FACTSHEET

The General Block Exemption Regulation (GBER)

in Interreg Baltic Sea Region

Version 2.0 of 3 July 2023

Introduction

An undertaking that receives support from public funding sources, such as Interreg Baltic Sea Region, may gain an advantage over its competitors through this support. Furthermore, the support can distort competition and affect trade between Member States. If this is the case, State aid is present.

The EU Treaty wants to prevent such effects on the market and therefore generally prohibits State aid. However, in some circumstances such support is necessary for a well-functioning and equitable economy. Therefore, the Treaty leaves room for a number of measures through which State aid can be made compatible with the rules. The Programme uses two of these measures, namely the General Block Exemption Regulation and de minimis. The Programme Manual lays down the State approach and procedures of the Programme. This factsheet aims at providing additional information about the General Block Exemption Regulation (GBER).

SUMMARY

The European Commission adopted the General Block Exemption Regulation (GBER) to declare certain categories of aid as compatible with the internal market. Aid falling under these categories does not have to be notified to and approved by the European Commission in advance of implementation. Compatibility is *presumed,* provided that project partners and the Programme meet specified conditions and fulfil the monitoring and reporting requirements. Interreg Baltic Sea Region applies the GBER as the main measure to grant legal State aid. Out of the wide range of aid categories provided by the GBER, the Programme will use two: It will grant State aid to project partners within the provisions of Article 20 "Aid for costs incurred by undertakings participating in European Territorial Cooperation project" and aid to third parties is framed within Article 20a "Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects".

LEGAL BASIS

COMMISSION REGULATION (EU) No 651/2014 of 17 June 2014
declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty:
http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=EN

COMMISSION REGULATION (EU) 2017/1084 of 14 June 2017
amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs:
http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1084&from=EN

COMMISSION REGULATION (EU) 2020/972 of 2 July 2020
amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments:
https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0972&from=EN

COMMISSION REGULATION (EU) 2021/1237 of 23 July 2021
amending 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:
https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1237&from=EN

COMMISSION REGULATION (EU) 2023/1315 of 23 June 2023
amending 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 and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty:
https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R1315

Please note

This factsheet summarises the key points of Regulation 651/2014 as last amended by Regulation 2023/1315 and hereinafter referred to as "the Regulation". This factsheet is not a substitute for the full text of the Regulation.

GEOGRAPHICAL COVERAGE

In Interreg Baltic Sea Region the GBER applies to the EU Member States covered by the Programme and Norway.

AMOUNTS OF SUPPORT

The aid intensity (as a percentage of eligible costs) varies by category of aid under the GBER. In addition, the GBER allows aid only up to specified absolute amounts. The table below summarises the maximum amounts of aid for the categories relevant to Interreg Baltic Sea Region.

Article	Type	Maximum aid amount	Maximum aid intensity
Art 20	Aid for costs incurred by undertakings participating in European Territorial Cooperation project	EUR 2.2 million per undertaking, per project	80%
Art 20a	Limited amounts of aid to undertakings for participation in European Territorial Cooperation projects	EUR 22 000 per undertaking, per project	-

ELIGIBILITY

Each category of aid of the GBER has *specific conditions*. For Article 20 and 20a these specific conditions are equal to the eligibility rules as laid down in the Programme Manual.
In addition, project partners have to meet *general conditions* to comply with the GBER, such as the following **exclusions** and **cumulation** requirements.

Exclusions

Interreg Baltic Sea Region ensures that partners do not receive the types of aid that are excluded under Articles 20 and 20a of the GBER.

Cumulation

Aid under Article 20 is aid with identifiable eligible costs. It may be cumulated with any other State aid or de minimis aid, as long as those measures concern different identifiable eligible costs.

Example	A project partner receives State aid from Interreg Baltic Sea Region. The Programme frames this aid under Article 20 of the GBER at an aid intensity of 80% (project x). Among others, the eligible costs are staff costs. The same partner organisation also received a grant from another public funding source for another project at an aid intensity of 50% (project y). The eligible costs of that project also cover staff costs. The staff members spent 50% of their time working on project x and 50% of their time working on project y. Since the example concerns personnel costs for two different projects, these are

different identifiable eligible costs. Therefore, both types of State aid can be cumulated.

Furthermore, aid under Article 20 may be cumulated with any other State aid or de minimis aid which is for the same eligible costs. But this is only allowed if such cumulation does not exceed the highest aid intensity or aid amount applicable to this aid under the GBER.

Example A project partner receives State aid from Interreg Baltic Sea Region. The Programme frames this aid under Article 20 of the GBER at an aid intensity of 80%. The partner also applies for national co-financing to its own contribution (i.e. the remaining 20% of its budget). If the national granting authorities regard the national co-financing as State aid, the project partner has to be aware of the rules that then apply:

- The partner can only receive the other State aid if the national granting authority applies an article in the GBER that has a higher aid intensity (higher than 80%).
- The partner cannot receive the national co-financing as de minimis aid. This is because the applicable maximum aid intensity is 80% and this has been reached already through the Programme funding.

Please note

The Programme defines national co-financing as specific public support that is explicitly dedicated to a certain project. The Programme does not regard as national co-financing a partner's own contribution originating from own income or from general public support not dedicated to a specific project. The national co-financing is not granted by the Programme but by national granting authorities. This implies that the national granting authorities are responsible for the State aid assessment and decision.

Aid under Article 20a is aid without identifiable eligible costs. It may be cumulated with any other State aid with identifiable eligible costs.

ADMINISTRATIVE ARRANGEMENTS

Interreg Baltic Sea Region automatically supports State aid relevant project partners under Article 20 of the GBER. The Programme informs about the State aid relevance of each partner in the State aid section of BAMOS+.

The Managing Authority ensures the maintenance of detailed records with the information and supporting documentation necessary to establish that all the conditions in the GBER are met. Project partners receiving State aid under the GBER follow the documentation requirements outlined in the Programme Manual.

OTHER RELEVANT DOCUMENTS

FACTSHEET/ De minimis support in Interreg Baltic Sea Region