

# Interreg North-West Europe Programme aid for research and development and innovation, training aid and aid for environmental protection framework scheme 2014-2020

Scheme reference number: SA.58977

# 1 Legal basis

The Interreg North-West Europe Programme State aid framework for 2014-2020 (the aid "scheme") operates under Commission Regulation (EU) 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Article 107 and 108 of the Treaty ("GBER 2014-20"), as amended by regulation (EU) 2017/1084 of 14 June 2017 and Regulation n°2020/972 of 2 July 2020. The legal basis for the scheme is the European Territorial Cooperation programme "North-West Europe" CCI 2014TC16RFTN006 ("the Programme") approved by the Commission Implementing Decision C(2015) 4255 of 18 June 2015.

The Managing Authority of the Programme is located in France. Therefore, France notifies the scheme to the European Commission in accordance with Article 11 of Commission Regulation (EU) 651/2014 of 17 June 2014.

The official language of the Programme is English. Therefore, the scheme and all supporting documents are in English.

# 2 Objectives

The objective of the scheme is to support undertakings participating in North-West Europe programme in the field of research and development and innovation, training aid and aid for environmental protection.

# 3 Definitions

The definitions set out in Article 2 of GBER 2014-20 shall apply to this scheme.

# 4 The eligible area

This scheme is available in the EU Member States covered by the Programme: Belgium, France, Germany, Ireland, Luxembourg, The Netherlands and the United Kingdom.

The status of their territories is listed in Annex I.

#### 5 Exclusions

This scheme shall not apply to activities excluded from eligibility under Article 1 of GBER 2014-20. In particular:

#### Export aid

The scheme is not available to:

- Export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current costs linked to the export activity;
- Aid contingent on the use of domestic over imported goods

#### Sectoral coverage

This scheme is not available to:

- The fishery and aquaculture sector as covered by Regulation (EU) 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organisation of the markets in fishery and aquaculture products amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation 104/2000¹ with the exception of training aid (Article 31 of GBER 2014-20), aid for research and development (Article 25 of GBER 2014-20) and innovation aid for SMEs (Article 28 of GBER 2014-20).
- The primary agricultural production sector with the exception of training aid (Article 31 of GBER 2014-20), aid for research and development (Article 25 of GBER 2014-20), innovation aid for SMEs (Article 28 of GBER 2014-20) and compensation for environmental aid (Articles 36, 38, 41, 45, 46 and 47).
- The processing and marketing of agricultural products in the following cases:
  - Where the amount of aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned
  - > Where the aid is conditional on being partly or entirely passed on to primary producers
- Facilitate the closure of uncompetitive coalmines, as covered by Council Decision No 2010/787<sup>2</sup>.

#### Firms subject to recovery orders or in difficulty

This scheme explicitly excludes the payment of aid in favour of an undertaking which is subject to an outstanding recovery order following a previous Commission decision declaring an aid illegal and incompatible with the internal market<sup>3</sup>.

<sup>1</sup> OJEU L354/1 of 28 December 2013.

<sup>2</sup> OJEU L336/24 of 21 December 2010.

The firms affected are listed here: http://ec.europa.eu/competition/state\_aid/studies\_reports/active\_pending\_recovery\_cases\_en.pdf

This scheme is not available to firms in difficulty (as defined in Article 2(18) of GBER 2014-20). However, it shall apply by derogation to undertakings which were not in difficulty on 31 December 2019 but became undertakings in difficulty in the period from 1 January 2020 to 30 June 2021.

## 6 Eligibility criteria

There is no automatic entitlement to support under this scheme.

Specific eligibility requirements are associated with different categories of aid. These are detailed below.

# 7 Type of aid

This scheme shall provide only aid that is considered transparent. Aid is considered transparent only if the precise calculation of the gross grant equivalent of the aid ex ante is possible, without the need to undertake a risk assessment ("transparent aid"). This includes aid comprised in grant and interest rate subsidies and aid comprised in loans where the gross grant equivalent has been calculated on the basis of the reference rate prevailing at the time<sup>4</sup>.

# 8 Incentive effect

This scheme is only available for projects where it will have an incentive effect. An incentive effect will be considered present if the beneficiary has submitted a written application before work on the project or any activity starts.

