concept actions, co-funded research and development projects under the Horizon 2020 or Horizon Europe programme, or Teaming actions are not supported under this regulation.

	The maximum aid per research infrastructure is EUR 5 million per infrastructure and innovation clusters are not supported. The maximum aid per project under this regulation is EUR 5 million (including SMEs). Process and organisational innovation activities are not supported.
Article 5 – Transparency of aid	
Only transparent aid (aid in respect of which it is possible to calculate precisely the gross grant equivalent of the aid *ex ante* without any need to undertake a risk assessment) shall be exempted. The following are considered to be transparent: • aid comprised in grants and interest rate subsidies • aid comprised in loans (where gross grant equivalent has been calculated on the basis of the reference rate prevailing at the time of the grant) • aid comprised in guarantees: where the gross grant equivalent has been calculated on the safe-harbour premiums laid down in a Commission Notice or the methodology to calculate the gross grant equivalent has been accepted by the Commission following a notification before the implementation on the basis of the Commission Notice on Guarantees and the approved calculation methodology explicitly addresses the type of the guarantee and the type of the underlying transaction at stake in the context of the application of the GBER • aid for tax advantages (where measure provides for a cap to ensure that threshold is not exceeded) • aid in the form of repayable advances, if the total nominal amount of the repayable advance does not exceed the thresholds applicable under GBER or if, before implementation of the measure, the methodology to calculate the gross grant equivalent of the repayable advance has been accepted following its notification to the Commission. • aid in the form of the sale or lease of tangible assets below market rates where the value is established by an independent expert evaluation prior to the transaction or by reference to a publicly available, regularly updated and generally accepted benchmark	Corresponding to § 10 and § 25 in the grant regulations referenced above, the aid is provided as a grant with predetermined amounts and co-financing rates, which aligns with the definition of transparent aid under Article 5. Therefore, the gross grant equivalent can be precisely calculated ex ante without the need for a risk assessment. Aid is not comprised of interest rate subsidies, loans, guarantees, tax advantages, repayable advances or sale or lease of tangible assets below market rates.
Article 6 – Incentive effect	
Aid can only be exempted if it has an incentive effect:	The requirement is ensured by § 8 (4) The applicant may

• The **beneficiary submitted written application for aid to Member State, before work** on the project or activity starts, with at least the following information: - undertaking's name and size; - description of the project, including its start and end dates; - location of the project; - list of project costs; - type of aid (grant, loan, guarantee, repayable advance, equity injection or other) and amount of public funding needed for the project • ***Ad hoc* aid to large enterprises**; in addition to the above, the Member State has verified before granting the aid that the beneficiary provided documentation establishes one or more of the following: - a material increase in the scope of the project/activity due to the aid, or - a material increase in the total amount spent by the beneficiary on the project/activity due to the aid, or - a material increase in the speed of completion of the project/activity concerned; → **Exceptions**: • **Tax advantages** if: - the measure establishes a right to aid in accordance with objective criteria and without further exercise of discretion by the Member State; and - the measure has been adopted and is in force before work on the aided project or activity has started, except in the case of fiscal successor schemes, where the activity was already covered by the previous schemes in the form of tax advantages. • The following categories of aid are not required to have or shall be deemed to have an incentive effect: - aid for research and development projects awarded a Seal of Excellence quality label, Marie Skłodowska-Curie actions and ERC Proof of Concept actions awarded a Seal of Excellence quality label, aid involved in co-funded projects and in co-funded Teaming actions, if the relevant conditions laid down in Article 25a, Article 25b, Article 25c or Article 25d are fulfilled.	not commence project-related activities or assume obligations for carrying out the aforementioned activities before submitting an application to the Estonian Business and Innovation Agency. Additionally, § 15 (1) and (2) state that the application must, inter alia, comply with the requirements and include the following information to the extent that allows assessing the applicant's and the application's compliance: (1) 4) the amount of the requested aid corresponds to the amount and percentage of the aid provided for in § 10 (listed under the question about aid intensity, which requires the applicant's size); (2) 2) the amount of the requested aid and the costs of the project; (2) 3) the location in which the project will be carried out Additionally, the undertaking's name and size, description of the project with start and end dates, location of the project and list of project costs are required information in the application that is submitted through the e-toetus environment (in Estonian); application example in Estonian: taotlusvormi_naidis.pdf. The applicant's size is also evaluated in processing the applications. According to § 16 (1) The processing of an application entails: 3) verification of whether the applicant and the partner meet all necessary criteria; 6) assessment of whether the application complies with the rules of State aid; According to § 17 (2) An application is declared compliant if all the requirements set for the application in § 15 are met. (3) An application is not declared compliant if 1) the application does not meet the requirements set forth in § 15 and the shortcoming cannot be eliminated within the deadline set forth in subsection 16 (5) (i.e. 10 working

