

RISE, Research Institutes of Sweden, comments on GBER (state aid): revised rules for State aid promoting the green and digital transition

RISE response to this review is based on our role as a state-owned research institute with the mission to accelerate innovation. RISE is Sweden's major owner, coordinator and partner of testbeds (*e.g., technology infrastructure, test- and experimentation infrastructures*) within several of thematic fields. RISE operates about 130 testbeds which counts to 60 % of testbeds in the national landscape. Our response to GBER is therefore foremost linked to relevant writings within the proposal referring to test- and experimentation infrastructures and/or technology infrastructures.

Nomenclature GBER

In the European Commission's revision of the State aid Framework for research, development and innovation (RDI Framework) the term/concept "technology infrastructure" is used whereas the GBER uses "test- and experimentation infrastructures". In our view, technology infrastructures and test- and experimentation infrastructures share similarities but are not synonyms. A major difference between these concepts is that technology infrastructures also operate on intermediate levels on the TRL scale. Hence, the concluding sentence of definition (98a) in Article 2 of Chapter 1 of the regulation "*Testing and experimentation infrastructures are sometimes also known as technology infrastructures*" is therefore confusing and should be omitted.

As RISE perceives, current regulation (RDI State Aid Framework and GBER) allows research infrastructures to include industrial research, which could take place in both research and technology infrastructures. Many technology infrastructures are thus likely to be considered as research infrastructure provided that other requirements in the definition of research infrastructure in GBER and the Framework are fulfilled. Ideally, this should be made clear in these definitions and regulations.

Many activities within technology infrastructures should fall under non-economic activities, reducing the risk of a misleading perception of aid for technology infrastructures.

Comments

- RISE welcomes the insertion proposed in Article 5(2), new point ga, and Article 28 referring aid to SMEs. Our understanding is that the Commission has concluded that the GBER can serve as a legal basis for aid to the recipients of services provided by service providers/intermediaries. Including when the aid is not paid directly to the recipients of the services, but also from the original aid provider to the service providers. RISE believes that these amendments will reduce the risk of that the service providers become recipients of state aid by complying with these conditions. However, it would be beneficial with further clarification in the regulation. We also believe that aid for start-ups (according to Article 22) should be provided in a similar way; enabling support to start-ups provided by suppliers/intermediaries. This would also benefit from a further clarification.
- RISE is in general supporting the proposed Article 26a "Investment aid for testing and experimentation infrastructures" but further clarification(s) is needed (*see nomenclature above*). Regarding the proposed allowed maximum aid intensity, RISE is not convinced that it is sufficient. In some cases, the aid intensity should exceed 25 % of the eligible costs since

this level does not correspond to what is needed in specific situations; *i.e. cases where there is a need to accelerate the green transition within a sector, but the economical pulls are not enough for mobilising private investments*. Additionally, 25 % aid intensity might not be a sufficient level in testing and experimentation infrastructures that mainly provide services for SMEs. SMEs do not have the same investment capacity in infrastructure (*co-financing investments and/or using the facilities with current market rate*). The aid intensity could also be higher if the infrastructure is operated by a research organisation (or research infrastructure) as defined in GBER and the RDI State Aid Framework.

- The major societal challenges that come with the climate crisis require public/private joint investments, and RISE calls for the possibility of up to 50 % aid intensity for investments corresponding to climate actions.
- The Commission allows up to 50 % operating aid for innovation clusters and we question why operating aid for test- and experimentation infrastructures is not allowed for the same level (especially if test- experimentation infrastructures are considered as technology infrastructures and thus research infrastructures). Activities within innovation clusters are on at least the same TRL levels as within test- and experimentation infrastructures.
- Article 25 Support for Research and Development Projects: The Commission proposes that a simplified cost method with a flat rate of up to 15 % may be used to calculate overhead costs in research and development projects. RISE believes that such a flat rate is rarely a financial sustainable alternative for indirect (overhead) costs in these projects for a research and technology organisation, at least not for RISE. 15 % is, anyhow, not a suitable percentage. In the event that a flat rate is introduced, it should be set to a minimum of 30 % of the eligible direct costs - a level that is applied by the majority of public funding agencies in Sweden. We believe that research organisations should be entitled to compensation for actual general expenses and not be aligned with the simplified cost method. Although we perceive the method being “voluntary” it could, and not probably would, have an impact in practice since funding agencies tend to consider these options and incorporating them in *their* (possibly mandatory) general conditions. It is consequently expected to create difficulties for European research and technology organisations.

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Yours sincerely,

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