#### 9 Cumulation

Aid under this scheme may be cumulated with other forms of aid exempted under GBER 2014-20 provided that either: those measures concern different identifiable eligible costs; or, where there is partial or total overlap in eligible costs with other aid exempted under GBER 2014-20 or awarded under the de minimis Regulation, in such a way that the highest aid intensity or aid amount applicable under GBER 2014-20 is not exceeded.

# 10 Categories of aid

The categories of aid set below reflect the eligibility criteria set out in GBER 2014-20. The aid amounts are the maximum levels of support that may be offered. In practice, lower levels may be applied. Moreover, the type of project supported and the scope of eligible expenditure must also meet the requirements of North-West Europe Programme.

# 11 Aid for Research and Development and Innovation

<sup>4</sup> North-West Europe Programme offers aid in the form of grants only.

This aid category contains a selection of GBER 2014-20 articles 25 to 29.

## 11.1 Aid for research and development projects

Aid for research and development projects under this scheme shall comply with GBER 2014-20, **Article 25**.

#### 11.1.1 Aided categories

The aided part of the research and development project shall completely fall within one or more of the following categories:

- (a) Fundamental research;
- (b) Industrial research;
- (c) Experimental development;
- (d) Feasibility studies.

## 11.1.2 Eligibility of costs

The eligible costs of research and development projects shall be allocated to a specific category of research and development and shall be the following:

- (a) Personnel costs: researchers, technicians and other supporting staff to the extent employed on the project;
- (b) Costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible.
- (c) Costs for of buildings and land, to the extent and for the duration period used for the project. With regard to buildings, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible. For land, costs of commercial transfer or actually incurred capital costs are eligible.
- (d) Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;
- (e) Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project;

The eligible costs for feasibility studies shall be the costs of the study.

#### 11.1.3 Aid intensities and aid ceilings

The aid intensity for each beneficiary shall not exceed:

- (a) 100 % of the eligible costs for fundamental research;
- (b) 50 % of the eligible costs for industrial research;
- (c) 25 % of the eligible costs for experimental development;
- (d) 50 % of the eligible costs for feasibility studies.

The aid intensities for industrial research and experimental development may be increased up to a maximum aid intensity of 80 % of the eligible costs as follows:

- (a) by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises;
- (b) by 15 percentage points if one of the following conditions is fulfilled:

i.the project involves effective collaboration:

- between undertakings among which at least one is an SME, or is carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70 % of the eligible costs, or
- between an undertaking and one or more research and knowledgedissemination organisations, where the latter bear at least 10 % of the eligible costs and have the right to publish their own research results;

ii.the results of the project are widely disseminated through conferences, publication, open access repositories, or free or open source software.

The aid intensities for feasibility studies may be increased by 10 percentage points for mediumsized enterprises and by 20 percentage points for small enterprises.

Types of activities	Large Enterprise	Medium Enterprise	Small Enterprise	Effective collaboration / Wide dissemination	Ceiling
Fundamental Research	100%	100%	100%		€40m
Industrial Research	50%	60%	70%	+15%	€20m
Experimental Development	25%	35%	45%	+15%	€15m
Feasibility Studies	50%	60%	70%		€7.5m

# 11.2 Investment aid for research infrastructures

Investment aid for research infrastructures under this scheme shall comply with GBER 2014-20, **Article 26**.

Where a research infrastructure pursues both economic and non-economic activities, the financing, costs and revenues of each type of activity shall be accounted for separately on the basis of consistently applied and objectively justifiable cost accounting principles.

The price charged for the operation or use of the infrastructure shall correspond to a market price.

Access to the infrastructure shall be open to several users and be granted on a transparent and non-discriminatory basis. Undertakings which have financed at least 10 % of the investment costs of the infrastructure may be granted preferential access under more favourable conditions. In order to avoid overcompensation, such access shall be proportional to the undertaking's contribution to the investment costs and these conditions shall be made publicly available.

#### 11.2.1 Eligibility of costs

The eligible costs shall be the investment costs in intangible and tangible assets.

#### 11.2.2 Aid intensity and aid ceiling

The aid intensity of operating aid shall not exceed 50 % of the eligible costs. The ceiling for innovation aid is €20m per infrastructure.