	days); Therefore, the application must be submitted before work on the project starts, which ensures that the incentive effect of Article 6 is followed. Ad hoc aid, tax advantages or projects awarded a Seal of Excellence quality label, Marie Skłodowska-Curie actions and ERC Proof of Concept actions awarded a Seal of Excellence quality label, aid involved in co-funded projects and in co-funded Teaming actions, are not granted under this scheme.
Article 7 – Eligible costs	
For the purposes of calculating the aid intensity • All figures shall be taken before any deduction of tax or other charge. The amounts of eligible costs may be calculated in accordance with the simplified cost options (Reg 1303/2013, or Reg 2021/1060) whichever is applicable provided that the operation is at least partly financed through a Union fund that allows the use of those simplified cost options and that the category of costs is eligible according to the relevant exemption provision; • Aid granted in a form other than a grant, the aid amount shall be the gross grant equivalent of the aid. • Aid payable in the future, including aid payable in several instalments shall be discounted to its value when granting. Eligible costs shall also be discounted to their value at the time of granting the aid. The discounting interest rate shall be the one which was applicable at the time of granting the aid; • Where aid is granted in the form of repayable advances which, in the absence of an accepted methodology calculating their gross grant equivalent, are expressed as a percentage of the eligible costs and the measure provides that in case of successful outcome of the project, as defined on the basis of a reasonable and prudent hypothesis, the advances will be repaid with • an interest rate at least equal to the discount rate applicable at the moment the aid is granted, the maximum aid intensities may be increased by 10 percentage point. **Eligible costs & documentation** • Eligible costs must be supported by clear, specific, and contemporary documentary evidence. • The amounts of eligible costs may be calculated in accordance with the simplified cost options set out in Reg 1303/2013, provided that the operation is at least partially financed through a	The requirement is fulfilled. The aid is not granted in any form other than a grant; with no advance payments, repayable advances, loans nor simplification applied. Eligible costs are supported by clear and appropriate documentation, and the simplified cost method is not used. This is consistent with the program conditions set out in § 9 on cost eligibility: (1) Eligible costs are the costs set out in the decision granting the aid, which are justified, documented and incurred during the period of eligibility of the project in the course of the supported activities and paid by the beneficiary or partner. Furthermore, aid payment conditions are listed in § 25: (1) The aid will be paid to the beneficiary on the basis of supporting documents relating to the expenditure actually incurred or paid up to the amount of the self-financing, in accordance with the conditions laid down in the decision granting the application. The support for administrative costs is paid on the basis of a flat rate. (2) Payment of the aid on the basis of actual costs is conditional on the implementation of the project activities,

Union fund that allows the use of those simplified cost options and that the category of costs is eligible according to the relevant exemption provision.	the incurrence and payment of eligible costs. (3) The aid may be paid out on the basis of the cost statements paid to the extent of the self-financing if the eligible costs have been incurred and paid to the extent of the self-financing. If the aid payment is made on the basis of the cost statements paid to the extent of the self-financing, the beneficiary is obliged to submit to the Estonian Business and Innovation Agency the documents certifying the payment of the unpaid part of the cost within ten calendar days of the receipt of the aid payment. (4) The support will be paid out on the basis of the payment request submitted by the beneficiary. A payment request is submitted to the Estonian Business and Innovation Agency on the deadlines provided in the decision granting the application, but no more frequently than once a quarter. (5) The final payment is made after the project activities have been carried out, the results have been achieved and the final report has been approved. (7) The Estonian Business and Innovation Agency may check the cost statements as part of on-site inspection of the beneficiary. (8) If the processing of a payment application or a related cost statement reveals a shortcoming that can be rectified, the Estonian Business and Innovation Agency will set a deadline for rectifying the shortcoming. (9) The Estonian Business and Innovation Agency may make a decision to refuse to pay out the aid either in part or in full if: 1) the submitted cost statements do not comply with the project period, activities, eligible costs and goals specified in the application; 2) the activities carried out do not comply with the activities set out in the application or their performance has not been proven; 3) The Estonian Business and Innovation Agency did not

