

Targeted review of the General Block Exemption Regulation (State aid): extended scope for national funds to be combined with certain Union programmes (2nd consultation)

Contribution of BELGIUM (Flanders Region)

European Territorial Cooperation (ETC / Interreg)

The Flemish Government welcomes the extra possibilities foreseen in the new article 20 and 20a (article 20bis in the Dutch version).

We think that it would also be useful – for the sake of clarity and legal certainty – if the Commission would confirm somewhere in the text or in the considerations, that it is possible to grant a large amount of funding to an intermediary, in order to pass it further on towards the second level beneficiaries, e.g. in the form of training, advice, consultancy services,...

In that case the intermediary on the first level does not receive state aid but only receives the funding to deliver a service towards the second level participants in the project. The second level aid can then be justified by the new article 20a up to 20.000 per undertaking.

Questions and suggestions regarding the new proposed article 25c (article 25 quater in the Dutch version) on co-funded R&D projects

- We must be careful that this modification in the GBER does not alter the legal context of the co-financed R&D projects, based upon articles 185 or 187 of the Treaty. If the GBER changes the way member states must set up, justify or finance these projects, they will need more time to adjust their internal procedures and legislation. It also must be studied if the EU rules regarding the Public Authorities Board of the ECSEL (Public-Private Partnership for Electronic Components and Systems) should be amended likewise.
- **Article 25c, point 1** foresees that the projects have to be “**evaluated, ranked and selected by independent experts**”, which in our view does not reflect the current practice. The attribution of the funding is decided by the directors of the programme and not by the experts. It should remain possible to deviate from a ranking made by experts for justified reasons. In the case of the ECSEL this selection could be used in order to guarantee the strategic character and spread amongst the different thematic topics, the division of financials means within a member state or member state ineligibility.

We would suggest to alter the wording towards: “**evaluated and ranked by independent experts**”.

- Article 25c, point 5 foresees that “the funding provided by the Horizon 2020 or Horizon Europe programme shall cover at least 30 % of the total eligible costs”. If that means that the EU funding as such must be at least 30%, than the 1 to 1 rule for member state funding, would lead to situations where a project would receive up to 60% of aid, which is considered to be too high. We prefer the situation where the total funding, including the member state co-funding, would be 30%.

We thus suggest to alter the wording towards: "**The (combined EC and EPS) funding** provided by the Horizon 2020 or Horizon Europe programme shall cover at least 30 % of the total eligible costs"

If you would have any further questions, please feel free to contact us.

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