



Technical support to the implementation and management of ENI CBC programmes

Tools to manage indirect *de minimis* aid by the ENI CBC project beneficiaries

July 2019

DISCLAIMER

This **non-binding document** has been developed by the TESIM project.

It does not necessarily reflect the views of the European Commission on the topic, and is presented to programme practitioners **for illustrative purposes only**.



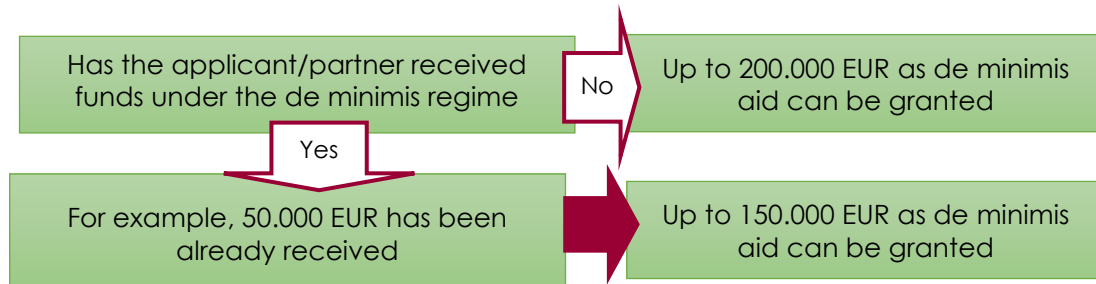
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1. The *de minimis* regime

The *de minimis* regime is based on the principle that the negative effects of a competitive advantage and the distortion of the intra-community market are reduced if financial aid is kept to a minimum.

In case of applying the *de minimis regime*, projects can be supported on the basis of Commission Regulation 1407/2013 of 24 December 2013¹ that allows support of up to EUR 200.000 in a three-year period to fall outside the scope of State aid. The ceiling applies to all types of support, whether from national or EU sources. Besides grants, all other forms of support, such as loans and guarantees, are also taken into consideration. The three-year period refers to the fiscal year concerned plus the previous two fiscal years.



In the context of ENI CBC, the *de minimis* regime can be applied for the aid provided in the Partner Countries, where the relations with the particular partner country on bilateral level are managed mainly through the Association Agreements that include arrangements on State aid.

This document aims at the management of **indirect State aid** to third parties granted by project beneficiaries.

More details on state aid and, in particular, on direct state aid granted by Managing Authorities to project beneficiaries, can be found on Guidance on State aid in the [library](#) of TESIM's web site. Individual factsheet on applicable State aid in Partner Countries are also available in the library.

¹ Different thresholds for different types of aid - Commission Regulation (EU) No 1408/2013 on *de minimis* aid in the agriculture sector (15 000 EUR); Commission Regulation (EC) No 717/2014 on *de minimis* aid in the fishery and aquaculture sector (30 000 EUR).

2. Indirect *de minimis*

It may be that the project beneficiaries grant *de minimis* aid to undertakings outside the project partnership. In other words, even though the beneficiaries will not directly be recipients themselves of a competitive advantage, project activities could mean an advantage for third parties. Examples include:

- consultancy or other subsidised services provided to SMEs;
- training courses provided to entrepreneurs or SMEs;
- access to research facilities for companies;
- sub-grants.

Where a beneficiary (including the lead beneficiary) provides *de minimis* aid to the end users, it will need to calculate the value of the aid provided to ensure that the terms of the *de minimis* Regulation are met by the end users served. The steps required from the beneficiary should include monitoring and administrative arrangements as well (e.g., collection of *de minimis* self-declarations, informing the third party in writing of the prospective amount of *de minimis* aid, informing central registers for *de minimis*², if existing, maintaining records regarding individual *de minimis* aid, etc.).

Even if in this case the Managing Authority (MA) or the Joint Technical Secretariat (JTS) will not act as granting body for the aid, due to the practical implications, it is important that the necessary steps are documented.

² The information to central registers will be usually carried out by the Managing Authority. Check the programme rules on the procedure for the communication of the aid.