	approve the interim or final report of the respective reporting period; 5) the beneficiary is in breach of the terms and conditions of the Regulation or deviates from the provisions of the application or the decision granting the application in any other manner; 6) the beneficiary's economic situation has deteriorated so much that the use of the support or implementation of the action plan is compromised.
Article 8. Cumulation	
• Total amount of aid (for the aided activity or project or undertaking) shall be taken into account for thresholds and maximum aid intensities (§1); • If Union funding (not under the control of the Member State) is combined with State aid, only the latter shall be considered for determining whether notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted in relation to the same eligible costs does not exceed the most favourable funding rate laid down in the applicable rules of Union law (§2); • GBER exempted aid may be cumulated with any other State aid as long as the measures concern different identifiable costs (§3a); • No cumulation of exempted aid with any other aid on the same eligible costs, partly or fully overlapping, if the result would exceed the highest aid intensity/amount applicable to this aid • under GBER (§3b)[1]; • State aid exempted under the GBER shall not be cumulated with any de minimis aid in respect of the same eligible costs if such cumulation would result in an aid intensity exceeding those	The cumulation rules for state aid and de minimis aid are duly considered, relevant information is included in the grant decision, and mechanisms for the recovery of unlawful aid are established to ensure compliance. The requirement is fulfilled through the following provisions of the programme conditions: § 2 Application of State aid rules (1) The aid to be granted for the activities referred to in Section 8(1) will constitute State aid within the meaning of subsection 30 (1) of the Competition Act or de minimis aid within the meaning of subsection 33 (1) of the Competition Act. (2) The aid is granted in accordance with the following

[1] Financing provided to the final beneficiaries with support from the InvestEU Fund covered by Section 16 of Chapter III and the cost covered by this financing shall not be considered for determining compliance with the cumulation provisions laid down in the first sentence of this point. Instead, the amount relevant for determining compliance with the cumulation provisions of the first sentence of this point shall be calculated as follows. First, the nominal amount of the financing supported by the InvestEU Fund shall be deducted from the total eligible project costs, obtaining the total remaining eligible costs; second, the maximum aid shall be calculated by applying the relevant highest aid intensity or aid amount only to the total remaining eligible costs.
In cases of Articles for which the notification threshold is expressed as a maximum aid amount, the nominal amount of financing provided to the final beneficiaries with the support from the InvestEU Fund shall also not be considered for determining whether the notification thresholds in Article 4 are respected.
Alternatively, for senior loans or guarantees on senior loans supported by the InvestEU Fund under Section 16 of Chapter III, the gross grant equivalent of the aid entailed in such loans or guarantees provided to the final beneficiaries may be calculated in accordance with Article 5(2), point (b) or (c), as appropriate. This gross grant equivalent of the aid can be used for ensuring, in line with the first sentence of this point, that cumulation with any other aid for the same identifiable eligible costs does not result in exceeding the highest aid intensity or aid amount applicable to the aid under this Regulation or the relevant notification threshold under this Regulation.