## 11.3 Aid for innovation clusters

Aid for innovation clusters under this scheme shall comply with GBER 2014-20, Article 27.

Aid for innovation clusters shall be granted exclusively to the legal entity operating the innovation cluster (cluster organisation).

Access to the cluster's premises, facilities and activities shall be open to several users and be granted on a transparent and non-discriminatory basis. Undertakings which have financed at least 10 % of the investment costs of the innovation cluster may be granted preferential access under more favourable conditions. In order to avoid overcompensation, such access shall be proportional to the undertaking's contribution to the investment costs and these conditions shall be made publicly available.

The fees charged for using the cluster's facilities and for participating in the cluster's activities shall correspond to the market price or reflect their costs.

#### Construction and upgrade of clusters

#### 11.3.1 Eligibility of costs

Investment aid may be granted for the construction or upgrade of innovation clusters. The eligible costs shall be the investment costs in intangible and tangible assets.

#### 11.3.2 Aid intensity

The aid intensity of investment aid for innovation clusters shall not exceed 50 % of the eligible costs. The aid intensity may be increased by 15 percentage points for innovation clusters located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for innovation clusters located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

#### Operating aid

#### 11.3.3 Eligibility of costs

Operating aid may be granted for the operation of innovation clusters. It shall not exceed 10 years.

The eligible costs of operating aid for innovation clusters shall be the personnel and administrative costs (including overhead costs) relating to:

- (a) animation of the cluster to facilitate collaboration, information sharing and the provision or channelling of specialised and customised business support services;
- (b) marketing of the cluster to increase participation of new undertakings or organisations and to increase visibility;

(c) management of the cluster's facilities; organisation of training programmes, workshops and conferences to support knowledge sharing and networking and transnational cooperation.

#### 11.3.4 Aid intensity

The aid intensity of operating aid shall not exceed 50 % of the total eligible costs during the period over which the aid is granted.

#### 11.3.5 Aid ceiling

The ceiling for aid for innovation clusters is €7,5m per cluster.

## 11.4 Innovation aid for SMEs

Innovation aid for SMEs under this scheme shall comply with GBER 2014-20, Article 28.

#### 11.4.1 Eligibility of costs

The eligible costs shall be the following:

- (a) costs for obtaining, validating and defending patents and other intangible assets;
- (b) costs for secondment of highly qualified personnel from a research and knowledgedissemination organization or a large enterprise, working on research, development and innovation activities in a newly created function within the beneficiary and not replacing other personnel;
- (c) costs for innovation advisory and support services;

#### 11.4.2 Aid intensity and aid ceiling

The aid intensity shall not exceed 50 % of the eligible costs.

In the particular case of aid for innovation advisory and support services the aid intensity can be increased up to 100 % of the eligible costs provided that the total amount of aid for innovation advisory and support services does not exceed EUR 200 000 per undertaking within any three year period.

The ceiling for innovation aid for SMEs projects is €5m per undertaking, per project.

## 11.5 Aid for process and organisational innovation

Aid for process and organisational innovation under this scheme shall comply with GBER 2014-20, **Article 29**.

Aid to large undertakings shall only be compatible if they effectively collaborate with SMEs in the aided activity and the collaborating SMEs incur at least 30 % of the total eligible costs.

#### 11.5.1 Eligibility of costs

The eligible costs shall be the following:

- (a) personnel costs;
- (b) costs of instruments, equipment, buildings and land to the extent and for the period used for the project;

- (c) costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions;
- (d) additional overheads and other operating costs, including costs of materials, supplies and similar products, incurred directly as a result of the project.

#### 11.5.2 Aid intensity and aid ceiling

The aid intensity shall not exceed 15 % of the eligible costs for large undertakings and 50 % of the eligible costs for SMEs.

The ceiling for aid for process and organisational innovation is €7.5m per undertaking, per project.

#### 12 Training aid

This aid under this scheme shall comply with GBER 2014-20, Article 31.

Aid shall not be granted for training which undertakings carry out to comply with national mandatory standards on training.

