De minimis aid workshop

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Example *de minimis* aid scheme

In 2016 Member State launches ERDF measure and proposes to use *de minimis* aid

- Eligible costs – rent of exhibition space and related promotional material
- Form of aid – grant.
- Aid amount – 10,000 EUR to 40,000 EUR
- Aid intensity – 50% of eligible costs
- Aid will be paid after expenditure incurred
Applicant Company A:

- Is a medium sized company, producing tobacco products and delivering IT security and road freight transport for reward services on the market.
- Company A has a daughter Company A1 and 50% of voting rights in Company A2.
- *de minimis* aid received in current & 2 previous years

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Company A</th>
<th>Company A1</th>
<th>Company A2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>40 000</td>
<td>10 000</td>
<td>20 000</td>
</tr>
<tr>
<td>2015</td>
<td>30 000</td>
<td>10 000</td>
<td>20 000</td>
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<tr>
<td>2014</td>
<td>50 000</td>
<td>20 000</td>
<td>0</td>
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Application for aid

• Company A asks for 40,000 EUR of aid

• Eligible costs – participation in 4 exhibitions (4x20,000 EUR= 80,000 EUR) for promotion of it’s products and services

• 2 exhibitions will be held in Germany in 2017 and 2 in Belgium in 2018
Questions.

1) Are companies A, A1 and A2 a Single undertaking?

2) How much *de minimis* aid could be granted to Company A in 2016?

3) In which year is the new *de minimis* aid granted?

4) Can *de minimis* aid be used to promote company A’s products and services in exhibitions in Germany and Belgium?
Multiple choice questions
1. Which sectors/activities are excluded from the *de minimis* regulation?
   a) Performing road freight transport for hire or reward.
   b) Fishery and aquaculture sector.
   c) Primary production of agricultural products.
   d) Processing and marketing of agricultural products.

2. Which statement(s) are true - *De minimis* aid can be granted if:
   a) Aid is contingent upon the use of domestic over imported goods.
   b) The undertaking is in difficulty.
   c) Aid is for export-related activities, linked to the quantities exported.
   d) Aid is for export related activities, to the establishment and operation of distribution network.
3. If undertaking is active in excluded sectors/activities, which statements are correct?
   a) No *de minimis* aid can be granted.
   b) Member State must ensure that excluded sectors do not benefit from aid.
   c) Aid can be granted if undertakings sign declarations to confirm excluded sectors do not benefit from aid.
   d) The maximum aid amount of *de minimis* aid is limited to 100,000 EUR.

4. If undertaking is performing road freight transport for hire or reward, which statement(s) are true:
   a) Aid ceiling is 100 000 EUR.
   b) Aid ceiling is 200 000 EUR.
   c) Must separate activities or support only distinct costs to make sure that no aid is given to transport sector.
   d) Aid can be used for the acquisition of road freight transport vehicles.
5. Two companies, Company A and Company B, can be treated as a “Single undertaking” when?
   a) Company A has 2/3 of voting rights in Company B.
   b) Company A has 30% of shares in Company B.
   c) A natural person holds 100% the shares of Company A and Company B.
   d) Company A has gave a franchise to Company B.

6. The 200,000 EUR aid ceiling applies to?
   a) A single undertaking over any period of 3 previous calendar years.
   b) A single undertaking over any period of 3 fiscal years.
   c) An undertaking active in transport sector.
   d) Per undertaking per Member State.
7. Which of the following are “Transparent aid”?
   a) Grants.
   b) Loans and guarantees for beneficiary which is subject to collective insolvency proceedings.
   c) Capital injections - if total amount of public injection is below *de minimis* ceiling.
   d) Loans at less than commercial interest rates.

8. Which of the following can be cumulated with *de minimis* aid?
   a) Aid under the Services of Economic Interest de minimis regulation.
   b) Aid under the Agricultural Block Exemption Regulation.
   c) Aid under the *de minimis* regulation for agriculture sector.
   d) Aid under the General Block Exemption Regulation.
9. When Member States intend granting de minimis aid they:

a) Must check whether the undertaking is in difficulty.

b) Do not have to inform the undertakings concerned, in writing.

c) Must inform the undertakings concerned of the prospective amount of the aid expressed as a gross grant equivalent.

d) Do not need refer to the de minimis Regulation.

e) Do not need to not need to obtain any declarations from the undertaking about any other de minimis received.

f) Need to keep records regarding the de minimis aid scheme for 10 fiscal years from the date on which the last individual aid was granted under the scheme.

g) Must set up central register of de minimis aid.

h) Member States must publish details of de minimis aid on a National or Regional website.