

**General Block Exemption Regulation – Commission
Regulation (EU) No. 651/2014**

**Just Transition Fund – Scheme Details - Amended to
S.A. 58949**

December 2020

1. Objective of Scheme

- 1.1 The objective of the Just Transition Fund 2020 is to fund innovative projects that contribute to the economic, social and environmental sustainability of the Wider Midlands region and which have employment and enterprise potential.
- 1.2 The Fund will support projects that take a whole of-Midlands strategic approach and will provide funding in a manner that is complementary with other sources of public funding.
- 1.3 The JTF has three priorities to support this objective:
 - 1.3.1. Employment and Enterprise Supports: To support innovation and investment proposals to generate sustainable employment in green enterprise;
 - 1.3.2. Training Supports: To retrain and reskill workers to assist local communities and businesses in the Wider Midlands to adjust to the low carbon transition;
 - 1.3.3. Community Transitioning Supports: To support proactive communications with affected communities and other stakeholders in the region, establish best practice sharing networks, and assist in developing local transition plans.
- 1.4 The focus of the Fund in 2020 is on the Wider Midlands region and the first call for proposals is limited to this region. The imminent closure of two ESB peat-fired plants will impact regional and local employment, particularly for Bord na Móna (BnM) employees. The regional economy and local communities will also be significantly affected. The call is open to suitable projects from counties East Galway, Kildare, Laois, Longford, North Tipperary, Offaly, Roscommon and Westmeath.
- 1.5 The Wider Midlands is the first region in Ireland experiencing a concentrated transition away from carbon intensive activities. This presents significant challenges but also brings important opportunities to respond and adapt, and to create learning for other regions across Ireland on how best to deliver a just transition.

2. Legal Basis and Rules

- 2.1 The legal basis for the Just Transition Fund (JTF) is the Government decision to establish the Just Transition Fund in response to the closure of two ESB peat-fired plants will impact regional and local employment, particularly for Bord na Móna (BnM) employees. The

Government's approval for the Just Transition Fund will be subject to state aid regulations as set by the EU Commission. These include the General Block Exemption Regulation (Commission Regulation (EU) No. 651/2014) (GBER).

2.2 The JTF aligns with the Government's policy on just transition as set out in Climate Action Plan, and with the investment objectives of Project Ireland 2040 and the National Development Plan. The Fund reflects recommendations in the Just Transition Commissioner's First Interim Report to Government, the Eastern and Midland Regional Assembly Regional Spatial and Economic Strategy, and the Midlands Regional Enterprise Plan to 2020, and it will contribute to the objectives of Future Jobs Ireland.

2.3 The JTF is one of a number of Government schemes established to facilitate a just transition in the Wider Midlands and will operate in parallel with and seek to complement the Midlands Retrofitting Scheme, the National Parks and Wildlife Service Bogs Rehabilitation Programme and Bord na Móna's large-scale peatlands restoration project.

3. Budget

3.1 The Fund is administered by the Department of the Environment, Climate & Communications (hereafter referred to as "The Department") and is grant funding.

3.2 The budget of the JTF in 2020 is €11 million, financed by Government through an allocation of €6m from an increase in the carbon tax and an additional €5 million committed by ESB.

3.3 The Fund will have an allocation of approximately €25 million over the period 2020 to 2023.

4. Scope of Scheme

4.1 Applications to apply for the fund can be made by private, public, and community and voluntary organisations, subject to the provisions specified in the Just Transition Fund Information Booklet. Public bodies, Local Authorities, State Agencies and commercial semi-state bodies are eligible to apply. Government Departments are not eligible to apply.