#### 12.1.1 Eligibility of costs

The eligible costs shall be the following:

- (a) trainers' personnel costs, for the hours during which the trainers participate in the training;
- (b) trainers' and trainees' operating costs directly relating to the training project such as travel expenses, materials and supplies directly related to the project, depreciation of tools and equipment, to the extent that they are used exclusively for the training project. Accommodation costs are excluded except for the minimum necessary accommodation costs for trainees' who are workers with disabilities;
- (c) costs of advisory services linked to the training project;
- (d) trainees' personnel costs and general indirect costs (administrative costs, rent, overheads) for the hours during which the trainees participate in the training.

#### 12.1.2 Aid intensity and aid ceiling

The aid intensity shall not exceed 50 % of the eligible costs. It may be increased, up to a maximum aid intensity of 70 % of the eligible costs, as follows:

- (a) by 10 percentage points if the training is given to workers with disabilities or disadvantaged workers;
- (b) by 10 percentage points if the aid is granted to medium-sized enterprises and by 20 percentage points if the aid is granted to small enterprises.

# 13 Aid for environmental protection

This aid category contains a selection of GBER 2014-20 articles 36, 38, 41, 45, 46, and 47.

13.1 Investment aid enabling undertakings to go beyond Union standards for environmental protection or to increase the level of environmental protection in the absence of Union standards

Investment aid enabling undertakings to go beyond Union standards for environmental protection or to increase the level of environmental protection in the absence of Union standards under this scheme shall comply with GBER 2014-20, **Article 36**.

The investment shall fulfil one of the following conditions:

- (a) it shall enable the beneficiary to increase the level of environmental protection resulting from its activities by going beyond the applicable Union standards, irrespective of the presence of mandatory national standards that are more stringent than the Union standards;
- (b) it shall enable the beneficiary to increase the level of environmental protection resulting from its activities in the absence of Union standards.

Aid shall not be granted where investments are undertaken to ensure that undertakings comply with Union standards already adopted and not yet in force. By way of derogation, aid may be granted for:

- (a) the acquisition of new transport vehicles for road, railway, inland waterway and maritime transport complying with adopted Union standards, provided that the acquisition occurs before those standards enter into force and that, once mandatory, they do not apply to vehicles already purchased before that date.
- (b) retrofitting of existing transport vehicles for road, railway, inland waterway and maritime transport, provided that the Union standards were not yet in force at the date of entry into operation of those vehicles and that, once mandatory, they do not apply retroactively to those vehicles.

#### 13.1.1 Eligibility of costs

The eligible costs shall be the extra investment costs necessary to go beyond the applicable Union standards or to increase the level of environmental protection in the absence of Union standards. They shall be determined as follows:

- (a) where the costs of investing in environmental protection can be identified in the total investment cost as a separate investment, this environmental protection-related cost shall constitute the eligible costs;
- (b) in all other cases, the costs of investing in environmental protection are identified by reference to a similar, less environmentally friendly investment that would have been credibly carried out without the aid. The difference between the costs of both investments identifies the environmental protection-related cost and constitutes the eligible costs.

The costs not directly linked to the achievement of a higher level of environmental protection shall not be eligible.

#### 13.1.2 Aid intensity

The aid intensity shall not exceed 40 % of the eligible costs.

The aid intensity may be increased by 10 percentage points for aid granted to medium sized undertakings and by 20 percentage points for aid granted to small undertakings.

The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

## 13.2 Investment aid for energy efficiency measures

Investment aid enabling undertakings to go beyond Union standards for environmental protection or to increase the level of environmental protection in the absence of Union standards under this scheme shall comply with GBER 2014-20, **Article 38**.

Aid shall not be granted under this Article where improvements are undertaken to ensure that undertakings comply with Union standards already adopted, even if they are not yet in force.

#### 13.2.1 Eligibility of costs

The eligible costs shall be the extra investment costs necessary to achieve the higher level of energy efficiency. They shall be determined as follows:

- (a) where the costs of investing in energy efficiency can be identified in the total investment cost as a separate investment, this energy efficiency-related cost shall constitute the eligible costs;
- (b) in all other cases, the costs of investing in energy efficiency are identified by reference to a similar, less energy efficient investment that would have been credibly carried out without the aid. The difference between the costs of both investments identifies the energy efficiency-related cost and constitutes the eligible costs.

The costs not directly linked to the achievement of a higher level of energy efficiency shall not be eligible.

#### 13.2.2 Aid intensity and aid ceiling

The aid intensity shall not exceed 30 % of the eligible costs.