laid down in Chapter III of the GBER (§5).	legal acts concerning State aid or de minimis aid: 1) the aid granted for the activities set out in clauses 8 (1) 1)–3) constitutes aid to R&D projects within the meaning of Article 25 of the General Block Exemption Regulation and is subject to the provisions of said Regulation and § 34^2 of the Competition Act; 2) the aid granted for the activities specified in point clause 8 (1) 4) is innovation aid within the meaning of Article 28 of the General Block Exemption Regulation and it is subject to the provisions of said Regulation and § 34^2 of the Competition Act or de minimis aid within the meaning of the De Minimis Aid Regulation and it is subject to the provisions of the De Minimis Aid Regulation and § 33 of the Competition Act; 3) the aid granted for the activity set out in clause 8 (1) 5) constitutes aid for investment in research infrastructure within the meaning of Article 26 of the General Block Exemption Regulation and is subject to the provisions of that Regulation and to the provisions of § 34^2 of the Competition Act; § 10 (14) The amount of self-financing must cover the part of the eligible costs that the aid does not cover. (15) Other non-refundable aid granted by the state, local authorities or other European Union institutions or funds is not regarded as self-financing. § 14 (6) De minimis aid given to applicants and partners along with de minimis aid applied for in the scope of this regulation can not exceed the thresholds stipulated in article 3 subsection 2 of the De Minimis Aid Regulation, additionally taking into account the cumulation rules stipulated in article 5 of the De Minimis Aid Regulation. The undertaking specified in Article 2(2) of the De Minimis Aid Regulation is regarded as one undertaking when the size of de minimis aid is calculated.

	§ 15 (2) The application must contain the following: 10) information on whether the applicant has applied for aid for the project or a part thereof from several measures at the same time, other state budget, European Union or other external aid resources. This ensures that cumulation rules are followed and the total amount of aid is taken into account for thresholds and maximum aid intensities. § 20 (2) The following will be set out in a decision to grant an application: 2) the total cost of the project, the amount of the aid and the rate of self-financing; 8) the fact that the aid is State aid or de minimis aid. § 28 (11) In the case of recovery of unlawful and misused state aid, the provisions of § 42 of the Competition Act will apply, unless otherwise provided by EU legislation. (12) The decision to recover the aid may be made within three years of the complete performance of the last obligation of the applicant. (13) In the case of State aid that is unlawful, misused or incompatible with the common market, including de minimis aid, recovery decisions may be taken within ten years of the date on which the aid was allocated to the beneficiary.
Article 9 – Publication and information	
• Publication on a comprehensive State aid website, at national or regional level of the following (§1): a. the summary information in the standardised format (see Article 11) or a link providing access to it; b. the full text of each aid measure (see Article 11) or a link providing access to the full text; c. the information (see annex III) on each individual aid award exceeding EUR 500 000 (see Annex III), for beneficiaries active in primary agricultural production (other than Section	The measure explicitly excludes beneficiaries active in primary agricultural production, fisheries, and aquaculture in § 1 (2) The regulation does not apply: 3) recipients of aid in the cases set forth in article 1(2)–(5) of the European Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and

2a) each individual aid award for such production exceeding EUR 60 000 and for beneficiaries active in the fishery and aquaculture sector (other than 2a) each individual aid award exceeding EUR 30 000. • For schemes in the form of tax advantages, the conditions set out in paragraph 1(c) of this Article shall be considered fulfilled if Member States publish the required information on individual aid amounts in the following ranges (in EUR million (§2)): - 0,03-0,5 (only for fishery and aquaculture); - 0,06-0,5 (only for primary agricultural production); - 0,5-1; - 1-2; - 2-5; - 5-10; - 10-30; and - 30 and more. • The information referred to in paragraph 1(c) shall be organised and accessible in a standardised manner, (see Annex III), and shall allow for effective search and download functions. The information referred to in paragraph 1 shall be published within 6 months from the date the aid was granted, or for aid in the form of tax advantage, within 1 year from the date the tax declaration is due, and shall be available for at least 10 years from the date on which the aid was granted (§4). • Member States shall comply with the provisions of this Article at the latest within two years after the entry into force of GBER (§6).	108 of the Treaty (ELT L 187, 26.06.2014, pages 1-78) (hereinafter referred to as the General Block Exemption Regulation). Tax advantages are not part of this scheme. All relevant information is entered into the Estonian State Aid and De minimis Aid Register (Riigiabi register) and is publicly available through the public search: Riigiabi | Rahandusministeerium. In addition, all relevant information is entered into the Commission's register TAM.
Article 11 – Reporting (info sheets)	
• The following has to be sent by Member States to the Commission: (§1): a. Summary information in the standardised formal laid down in Annex II, together with a link providing access to the full text of the measure, including its amendments, within 20 working days following its entry into force, via the Commission's electronic notification system; b. Annual report (Reg (EC) 794/2004) in electronic form, on the application of GBER, containing the information indicated in that Regulation, in respect of each whole year or each part of the year during which GBER applies.	a. Legal basis referred in the summary information sheet (SA_107952_704EB088-0500-C72A-9A96-8EB20302C033_8_1.pdf,) is the "Regulation on applied research of undertaking" Adopted on 21.03.2022 (available online (in Estonian)): Ettevõtja rakendusuuringute määrus-Riigi Teataja; and the English translation on Estonian Business and Innovation Agency's website: regulation_2022_2024.pdf Previous amendment of the summary information sheet: SA_102713_504B4280-0400-CDC7-9C1C-502258AF8776_7_1.pdf Current amendment of the summary information sheet:

	SA_113067_D0533D8E-0600-C9CE-9CE2-F69CB8D92FD3_33_1.pdf b. Reporting is handled by the Ministry of Finance's State Stakeholding and Public Procurement Department who submits the annual report to the European Commission based on RAR data annually by June 30th.

For definitions on concepts: article 2 (pay attention to the new definition of undertaking in difficulty)

B. Specific conditions for aid for research and development and innovation

ARTICLE 25 AID FOR RESEARCH AND DEVELOPMENT PROJECTS	COMPLIANCE CHECK (OK?)
Aid for research and development projects, including projects having received a Seal of Excellence quality label under the Horizon 2020 or under the Horizon Europe programme and co-funded research and development projects and, where applicable, aid for co-funded Teaming actions, shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled. (§1)	
Activities eligible to receive aid	
• **The aided part of the research and development project shall completely fall within one or more of the following categories** (§2): a) fundamental research; b) industrial research; c) experimental development; d) feasibility studies.	The requirement is ensured by § 2 (2) 1) the aid granted for the activities set out in clauses 8 (1) 1)–3) constitutes aid to R&D projects within the meaning of Article 25 of the General Block Exemption Regulation and is subject to the provisions of said Regulation and § 34[2] of the Competition Act. Eligible activities are listed in § 8 (1) The following goals and activities aimed at achieving the results mentioned in § 3 will be supported: 1) conducting applied research; 2) conducting experimental development; 3) conducting a feasibility study for the activities mentioned in point 1) or 2); Fundamental research activities are not supported.
Eligible costs	
• **Eligible costs of R&D allocated to a specific category of R&D** shall be following (§3): a) Personnel costs: researchers, technicians and other supporting staff to the extent employed on the project; b) Costs of instruments and equipment; to the extent and for period used for the project. If not used for their full life for the project, only the depreciation costs corresponding to the life of the project; based on generally accepted accounting principles.	Eligible costs are listed in § 9 (2) 1) business travel expenses of the applicant's and the partner's employees related to the project, in accordance with the conditions set out in Government of the Republic Regulation No 110 of 25 June 2009 'Procedure for the reimbursement of business travel expenses and the minimum amount of, conditions and procedure for the payment of daily allowances for business travel abroad'; 2) remuneration of the applicant's and partner's employees involved in