- 4.2 A call for applications was issued in 2020. There is no commitment to future annual calls. The right to apply does not impose any obligation to provide funding to an applicant.
- 4.3 The call for applications set out the scope and scale of projects that will be supported under that particular call. Future calls may focus on specific areas (such as capacity building, training supports, enterprise development, innovation or community participation etc.) to ensure that the full objectives of the Fund are realised.
- 4.4 The following categories of aid may be supported under the Fund. Detailed descriptions of the eligible activities that can be supported are set out in Schedules 1 to 8:-
1. Article 14: Regional investment aid
 2. Article 17: Investment aid to SMEs
 3. Article 18: Aid for consultancy in favour of SMEs
 4. Article 25: Aid for research and development projects
 5. Article 28: Innovation aid for SMEs
 6. Article 31: Training aid
 7. Article 38: Investment aid for energy efficiency measures
 8. Article 49: Aid for environmental studies
 9. Article 53: Aid for culture and heritage conservation
 10. Article 55: Aid for sport and multifunctional recreational infrastructures
 11. Article 56: Investment aid for local infrastructures
- 4.5 The right to apply does not impose any obligation on the State to provide funding to an applicant.
- 4.6 The Fund shall not apply to the following:-
- (a) Aid granted in the fishery and aquaculture sector, as covered by Regulation (EU) 1379/2013;
 - (b) Aid granted in the primary agricultural production sector, with the exception of aid for research and development, environmental aid and training aid;
 - (c) Aid granted in the sector of processing and marketing of agricultural products, in the following cases:

(i) where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned; or

(ii) where the aid is conditional on being partly or entirely passed on to primary producers;

(d) Aid to facilitate the closure of uncompetitive coal mines, as covered by Council Decision No 2010/787;

4.6 Where an undertaking is active in the excluded sectors as referred to in points (a), (b) or (c) at 4.5 above, and in sectors which fall within the scope of the Fund, the Fund applies to aid granted in respect of the latter sectors or activities, provided that appropriate means, such as separation of activities or distinction of costs, are taken to ensure that the activities in the excluded sectors do not benefit from the aid granted in accordance with this Fund.

4.7 The following aid is not permitted under the Fund:-

(a) Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current costs linked to the export activity.

(b) Aid contingent upon the use of domestic over imported goods.

(c) Aid where the grant of aid is subject to the obligation for the beneficiary to have its headquarters in Ireland or to be predominantly established in Ireland, although the requirement to have an establishment or branch in Ireland at the moment of payment of the aid is allowed.

(d) Aid subject to the obligation for the beneficiary to use nationally produced goods or national services.

(e) Aid which restricts the possibility for the beneficiaries to exploit the research, development and innovation results in other Member States.

4.8 The following undertakings are ineligible for aid under the Fund:

- (a) An undertaking which is subject to an outstanding recovery order following a previous Commission decision declaring an aid illegal and incompatible with the internal market; or
- (b) An undertaking in difficulty as defined by Article 2(18) of the GBER.

5. Maximum Amounts payable under the Scheme

- 5.1 The maximum amounts payable under the Fund are set out in Schedules 1 to 13.
- 5.2 The amounts set out in Schedules 1 to 13 reflect the maximum levels of support permitted under the GBER. It should be noted that the Department of the Environment, Climate & Communications may set lower aid intensities and/or thresholds when issuing Calls for Applications.
- 5.3 The thresholds set out in Schedules 1 to 13 shall not be circumvented by artificially splitting up the aid projects.

6. Transparency of Aid

- 6.1 Aid will be awarded by way of grants, in line with Article 5 of the GBER.

7. Incentive Effect

- 7.1 The Fund shall apply only to aid which has an incentive effect.
- 7.2 Aid shall be considered to have an incentive effect if the beneficiary has submitted a written application for the aid to the Department of the Environment, Climate & Communications before work on the project starts. The application for aid shall contain at least the following information:-
 - (a) Undertaking's name and size
 - (b) Description of the project, including its start and end dates
 - (c) Location of the project
 - (d) List of project costs

- (e) Type of aid (i.e. grant) and amount of public funding needed for the project

8. Calculating aid intensity and eligible costs

- 8.1 For the purposes of calculating aid intensity and eligible costs, all figures used shall be taken before any deduction of tax or other charge.
- 8.2 The eligible costs shall be supported by documentary evidence which shall be clear, specific and contemporary.

