This draft Framework for State aid for RDI does not present significant changes compared to the old one. We recognize that efforts have been made to simplify certain points in order to avoid misunderstandings and confusion on behalf of beneficiaries and granting authorities. However, we think that certain issues in this draft need to be clarified or improved.

To be more specific:

- **Point 28.** According to the paragraph 28(d), “the research organizations or research infrastructures receive a compensation equivalent to the market price for the Intellectual Property Rights (IPR) which result from their activities and which are transferred to the participating undertakings. The absolute amount of the value of any contribution, both financial and non-financial, of the participating undertakings to the costs of the research organizations or research infrastructures' activities that resulted in the IPR concerned, may be deducted from that compensation”. We support the view that the new framework could allow deducting the relative contribution\(^1\), so that benefits and risks of the activity of the research organization accrue to the partners in proportion to their contributions to the cost of the research organization in the project.

- The use of **counterfactual scenarios and the net costs method** for assessing individual aids increases legal uncertainty and administrative burden is extremely subjective and very complex to apply in practice. Thus, we propose to use the methodology already applied in the existing framework.

- **Point 89.** \{Table\} for applied research we propose the provision: subject to collaboration between undertakings (for large undertakings cross border or in two different assisted Regions of the same M-S or with at least one SME) or between an undertaking and a research organization........This proposal aims to strengthen RDI activities in less developed regions, that face more structural disadvantages.

- Regarding the "innovation clusters» (Clusters), we recognize the positive developments in terms of increasing intensity for investment aid. However, we propose further increase of the aid intensities in ANNEX II, for both investment aid and operating aid, up to 60% with a top up of regional bonus of 10% in 107.3.c areas

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\(^1\) Without such explicit provision in the new Framework, Member States would remain reluctant to approve relative deductions also in their individual assessments of collaboration projects in the context of the last paragraph of 3.2.2, as the mid-term review of S.F. financed Operational Programs 2011 seems to explicitly exclude relative deductions.
and of 15% in 107.3.a areas. Also we would like to be clarified the period of time the operating aid may be granted.

- **Support to research infrastructures** refers only to the economic activities of research infrastructures and institutions, and under this light, the whole philosophy is no different from the previous framework. However, the criteria for the separation of economic from non-economic activities and accounting approaches to identify them are still unclear and should be further simplified.

We also propose a further increase of the aid intensities in ANNEX II up to 60% with a regional bonus of 10% in 107.3.c areas and of 15% in non-developed regions or regions in 107.3.a areas, as the investment cost of these infrastructures is very high. We believe that aid intensities in schemes under guidelines should be higher than the ones in GBER, as they are thoroughly assessed by the E.C. for their impact on competition.

- **5.7 Transparency. Point 117.** Requirements for transparency may cause issues of confidentiality throughout the MS. Moreover they impose a significant increase on administrative burden. Therefore, we ask at least these requirements to stand in line with the requirements of structural funds as specified in the relevant EU regulations. Moreover point: “**(iv) the aid amount and aid intensity per beneficiary**” should be eliminated as it raises confidentiality issues.

- **6. Evaluation-Article 119.** We consider that on a theoretical basis, ex-post evaluation could be a helpful instrument when designing new or modifying existing schemes. In practice, as we have already written, we are sceptical about their real added value, as we believe that it increases bureaucracy and administrative costs. In our point of view, higher amount of aid does not necessarily lead to higher distortion of competition. If, at the end of the day, there is a need to do so, we propose that the assessment of schemes financed only by ESIFs operational programs will be incorporated in the operational programs assessment, for a time period equal to the programming period (8 years). This will lead to best use of resources and less administrative burden and allows the evaluation of the total impact. The term: “Aid schemes with large aid budgets” should be more specific. In any case, we believe that it increases bureaucracy and administrative costs.

- **Annex II Maximum intensities for industrial research and experimental development:** The distinction is not easy and leads to arbitrariness. It would be more appropriate to have a single rate for both cases differentiated only by the size of the enterprises. In any case, we propose that intensities are increased or defined more clearly.

- **Aid for feasibility studies:** We would like to be clarified whether the eligibility for studies is limited only to feasibility studies or it may also include preparatory studies,
technical studies, etc. We also propose a further increase of the aid intensities in ANNEX II with an SMEs bonus of 10% for Medium and 20% of Small Enterprises, as SMEs face more market failures, especially in the RDI sector. This is a common practice in most of the GLNs and Regulations.

- **Innovation aid for SMEs:** We also propose a further increase of the aid intensities in ANNEX II up to 60% with a top up of regional bonus of 10% in 107.3.c areas and of 15% in non-developed regions or regions in 107.3.a areas. We believe that aid intensities in schemes under guidelines should be higher than the ones in GBER, as they are thoroughly assessed by the E.C. for their impact on competition.

- **Aid for process and organizational innovation:** The 15% of aid intensity (ANNEX II) is not considered enough incentive for a large enterprise in order to change its business strategy. We propose an aid intensity of 25%. Respectively, for SMEs 60% instead of 50%. We also propose a regional bonus of 10% in 107.3.c areas and of 15% in non-developed regions or regions in 107.3.a areas. We believe that aid intensities in schemes under guidelines should be higher than the ones in GBER, as they are thoroughly assessed by the E.C. for their impact on competition.

- **Moreover we propose to extend the scope of these GLNs so as to include aid measures for YOUNG INNOVATIVE ENTERPRISES** as well, in order to encourage the achievement of EUROPE 2020 target within an economic situation where unemployment, especially among young high-qualified people, increases rapidly.

- **Firms in difficulty:** Regarding the definition of firms in difficulty, Greece constantly proposes, for the scope of GLNs other than R-R, the application of the hard objective criteria (a), (b) and (c) of the definition in R-R GLNS. The rest (hard objective criteria (d) and (e) and the soft criteria in the draft GLNs) shall be examined only in cases where R-R aid is going to be granted. Should the Commission insist on its proposal, the great majority of Greek enterprises would not be considered as viable under this definition and thus they couldn’t be benefited under any scheme.

As a conclusion, we are of the opinion that under the proposed Framework only little steps towards improvement may be achieved. On the other hand, RDI is a sector characterized by rapid change and development, where the game is played worldwide. In our point of view, we should focus on introducing a dynamic framework that will support European undertakings in their effort to meet the challenges of global competition while at the same time it will safeguard the principles of internal market.