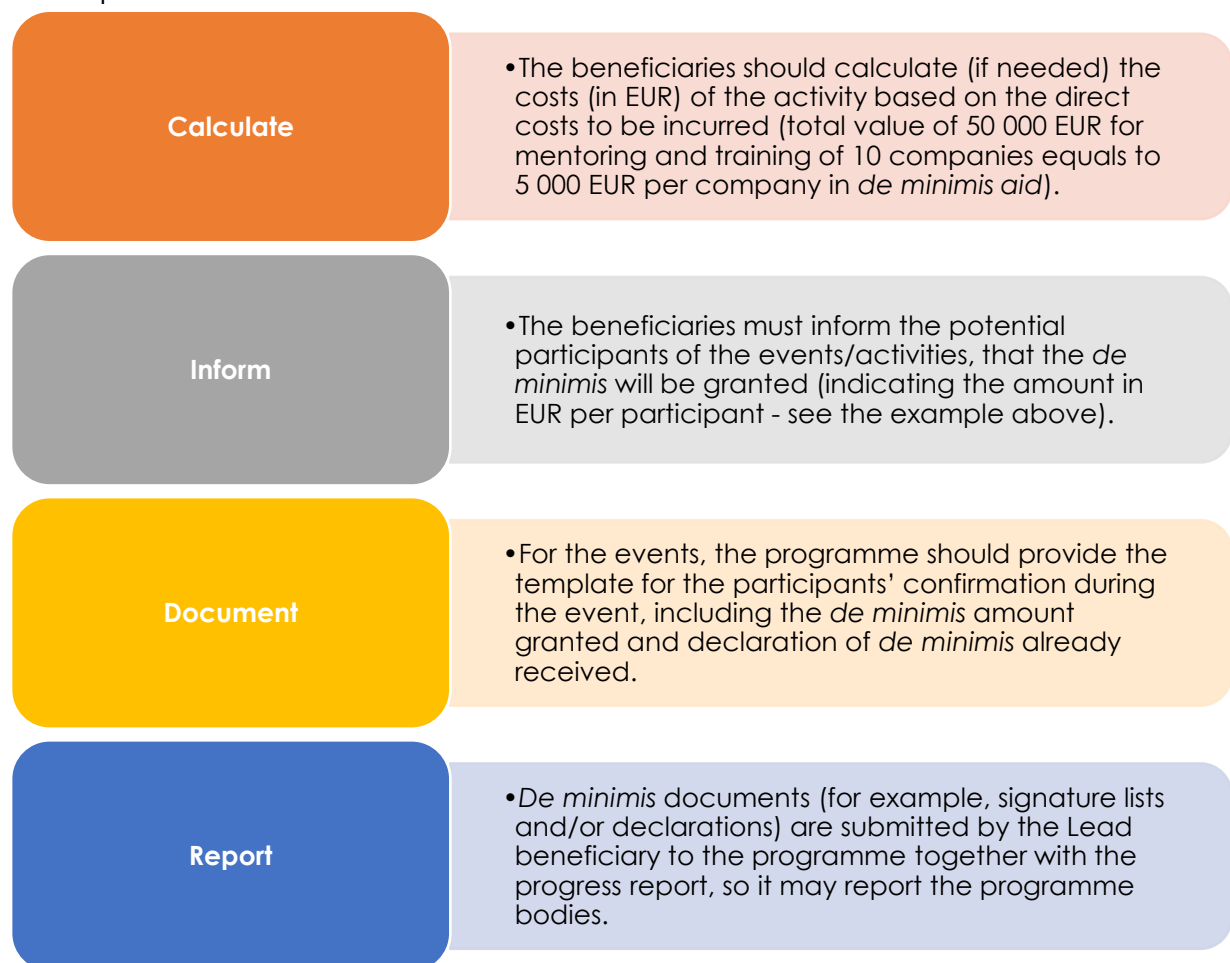
3. Tools to manage indirect *de minimis* aid

In case of *de minimis* provided to the end users (so-called “indirect aid” such as sub-grants, training or consultancy as referred above), the project beneficiaries are responsible for securing the same conditions as for the direct aid, that is:

- verifying the total threshold via information provided by the end-users,
- calculating the amount granted and
- ensuring the statements on *de-minimis* from end-users.

If the end user declares that the *de minimis* threshold is exceeded, no such type of aid can be provided to the particular organisation.

The programme should clearly communicate to the beneficiaries which are the steps to manage *de minimis* aid during the project implementation, for example:



Please note!

The steps mentioned will ensure that information on the *de minimis* granted is collected only on the beneficiary and programme levels. Each programme must clarify if there are any national obligations to be fulfilled in relation to registering *de minimis* aid. In some countries it is required that the authorities of EU-funded programmes submit/upload the information on the *de minimis* granted to national State aid registers.

3.1. Templates to manage *de minimis*

De minimis declaration

One of the tools to manage *de minimis* is to ask the recipients of indirect *de minimis* to sign *de minimis* self-declarations (**annex 1**). Asking to provide separate declarations can be useful in the cases when few end users are selected for the project activities (for example, individual consultations and mentoring for companies).

Such declaration allows the beneficiary to assess whether the *de minimis* amounts granted to respective end user in the current fiscal year and the previous two fiscal years does not exceed the *de minimis* threshold and thus aid can be granted to the end-user (i.e. the beneficiary can participate in the relevant activity).

Please note!

- The recipients of *de minimis* should be asked to prepare the self-declarations before the start of the activity, so that it is possible to verify whether the thresholds will not be exceeded.
- The beneficiary should calculate the value of *de minimis* to be granted by the project and to assess whether this amount combined with *de minimis* already received by the third part, does not exceed the threshold.

In some cases, the declarations can be prepared by the programme and made available to the beneficiary. It is also possible, that such declarations are already defined by the national legislation.

It is the responsibility of the beneficiary to ensure that the declarations are signed and auditors/public officers carrying out the expenditure verification can be asked to verify that the conditions have been met.

In such scenario, there might not be a need for the MA/JTS to collect *de minimis* self-declarations as long as sound procedures are in place at beneficiary level and it is clear where the declarations can be found and are archived. On the other hand, if such questions are not verified on the level of expenditure verification, there might be a need to submit these documents to the MA/JTS together with the progress report (or case-by-case submission on the basis of the request from the MA/JTS).

Solutions such as the one described above can require additional administrative efforts on the side of the beneficiaries and the auditors/public officers. The programme should aim at making the system as simple as possible to avoid increasing the administrative burden for all involved parties³.

De minimis registration list for events

In case the beneficiary organises small events (such as trainings) where *de minimis* is granted, instead of the declaration the beneficiary can use the participants' confirmation to obtain the necessary information (see **annex 2** as an example). On this sheet, when attending the event, the participants confirm with the signature that they are not an undertaking in difficulties, and that they have sufficient leftover of the *de minimis*.

Depending on the national requirements (if the *de minimis* register is not available), the participants of the events can be asked to provide the *de minimis* declarations (**annex 1**) to assess whether *de minimis* already received is under the respective threshold.

³ Increasing workload for auditors/public officers can of course have negative effects on the overall quality of the expenditure verification work, thereby increasing the risk that other important issues such as public procurements (which are still the major source of errors) are overlooked.

Annexes

Annex 1. De minimis declaration

Annex 2. De minimis registration list for events