9. Cumulation

- 9.1 The Fund will comply with Article 8 of the GBER regarding cumulation.
- 9.2 In determining whether the notification threshold set out in Article 4 of GBER and the maximum aid intensities set out in Schedules 1 to 12 are respected, the total amount of State aid for the aided activity or project or undertaking shall be taken into account.
- 9.3 Where Union funding centrally managed by the institutions, agencies, joint undertakings or other bodies of the Union that is not directly or indirectly under the control of the Member State is combined with State aid, only the latter shall be considered for determining whether notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted in relation to the same eligible costs does not exceed the most favourable funding rate laid down in the applicable rules of Union law.
- 9.4 Aid with identifiable eligible costs granted under this Fund may be cumulated with:-
- (a) Any other State aid, as long as those measures concern different identifiable costs,
 - (b) Any other State aid, in relation to the same eligible costs, partly or fully overlapping, only if such cumulation does not result in exceeding the highest aid intensity or aid amount applicable to this aid under GBER.

9.5 Aid granted under this Scheme shall not be cumulated with any De Minimis aid in respect of the same eligible costs if such cumulation would result in an aid intensity exceeding those set out in Schedules 1 to 12.

10. Monitoring & Reporting Requirements

- 10.1 Records with the information and supporting documentation necessary to establish that all the conditions laid down in the GBER are fulfilled will be kept for 10 years from the date of the last award of aid under the Fund.
- 10.2 Details for any award exceeding €500,000 granted under this Fund will be published on a dedicated State aid website within 6 months from the date the aid was granted.
- 10.3 An annual report on the expenditure under this Fund will be provided to the Commission.
- 10.4 Where the Commission requests information and documentation which the Commission considers necessary to monitor the application of the GBER, such information and documentation shall be provided within 20 working days of receipt of the request from the Commission or such longer period as may be fixed in the request.

11. Period of Validity

- 11.1 This Scheme shall operate from 21 December 2020 to 31 December 2023.

Schedule 1 – Section 1: Regional aid

Subsection A: Regional investment and operating aid

Article 14: Regional investment aid

Type of Aid

- Regional investment aid measures shall be compatible with the internal market.
- The aid shall be granted in assisted areas.
- The aid may be granted to SMEs for any form of initial investment. Aid to large enterprises shall only be granted for an initial investment in favour of new economic activity in the area concerned.

Eligible Costs

- The eligible costs shall be as follows:
 - a) investment costs in tangible and intangible assets;
 - b) the estimated wage costs arising from job creation as a result of an initial investment, calculated over a period of two years; or
 - c) a combination of points (a) and (b) not exceeding the amount of (a) or (b), whichever is higher.

Aid Intensity

- The aid intensity in gross grant equivalent shall not exceed the maximum aid intensity established in the regional aid map which is in force at the time the aid is granted in the area concerned.
- The aid beneficiary must provide a financial contribution of at least 25 % of the eligible costs, either through its own resources or by external financing, in a form, which is free of any public support. In the outermost regions an investment made by an SME may receive an aid with a maximum aid intensity above 75 %, in such

situations the remainder shall be provided by way of a financial contribution from the aid beneficiary.

Schedule 2 – Section 2: Aid to SMEs

Article 17: Investment aid to SMEs

Type of Aid

- Investment aid to SME's operating inside or outside the territory of the union shall be compatible with the internal market.

Eligible Costs

- The eligible costs shall be either or both of the following:
 - a) the costs of investment in tangible and intangible assets;
 - b) the estimated wage costs of employment directly created by the investment project, calculated over a period of two years.
- In order to be considered an eligible cost for the purposes of this Article, an investment shall consist of the following:
 - a) an investment in tangible and/or intangible assets relating to the setting-up of a new establishment, the extension of an existing establishment, diversification of the output of an establishment into new additional products or a fundamental change in the overall production process of an existing establishment; or
 - b) the acquisition of the assets belonging to an establishment, where the following conditions are fulfilled:
 - the establishment has closed or would have closed had it not been purchased;
 - the assets are purchased from third parties unrelated to the buyer;
 - the transaction takes place under market conditions.

