

Our first comment concerns the definition of the undertakings in difficulty. Specifically, is a request by the Human Resource Development Authority regarding, for an exemption as regards eligibility for training aid, specifically, due to the workload stemming from the small amounts of aid granted per undertaking. Usually training aid concerns amounts from 100 euro – 7.000 euro per scheme, further a number of interested to participate undertakings. The preposition of non being an undertaking in difficulty eligible undertakings entails a huge administrative load, as this concerns inspection of accounts and request for up to date accounting data, for proof of this preposition. The suggestion concerns an exception in article 4 (c) as for training aid of art. 31, for example a maximum threshold amount or an aid intensity below 50% as for eligibility for undertakings in difficulty.

In art. 7 (1) it is mentioned that “The amounts of eligible costs may be calculated in accordance with the simplified cost options set out in Regulation (EU) No 1303/2013, or Regulation (EU) 2021/1060 of the European Parliament and of the Council”. A clarification is needed why reference is made only to EU Regulation 2021/1060 without any reference to the regulatory framework for the Recovery and Sustainability Mechanism.

As regards the amendment to Article 25, namely '.. (a) in paragraph 3, point (e) is replaced by the following: (e) additional overheads and other operating expenses, including material costs; directly subject to Article 7 (1), third indent, R&D costs of R&D projects may also be calculated on the basis of a simplified cost selection up to [15%], which applies to the total eligible direct costs of R&D projects ".

Clarify why a rate of up to 15% has been set while Article 7 allows the use of Simplified Cost Calculation Methods, under which Member States may apply flat rates of more than 15% to the base historical data and other provisions of the Rules of Procedure.

As regards art. 6, point c) please, explain why the term "research organization" is used while the current definition is "research and dissemination organization" (there is no note to change this definition) or whether the term "research organization" is broader and covers bodies that are do not meet the definition of "research and dissemination organization" as set out in the Rules of Procedure.

As regards the same provision please clarify whether the conditions set out in this specific paragraph 6 which relate to IPR are related to research funded by private funds and / or public funding or whether to research funded exclusively by public funding.

*As Article 36a* Investment aid for recharging or refueling infrastructure, instead of , or rather alternatively, a competitive bidding process, an aid intensity would facilitate the implementation of the provision, for example a longer duration of the scheme, less workload as it is possible to have a large number of interested participants and according a workload for a bidding procedure and an aid intensity will operate as an incentive to invest with own resources.

As regards art. 17 (6), the aid intensities shall be discussed as for a percentage increase, as this category of aid is significantly addressed to SMEs in the industrial sector. It is mentioned that the existent aid intensities is not unusual not to consist an incentive on the part of these

entities to express an interest to demand or apply for aid on measures based on art. 17, in order to expand or indulge in new activities.

We also uphold the views from MS for the non reduction of the threshold in art. 9 (1) to 100.000, as well as for IT support as this threshold amounts to a high workload.

Further clarification /guidance as for the counterfactual scenario (calculation mechanisms and eligible costs on approval and at the carrying out of a project) are welcomed.