

**COMMENTS OF THE TECHNOLOGY AGENCY OF THE CZECH REPUBLIC TO THE DRAFT  
AMENDMENT OF THE 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**

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**MAIN CONCERNS:**

- The proposal is actually not helpful for synergistic actions with national and/or ESIF funds.
- The proposal does not cover the known changes in Horizon Europe, it covers only partially those from H2020 (e.g. SME instrument Phase 1 vs. EIC instruments).
- The proposal does not cover co-funded project like they are performed under H2020 (except the MSCA actions)

**MORE DETAILED DESCRIPTION:**

- The draft amendment specifies only those instruments within which the Seal of excellence was granted under Horizon 2020 - Instrument for small and medium enterprises, MSCA and ERC proof of concept. However it stipulates that it shall be valid for H2020 and Horizon Europe. With regards to this fact, it shall include all instruments under which the EC will grant Seal of Excellence.
- The draft amendment does not take into account that the Instrument for small and medium enterprises ceased to exist with the EIC Enhanced pilot.
- It does neither take into account that the Accelerator instrument, dedicated to SMEs (and newly to small mid caps under Horizon Europe), will primarily focus on blended finance. What will be the conditions for State Aid with this regards?
- Small mid caps shall be added, as the Accelerator instrument will focus on SMEs and small mid caps.
- The draft article 25a puts the maximum aid amount for SMEs to 2,5 mil. EUR per undertaking per project. However the actual phase 2 of SME Instrument allows even higher maximum aid if the amount is duly justified. We would therefore suggest to keep the same wording as for MSCA or ERC Proof of concept "shall not exceed the maximum level of support for such actions provided for in the Horizon 2020 or the Horizon Europe programme".
- The draft article 25b shall also deal with co-funded projects. However it seems like the selection process does not fit into the definition given in this article ("Aid provided

to co-funded projects independently evaluated and selected following transnational calls under the Horizon Europe programme). First the article quotes only Horizon Europe and not Horizon 2020. The transnational calls for projects are not performed under Horizon, they are organized by each consortium which was selected under Horizon call for proposals.

- The draft amendment does not include the new SPV which will be responsible for the management of the equity component under the EIC Accelerator pilot and for the blended finance under EIC in Horizon Europe.
- The TRL definitions miss TRL 7. Moreover we do not see a real impact having TRL references in this document.

#### **WE WOULD SUGGEST:**

- complete revision based on the proposed instruments in Horizon Europe
- simplification of the rules by:
  - simple exclusion of all "seal of excellence" activities based on the H2020 and/or Horizon Europe conditions (when they are fully reflected) funded from national and/or ESIF funds and even in combination
  - exclusion of co-funded actions based on simple rules, e.g. project with partners at least from 2 member states AND not exceeding certain amount in EUR per partner AND including at least two research and innovation activities (e.g. basic and industrial research or experimental development and innovation)
- remove the TRL references