Intangible assets shall fulfil all of the following conditions:

- a) they shall be used exclusively in the establishment receiving the aid;
- b) they shall be regarded as amortizable assets;

- c) they shall be purchased under market conditions from third parties unrelated to the buyer;
- d) they shall be included in the assets of the undertaking for at least three years;

Employment directly created by an investment project shall fulfil the following conditions:

- a) it shall be created within three years of completion of the investment;
- b) there shall be a net increase in the number of employees in the establishment concerned, compared with the average over the previous 12 months;
- c) it shall be maintained during a minimum period of three years from the date the post was first filled.

Aid Intensity

The aid intensity shall not exceed:

- a) 20 % of the eligible costs in the case of small enterprises;
- b) 10 % of the eligible costs in the case of medium-sized enterprises.

Article 18: Aid for consultancy in favour of SMEs

Type of Aid

- Aid for consultancy in favour of SMEs shall be compatible with the internal market.

Eligible Costs

- The eligible costs shall be the costs of consultancy services provided by external consultants.
- The services concerned shall not be a continuous or periodic activity nor relate to the undertaking's usual operating costs, such as routine tax consultancy services, regular legal services or advertising.

Aid Intensity

- The aid intensity shall not exceed 50 % of the eligible costs.

Schedule 3 – Section 4: Aid for research and development and innovation

Article 25: Aid for research and development projects

Type of Aid

- Aid for research and development projects, including projects having received a Seal of Excellence quality label under the Horizon 2020 SME-instrument, shall be compatible with the internal market.
- The aided part of the research and development project shall completely fall within one or more of the following categories:
 - a) Fundamental research
 - b) Industrial research
 - c) Experimental development
 - d) Feasibility studies

Eligible Costs

- The eligible costs of research and development projects shall be allocated to a specific category of research and development and shall be the following:
 - a) personnel costs: researchers, technicians and other supporting staff to the extent employed on the project;
 - b) costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible.
 - c) costs for of buildings and land, to the extent and for the duration period used for the project. With regard to buildings, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible. For land, costs of commercial transfer or actually incurred capital costs are eligible.

- d) costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;
 - e) additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project;
- The eligible costs for feasibility studies shall be the costs of the study.

Aid Intensity

- The aid intensity for each beneficiary shall not exceed:
 - a) 100 % of the eligible costs for fundamental research;
 - b) 50 % of the eligible costs for industrial research;
 - c) 25 % of the eligible costs for experimental development;
 - d) 50 % of the eligible costs for feasibility studies.
- The aid intensities for industrial research and experimental development may be increased up to a maximum aid intensity of 80 % of the eligible costs as follows:
 - a) by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises;
 - b) by 15 percentage points if one of the following conditions is fulfilled:
 - i. the project involves effective collaboration:
 - between undertakings among which at least one is an SME, or is carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70 % of the eligible costs, or
 - between an undertaking and one or more research and knowledge-dissemination organisations, where the latter bear at least 10% of the eligible costs and have the right to publish their own research results;
 - i. the results of the project are widely disseminated through conferences, publication, open access repositories, or free or open source software.

- The aid intensities for feasibility studies may be increased by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises;

Maximum Amounts payable under the Scheme

- The maximum amount payable for aid for a research and development project shall be determined as follows:-
 - (i) if the project is predominantly fundamental research: €40 million per undertaking, per project; that is the case where more than half of the eligible costs of the project are incurred through activities which fall within the category of fundamental research;
 - (ii) if the project is predominantly industrial research: €20 million per undertaking, per project; that is the case where more than half of the eligible costs of the project are incurred through activities which fall within the category of industrial research or within the categories of industrial research and fundamental research taken together;
 - (iii) if the project is predominantly experimental development: €15 million per undertaking, per project; that is the case where more than half of the eligible costs of the project are incurred through activities which fall within the category of experimental development;
 - (iv) if the aid for research and development projects is granted in the form of repayable advances which, in the absence of an accepted methodology to calculate their gross grant equivalent, are expressed as a percentage of the eligible costs and the measure provides that in case of a successful outcome of the project, as defined on the basis of a reasonable and prudent hypothesis, the advances will be repaid with an interest rate at least equal to the discount rate applicable at the time of grant, the amounts referred to in points (i) to (iv) are increased by 50 %;
 - (v) aid for feasibility studies in preparation for research activities: €7.5 million per study.