The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.

The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

## 13.3 Investment aid for the promotion of energy from renewable sources

Investment aid for the promotion of energy from renewable sources under this scheme shall comply with GBER 2014-20, **Article 41**.

Investment aid for the production of biofuels shall be exempted from the notification requirement only to the extent that the aided investments are used for the production of sustainable biofuels other than food-based biofuels. However, investment aid to convert existing food-based biofuel plants into advanced biofuel plants shall be exempted under this Article, provided that the food-based production would be reduced commensurate to the new capacity.

Aid shall not be granted for biofuels which are subject to a supply or blending obligation.

Aid shall not be granted for hydropower installations that do not comply with Directive 2000/60/EC of the European Parliament.

The investment aid shall be granted to new installations only. No aid shall be granted or paid out after the installation started operations and aid shall be independent from the output.

#### 13.3.1 Eligibility of costs

The eligible costs shall be the extra investment costs necessary to promote the production of energy from renewable sources. They shall be determined as follows:

- (a) where the costs of investing in the production of energy from renewable sources can be identified in the total investment cost as a separate investment, for instance as a readily identifiable add-on component to a pre-existing facility, this renewable energy-related cost shall constitute the eligible costs;
- (b) where the costs of investing in the production of energy from renewable sources can be identified by reference to a similar, less environmentally friendly investment that would have been credibly carried out without the aid, this difference between the costs of both investments identifies the renewable energy-related cost and constitutes the eligible costs;
- (c) for certain small installations where a less environmentally friendly investment cannot be established as plants of a limited size do not exist, the total investment costs to achieve a higher level of environmental protection shall constitute the eligible costs.

The costs not directly linked to the achievement of a higher level of environmental protection shall not be eligible.

#### 13.3.2 Aid intensity and aid ceiling

The aid intensity shall not exceed:

- (a) 45 % of the eligible costs if the eligible costs are calculated on the basis of point 12.3.1 (a) or point 12.3.1 (b);
- (b) 30 % of the eligible cost if the eligible costs are calculated on the basis of point point 12.3.1 (c).

The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.

The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

Where aid is granted in a competitive bidding process on the basis of clear, transparent and non-discriminatory criteria, the aid intensity may reach 100 % of the eligible costs. Such a bidding process shall be non-discriminatory and provide for the participation of all interested undertakings. The budget related to the bidding process shall be a binding constraint in the sense that not all participants can receive aid and the aid shall be granted on the basis of the initial bid submitted by the bidder, therefore excluding subsequent negotiations.

The ceiling for **Investment aid for the promotion of energy from renewable sources** projects is €15m per undertaking per investment project.

## 13.4 Investment aid for remediation of contaminated sites

Investment aid for remediation of contaminated sites under this scheme shall comply with GBER 2014-20, **Article 45**.

The investment shall lead to the repair of the environmental damage, including damage to the quality of the soil or of surface water or groundwater.

Where the legal or physical person liable for the environmental damage under the law applicable in each Member State without prejudice to the Union rules in this matter — in particular Directive 2004/35/EC of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage as amended by Directive 2006/21/EC of the European Parliament and of the Council of 15 March 2006 on the management of waste from extractive industries, Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 and Directive 2013/30/EU of the European Parliament and of the Council of 12 June 2013 on safety of offshore oil and gas operations and amending Directive 2004/35/EC is identified, that person must finance the remediation in accordance with the 'polluter pays' principle, and no State aid shall be granted. Where the person liable under the applicable law is not identified or cannot be made to bear the costs, the person responsible for the remediation or decontamination work may receive State aid.

#### 13.4.1 Eligibility of costs

The eligible costs shall be the costs incurred for the remediation work, less the increase in the value of the land. All expenditure incurred by an undertaking in remediating its site, whether or not such expenditure can be shown as a fixed asset on its balance sheet, may be considered as eligible investment in the case of the remediation of contaminated sites.

Evaluations of the increase in value of the land resulting from remediation shall be carried out by an independent expert.

#### 13.4.2 Aid intensity and aid ceiling

The aid intensity shall not exceed 100 % of the eligible costs.

The ceiling for **Investment aid for remediation of contaminated sites** projects is €20m per undertaking per investment project.

