

From: [BSmucr](#)
To: [COMP STATE AID GREFFE](#)
Subject: HT.4691_Reply_from_a_citizen
Date: 06 April 2016 14:52:27

Dear sirs,

I hereby want to give my statement to a GBER condition in article 14 paragraph 7. I really welcome that the first part of the condition is to be reduced only for large enterprises. But I have to say that the same reduction should be done for this whole paragraph. It would be significant simplification for SME's.

If it would be possible I'd suggest to cancel this condition at all. You can't imagine what this brings in practice. Even a single SME could have thousands items in its accountancy. These items constitutes assets of the SME. It is in practice incredibly complicated to say, which particular items are used in activity to be modernized, or are reused. It is also question of the „rate“ of usage or reusage. The rate has no general rule. Different approach has to be taken for different assets – for land and buildings it could be its area. For machinery it could be their performance, time etc. Due to these reason it is incredibly complicated to determine a basis for calculating project eligible costs

I have to say that for all applicants under article 14, this paragraphs is the most evil thing which was made in new GBER. It is unclear, uncertain and very bureaucratic. It causes extreme administrative burden for applicants. It is matter which, frankly speaking, can't be exactly controlled in the future.

Beside all that it is useless from its principle. From my practical experience I have seen a lot of good projects which were focused on fundamental change or diversification, which were financially slightly below these levels – for example project for diversification for 1 mil. EUR but the company had reused assets only 2,5 mil. EUR (it should have more than 3 mil.). These limits are in my opinion directly against the principle of support to SME's.

Last reason to cancel this is unclear factor of time. From up to date responses form DG this condition should be maintain not only at the beginning of the project but also on the very last end. It's very common real situation that through tender procedure you reach significant price reduction. And simply which was OK with limit on paper turns not OK with limits in real administration of the project. It is absolute nonsense to insist on these limits till the very end of the project. It is directly in contrary to 3E principles and leads to useless financial volume of projects.

That's why I'd suggest to remove paragraph 7 of Article 14 completely from GBER. This opinion is shared with all applicants I have the possibility to consult with.

With kind regards

Bohumil Šmucr