Article 28: Innovation aid for SMEs

Type of Aid

- Innovation aid for SMEs shall be compatible with the internal market

Eligible Costs

- The eligible costs shall be the following:
 - a. costs for obtaining, validating and defending patents and other intangible assets;
 - b. costs for secondment of highly qualified personnel from a research and knowledge-dissemination organization or a large enterprise, working on research, development and innovation activities in a newly created function within the beneficiary and not replacing other personnel;
 - c. costs for innovation advisory and support services;

Aid Intensity

- The aid intensity shall not exceed 50 % of the eligible costs.

Maximum Amount payable under the Scheme

- In the particular case of aid for innovation advisory and support services the aid intensity can be increased up to 100 % of the eligible costs provided that the total amount of aid for innovation advisory and support services does not exceed EUR 200 000 per undertaking within any three year period.

Schedule 4 – Section 5: Training aid

Article 31: Training aid

Type of Aid

- Training aid shall be compatible with the internal market.
- Aid shall not be granted for training which undertakings carry out to comply with national mandatory standards on training.

Eligible Costs

- The eligible costs shall be the following:
 - a) trainers' personnel costs, for the hours during which the trainers participate in the training;
 - b) trainers' and trainees' operating costs directly relating to the training project such as travel expenses, accommodation costs, materials and supplies directly related to the project, depreciation of tools and equipment, to the extent that they are used exclusively for the training project;
 - c) costs of advisory services linked to the training project;
 - d) trainees' personnel costs and general indirect costs (administrative costs, rent, overheads) for the hours during which the trainees participate in the training.

Aid Intensity

- The maximum aid intensities are as follows:-

Size of Undertaking	Small	Medium	Large
Maximum Aid Intensity	70%	60%	50%
Maximum Aid intensity if the training is given to workers with disabilities or disadvantaged workers	70%	70%	60%

- Where aid is granted to the maritime transport sector, the aid intensity may be increased to 100% of the eligible costs provided the following conditions are met:-
 - a) The trainees are not active members of the crew but are supernumerary on board; and
 - b) The training is carried out on board of ships entered in Union registers.

Maximum Amount payable under the Scheme

- €2 million per training project.

Schedule 5 – Section 7: Aid for environmental protection

Article 38: Investment aid for energy efficiency measures

Type of Aid

- Investment aid enabling undertakings to achieve energy efficiency shall be compatible with the internal market.
- Aid shall not be granted under this Article where improvements are undertaken to ensure that undertakings comply with Union standards already adopted, even if they are not yet in force.

Eligible Costs

- The eligible costs shall be the extra investment costs necessary to achieve the higher level of energy efficiency. They shall be determined as follows:
 - a) where the costs of investing in energy efficiency can be identified in the total investment cost as a separate investment, this energy efficiency-related cost shall constitute the eligible costs;
 - b) in all other cases, the costs of investing in energy efficiency are identified by reference to a similar, less energy efficient investment that would have been credibly carried out without the aid. The difference between the costs of both investments identifies the energy efficiency-related cost and constitutes the eligible costs.
- The costs not directly linked to the achievement of a higher level of energy efficiency shall not be eligible.

Aid Intensity

- The aid intensity shall not exceed 30% of the eligible costs.
- The aid intensity may be increased by 20 percentage points for aid granted to small undertakings and by 10 percentage points for aid granted to medium-sized undertakings.
- The aid intensity may be increased by 15 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(a) of the Treaty and by 5 percentage points for investments located in assisted areas fulfilling the conditions of Article 107(3)(c) of the Treaty.

Article 49: Aid for environmental studies

Type of Aid

- Aid for studies, including energy audits which are directly linked to investments.