c) Costs for of buildings and land; to the extent and for the duration period used for the project. Buildings: only depreciation costs corresponding to the life of the project; based on generally accepted accounting principles. Land; costs of commercial transfer or actually incurred capital costs. d) Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project; e) Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project. • The eligible costs for **feasibility studies** shall be the costs of the study (§4)	the project and the related taxes and payments arising from law, remuneration paid on the basis of a contract under the law of obligations, which is subject to taxation similarly to salaries and the national taxes payable on the remuneration; 3) contractual scientific research, knowledge and patent costs as well as consultation services used only for the project and costs of other, similar services bought from an external source at market conditions; 4) the costs of renting and acquiring tools and equipment to the extent and for the period that they are used for the project; 5) costs of materials and accessories. The eligibility of the costs for tools and equipment is further specified in § 9 (7): If the tools and equipment referred to in clause 4) of subsection (2) are not used for the project throughout their useful life, only depreciation costs, calculated in accordance with good accounting practice and corresponding to the duration of the project, will be eligible. Costs for buildings and land are not eligible.
Aid intensity	
• **Aid intensity** for each beneficiary no more than (§5): a) 100 % of the eligible costs for fundamental research; b) 50 % of the eligible costs for industrial research; c) 25 % of the eligible costs for experimental development; d) 50 % of the eligible costs for feasibility studies. • **Bonuses**: Aid intensities for industrial research and experimental development may be increased up to 80 % of the eligible costs as follows (§6): a) by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises; b) by 15 percentage points if one of the following conditions is fulfilled: i. the project involves effective collaboration: - between undertakings of which at least one SME, or project carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70 % of the eligible costs, or - between an undertaking and one or more research and knowledge-dissemination organisations, where the latter bear at least 10 % of the	Aid intensity for each beneficiary is ensured in § 10 (4) The maximum percentage of the aid for the implementation of an applied research project referred to in clause 8 (1) 1) will be: 1) 70% of eligible costs for a small enterprise; 2) 60% of eligible costs for a medium-sized enterprise; 3) 50% of eligible costs for a large enterprise. (5) The maximum percentage of aid for an applied research project for which aid is requested that involves effective cooperation meeting the conditions set out in subsection 8 (3) will be: 1) 80% of eligible costs for a small enterprise; 2) 75% of eligible costs for a medium-sized enterprise; 3) 65% of eligible costs for a large enterprise. (6) The maximum percentage of the aid for the implementation of a product development project referred to in clause 8 (1) 2) will be: 1) 45% of eligible costs for a small enterprise;

eligible costs and have the right to publish their own research results; ii. project results widely disseminated (through conferences, publication, open access repositories, or free or open source software) • Aid intensities for **feasibility studies** may be increased by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises.	2) 35% of eligible costs for a medium-sized enterprise; 3) 25% of eligible costs for a large enterprise. (7) The maximum percentage of aid for a product development project for which aid is requested that involves effective cooperation meeting the conditions set out in subsection 8 (3) will be: 1) 60% of eligible costs for a small enterprise; 2) 50% of eligible costs for a medium-sized enterprise; 3) 40% of eligible costs for a large enterprise. (8) The maximum percentage of the aid for the feasibility study of the implementation of an applied research or product development project referred to in clause 8 (1) 3) will be: 1) 70% of eligible costs for a small enterprise; 2) 60% of eligible costs for a medium-sized enterprise; 3) 50% of eligible costs for a large enterprise. Effective collaboration partners are defined in § 8 (3) Implementation of an applied research and product development project within the framework of effective cooperation is also supported if the project involves effective cooperation: 1) between independent undertakings, at least one of which is an small and medium-sized enterprise, or the project is carried out in at least two European Union Member States or a European Union Member State and a country involved in the European Comprehensive Trade and Economic Agreement and neither entrepreneur carries over 70% of the eligible costs or 2) between an undertaking and at least one R&D establishment, which bears at least ten percent of all eligible costs and who has the right to publish the results of their research. Fundamental research activities are not supported. Project result dissemination does not increase aid intensities.

ARTICLE 26 INVESTMENT AID FOR RESEARCH INFRASTRUCTURES	COMPLIANCE CHECK (OK?)
• Compatible and exempted from notification if general compatibility conditions (Chapter I) and conditions of this Article apply (§1)	
• If the infrastructure **pursues both economic and non-economic** activities; financing, costs and revenues of each type of activity shall be accounted for separately on the basis of consistently applied and objectively justifiable cost accounting principles (§2)	The requirement is ensured in § 2 (2) 3) the aid granted for the activity set out in clause 8 (1) 5) constitutes aid for investment in research infrastructure within the meaning of Article 26 of the General Block Exemption Regulation and is subject to the provisions of that Regulation and to the provisions of § 34^2 of the Competition Act; and § 15 (3) When applying for aid for the activity specified in clause 8 (1) 5), the application must include the following data in addition to those specified in subsection (2): 1) the share and division of economic and non-economic activities of the R&D infrastructure to be established;
• **Market price** is charged for the operation or use of the infrastructure (§3)	The requirement is ensured in § 2 (2) 3) the aid granted for the activity set out in clause 8 (1) 5) constitutes aid for investment in research infrastructure within the meaning of Article 26 of the General Block Exemption Regulation and is subject to the provisions of that Regulation and to the provisions of § 34^2 of the Competition Act; and § 15 (3) When applying for aid for the activity specified in clause 8 (1) 5), the application must include the following data in addition to those specified in subsection (2): 2) the principles for charging for the operation or use of the infrastructure and the correspondence with market prices;
• **Access is open** to several users on a transparent and non-discriminatory basis. Preferential access under more favourable conditions may be granted to undertakings which have financed at least 10% of the investment costs in proportion to their contribution to the investment costs; and the preferential access conditions are made publicly available (§4)	The requirement is ensured in § 2 (2) 3) the aid granted for the activity set out in clause 8 (1) 5) constitutes aid for investment in research infrastructure within the meaning of Article 26 of the General Block Exemption Regulation and is subject to the provisions of that Regulation and to the provisions of § 34^2 of the Competition Act; and § 15 (3) When applying for aid for the activity specified in clause 8 (1) 5), the application must include the following data in addition to those specified in subsection (2):

