Response of the Republic of Croatia

The Republic of Croatia welcomes the updated draft R&D&I Framework and new R&D&I measures in GBER, and in general supports the view of the EC. Nevertheless we have certain additional remarks to the following issues in the draft R&D&I Framework:

- **1.1. Scope of application.**
  - footnote 6

Since the shipbuilding has significant importance for certain Member States including the Republic of Croatia, we would like to propose that the allegations concerning shipbuilding should be moved from the footnote to the main text.

- para 8.

We would like to have clarification of types of financial resources centrally managed by the Commission which do not constitute state aid (e.g. resources from The Structural Funds are state aid).

- **2.1.1 Public funding of economic activities, para. 22.a) and b)**

We would like to have clarification whether the conditions from para. 22.a) and b), are cumulative or not.

- **2.1. Public funding of non-economic activities**
  - para. 19.b)

Para 19.b) states that knowledge transfer activities are of non-economic character where all income from those activities is reinvested in the primary activities of research organization or infrastructure. We propose that term income should be replaced by the term profit. If the organisation will reinvest all its income in the primary activities instead of being used to cover the costs of the knowledge transfer activities, the organisation will not be able to develop and maintain its knowledge transfer activities.

- para 20.

We propose an increase of the percentage which refers to the proportion of the economic activity from 15% of the entity’s overall annual budget to higher percentage, since the overall annual budget from economic activities can differ on a yearly basis.
- 5.3. Appropriateness of the aid measures/5.3.2. Appropriateness among different aid instruments

Regarding the aid forms/instruments from para. 60. and 61., hereby we propose that the Member State should decide on appropriate aid/form instrument.

Translation error

- 2.3. Public procurement of research services

We noticed translation error in Croatian version in para 32.

Para 32. in the Croatian version states: “Ako se otvoreni postupak javne nabave izvršava u skladu s primjenjivim direktivama, Komisija će smatrati da je poduzetnicima koja pružaju odgovarajuće usluge istraživanja pružena državna potpora u smislu članka 107. stavka 1. Ugovora”

The cited paragraph in Croatian version states that state aid exists if an open tender procedure for the public procurement is carried out in accordance with the applicable directives, which is contrary to English version.

English version states that no state aid in the meaning of Article 107(1) of Treaty is granted if public procurement is carried out.

Hereby we propose the following text of the para 32. in Croatian version.

“Ako se otvoreni postupak javne nabave izvršava u skladu s primjenjivim direktivama, Komisija će smatrati da poduzetnicima koji pružaju odgovarajuće usluge istraživanja nije dodijeljena državna potpora u smislu članka 107. stavka 1. Ugovora”

Regarding the financing of research infrastructures identified in the Research Infrastructures Roadmap 2014-2020 which sets priorities for scientific national infrastructure and large international projects, we are of opinion that for these projects the way of financing and implementation needs to be simplified and added as a special type of approach in the new Framework for state aid for research and development and innovation.