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To:	COMP STATE AID GREFFE
Cc:	Thorsten Kohlisch; Igor Kaniecki; Stockhammer Katrin
Subject:	HT.4691_Reply_from_an_organisation
Date:	lundi 30 mai 2016 14:36:28
Attachments:	image001.png SB input to public consultation on GBER regulation.docx

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Dear Madame / Sir,

On behalf of the Interreg South Baltic Programme Managing Authority and Joint Secretariat, we would like to express our opinion on the targeted review of the General Block Exemption Regulation (state aid).

We strongly support the idea of reviewing and simplifying Article 20 of the GBER to increase its relevance and usefulness for Interreg programmes. Interreg programmes support bi- and multilateral cooperation projects across land and sea borders. While bringing the spirit of European cooperation to life at local, regional and macro-regional level, the multi-partner and multi-activity character of Interreg projects requires advanced project management skills and resources from the participating institutions (project partners). State aid adds an additional layer of complexity to the management of Interreg projects, requiring substantial legal knowledge about different state aid provisions (de-minimis, GBER, etc.) and thus hampering the (desired) participation of different actors (local municipalities, NGOs, universities, etc.) in cross-border and transnational cooperation projects. At the same time, the need to achieve legal certainty for beneficiaries requires significant additional human and financial resources at the level of programme management.

In our opinion, Article 20 thus needs to be substantially simplified in order to serve Interreg programmes in a practical way. Our intention would be to have one Article for Interreg programmes that covers all project partners, sectors and activities and matches typical co-financing rates of Interreg programmes:

1. Article 20 should cover all types of Interreg projects partners. Currently Article 20 covers only SMEs and this is too limited for typical Interreg programmes. Indeed, reaching from public authorities to business intermediaries, NGOs and research institutions, project partners in Interreg projects represent a broad range of institutions that do not fall under the definition of SME.

2. Article 20 should cover all relevant sectors. Due to Interreg's focus on regional development, Interreg projects cover a wide range of sectors, including some not covered by the GBER such as fisheries and aquaculture. Such sectors, however, are of particular relevance for cross-border and transnational Interreg across sea borders. Article 20 should thus be extended to cover all sectors in Interreg.

3. The permissible aid ceiling should be raised to 85%. Because of the low permissible aid ceiling of Article 20 (50%), programmes currently have to deal with different co-financing rates for different partner activities (e.g. GBER for some activities, de-minimis for other activities within the same project). This causes an unproportional administrative burden in a cooperation context. Some Interreg programmes cannot use Article 20 at all because of the low ceiling. The only practical way to simplify would be to raise the permissible aid ceiling for European cooperation to 85% in order to match the maximum co-financing rates of Interreg projects.

4. Article 20 should cover all activities co-financed by Interreg: Programmes currently have to combine Article 20 with other Articles of the GBER (e.g. RD&I) in order to be able to grant higher co-financing rates. Adjusting the maximum aid ceiling to 85% would also mean that Article 20 could be used for all activities of Interreg projects.

Furthermore, having dedicated Article for Interreg programmes would allow the Interreg South Baltic programme to reduce the administrative burden and save a certain budget on the programme and projects' site. In the attachment, please find the analysis of potential savings arising from the aforementioned proposal.

We put our sincere hope on the possibility of simplification and adaptation of the Article 20 of GBER to the reality of Interreg programmes. At the same time we believe it will lead to obtaining even better projects' and programmes' results.

With best regards,

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Project Officer

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