	3) the accessibility of the infrastructure and the principles of use for different users. Preferential access under more favourable conditions is not allowed.
• **Eligible costs**: investment costs in intangible and tangible assets (§5)	Eligible costs are listed in § 9 (4) The following are eligible in order to carry out the activities specified in clause 8 (1) 5): 1) acquisition costs of tools and equipment; 2) acquisition costs of intangible assets.
• **Aid intensity** not to exceed 50 % of the eligible costs (§6)	Aid intensity is ensured in § 10 (10) The maximum percentage of the aid for making the R&D investments referred to in clause 8 (1) 5) will be 50%.
• If public funding for both economic and non-economic activities; Member States must put in place monitoring and claw-back mechanism to ensure that applicable aid intensity is not exceeded as a result of an increase in the share of economic activities compared to the situation envisaged at the time of awarding the aid (§7)	The requirement is ensured by the Rights and obligations of Estonian Business and Innovation Agency in § 27 (2) 9) when granting aid for investments in the R&D infrastructure specified in clause 8 (1) 5), which is used for both economic and non-economic activities, establish a supervision and repayment mechanism throughout the lifetime of the R&D infrastructure to ensure that the applicable weight of the aid complies with the conditions of State aid;

ARTICLE 28 INNOVATION AID FOR SMES	COMPLIANCE CHECK (OK?)
• Compatible and exempted from notification if general compatibility conditions (Chapter I) and conditions of this Article apply (§1)	
• **Eligible costs** (§2): a. costs for obtaining, validating and defending patents and other intangible assets; b. costs for secondment of highly qualified personnel from a research and knowledge-dissemination organization or a large enterprise, working on research, development and innovation activities in a newly created function within the beneficiary and not replacing other personnel; c. costs for innovation advisory and support services.	The requirement is ensured in § 2 (2) 2) the aid granted for the activities specified in point clause 8 (1) 4) is innovation aid within the meaning of Article 28 of the General Block Exemption Regulation and it is subject to the provisions of said Regulation and § 34^2 of the Competition Act or de minimis aid within the meaning of the De Minimis Aid Regulation and it is subject to the provisions of the De Minimis Aid Regulation and § 33 of the Competition Act. Eligible costs are listed in § 9 (3) Eligible costs are the costs of acquiring, validating and protecting the patents and other intangible assets, other than trademarks, necessary for carrying out the activities referred to in clause 8 (1) 4).

	Costs for secondment of highly qualified personnel and costs for innovation advisory and support services are not eligible.
• **Aid intensity** must not exceed 50 % of the eligible costs (§3). • In the particular case of aid for **innovation advisory and support services** the aid intensity can be increased up to 100 % of the eligible costs provided that the total amount of aid for innovation advisory and support services does not exceed EUR 200 000 per undertaking within any three year period (§4).	Aid intensity is regulated in § 10 (9) The maximum percentage of the aid for the initial protection of intellectual property referred to in clause 8 (1) 4) will be: 1) 50% of eligible costs, if support is given within the meaning of Article 28 of the General Block Exemption Regulation; Costs for secondment of highly qualified personnel and costs for innovation advisory and support services are not eligible.