## 13.5 Investment aid for energy efficient district heating and cooling

Investment aid for energy efficient district heating and cooling under this scheme shall comply with GBER 2014-20, **Article 46**.

#### 13.5.1 Eligibility of costs

The eligible costs for the production plant shall be the extra costs needed for the construction, expansion and refurbishment of one or more generation units to operate as an energy efficient district heating and cooling system compared to a conventional production plant. The investment shall be an integral part of the energy efficient district heating and cooling system.

The eligible costs for the distribution network shall be the investment costs.

The aid amount for the distribution network shall not exceed the difference between the eligible costs and the operating profit. The operating profit shall be deducted from the eligible costs ex ante or through a claw-back mechanism.

#### 13.5.2 Aid intensity and aid ceiling

The aid intensity for the production plant shall not exceed 45 % of the eligible costs. The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.

The aid intensity for the production plant may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

The ceiling for **Investment aid for energy efficient district heating and cooling** projects is €20m per undertaking per investment project.

## 13.6 Investment aid for waste recycling and re-utilisation

Investment aid for waste recycling and re-utilisation under this scheme shall comply with GBER 2014-20, **Article 47**.

The investment aid shall be granted for the recycling and re-utilisation of waste generated by other undertakings.

The recycled or re-used materials treated would otherwise be disposed of, or be treated in a less environmentally friendly manner. Aid to waste recovery operations other than recycling shall not be block exempted under this Article.

The aid shall not indirectly relieve the polluters from a burden that should be borne by them under Union law, or from a burden that should be considered a normal company cost.

The investment shall not merely increase demand for the materials to be recycled without increasing collection of those materials.

The investment shall go beyond the state of the art.

Aid for investments relating to the recycling and re-utilisation of the beneficiary's own waste shall not be exempt from the notification requirement under this Article.

#### 13.6.1 Eligibility of costs

The eligible costs shall be the extra investment costs necessary to realise an investment leading to better or more efficient recycling or re-use activities compared to a conventional process of re-use and recycling activities with the same capacity that would be constructed in the absence the aid.

#### 13.6.2 Aid intensity

The aid intensity shall not exceed 35 % of the eligible costs. The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.

The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

# 14 Publication and information

In compliance with GBER 2014-20 Article 9 the Joint Secretariat (on behalf of the Managing Authority) will assure the publication on a comprehensive State aid website at national or regional level:

- (a) The summary information in the standardised format laid down in Annex II of GBER 2014 -20
- (b) The current framework scheme

(c) The information referred to in Annex III of GBER 2014-20 on each individual aid award exceeding €0,5m.

# 15 Reporting

In compliance with GBER 2014-20 Article 11(b), the Joint Secretariat (on behalf of the Managing Authority) will assure the compilation of the data required for the submission to the Commission an annual report for each whole year or each part of the year during which this scheme applies.

## 16 Monitoring

In compliance with GBER 2014-20, Article 12, the Joint Secretariat (on behalf of the Managing Authority) will assure the maintenance of detailed records with the information and supporting documentation necessary to establish that all the conditions laid down in GBER 2014-20 are fulfilled. Such records shall be kept for 10 years from the date on which the last aid was granted under the scheme. The Managing Authority will enable the provision to the Commission within a period of 20 working days, or a longer period as stipulated in the request, all the information and supporting documentation which the Commission considers necessary to monitor the application of GBER 2014-20.

# 17 Flexibility

With respect of all previous elements the Managing Authority may decide on a case by case basis that intended State aid is compatible with other provisions from GBER than the ones described above and submit a scheme covering further articles.

#### Annex I

## The area covered by the Scheme

Beneficiaries under the scheme are located in the following countries:

Belgium Art. 107(3)(c) TFEU – Status C

Unassisted – status N

France Art. 107(3)(c) TFEU – Status C

Unassisted – status N

Germany Art. 107(3)(c) TFEU - Status C

Unassisted - status N

Ireland Art. 107(3)(c) TFEU – Status C

**Luxembourg** Art. 107(3)(c) TFEU – Status C

The Netherlands Art. 107(3)(c) TFEU – Status C

Unassisted – status N

The United Kingdom Art. 107 (3)(a) - status A

Art. 107(3)(c) TFEU – Status C

Unassisted - status N