Eligible Costs

- The eligible costs shall be the costs of the studies.

Aid Intensity

- The aid intensity shall not exceed 50 % of the eligible costs.

The maximum aid intensities are as follows:-

Size of Undertaking (on behalf of which the study is being undertaken)	Small	Medium	Large
Maximum Aid Intensity	70%	60%	50%

Maximum Amount payable under the Scheme

- €50 million per undertaking.

Schedule 6 – Section 11: Aid for culture and heritage activities

Article 53: Aid for culture and heritage conservation

Type of Aid

- Aid for culture and heritage conservation shall be compatible with the internal market.

Eligible Costs

- The aid shall be granted for the following cultural purposes and activities:
 - a) museums, archives, libraries, artistic and cultural centres or spaces, theatres, cinemas, opera houses, concert halls, other live performance organisations, film heritage institutions and other similar artistic and cultural infrastructures, organisations and institutions;
 - b) tangible heritage including all forms of movable or immovable cultural heritage and archaeological sites, monuments, historical sites and buildings; natural heritage linked to cultural heritage or if formally recognized as cultural or natural heritage by the competent public authorities of a Member State;
 - c) intangible heritage in any form, including folklorist customs and crafts;
 - d) art or cultural events and performances, festivals, exhibitions and other similar cultural activities;
 - e) cultural and artistic education activities as well as promotion of the understanding of the importance of protection and promotion of the diversity of cultural expressions through educational and greater public awareness programs, including with the use of new technologies;
 - f) writing, editing, production, distribution, digitisation and publishing of music and literature, including translations.
- The aid may take the form of:

- a) investment aid, including aid for the construction or upgrade of culture infrastructure;
 - b) operating aid.
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- For investment aid, the eligible costs shall be the investment costs in tangible and intangible assets, including:
 - a) costs for the construction, upgrade, acquisition, conservation or improvement of infrastructure, if at least 80 % of either the time or the space capacity per year is used for cultural purposes;
 - b) costs for the acquisition, including leasing, transfer of possession or physical relocation of cultural heritage;
 - c) costs for safeguarding, preservation, restoration and rehabilitation of tangible and intangible cultural heritage, including extra costs for storage under appropriate conditions, special tools, materials and costs for documentation, research, digitalisation and publication;
 - d) costs for improving the accessibility of cultural heritage to the public, including costs for digitisation and other new technologies, costs to improve accessibility for persons with special needs (in particular, ramps and lifts for disabled persons, braille indications and hands-on exhibits in museums) and for promoting cultural diversity with respect to presentations, programmes and visitors;
 - e) costs for cultural projects and activities, cooperation and exchange programmes and grants including costs for selection procedures, costs for promotion and costs incurred directly as a result of the project;

 - For operating aid, the eligible costs shall be the following:
 - a) the cultural institution's or heritage site's costs linked to continuous or periodic activities including exhibitions, performances and events and similar cultural activities that occur in the ordinary course of business;
 - b) costs of cultural and artistic education activities as well as promotion of the understanding of the importance of protection and promotion of the diversity of cultural expressions through educational and greater public awareness programs, including with the use of new technologies;

- c) costs of the improvement of public access to the cultural institution or heritage sites and activities including costs of digitisation and of use of new technologies as well as costs of improving accessibility for persons with disabilities;
 - d) operating costs directly relating to the cultural project or activity, such as rent or lease of real estate and cultural venues, travel expenses, materials and supplies directly related to the cultural project or activity, architectural structures for exhibitions and stage sets, loan, lease and depreciation of tools, software and equipment, costs for access rights to copyright works and other related intellectual property rights protected contents, costs for promotion and costs incurred directly as a result of the project or activity; depreciation charges and the costs of financing are only eligible if they have not been covered by investment aid
 - e) costs for personnel working for the cultural institution or heritage site or for a project;
 - f) costs for advisory and support services provided by outside consultants and service providers, incurred directly as a result of the project.
- The eligible costs shall be the costs for publishing of music and literature, including the authors' fees (copyright costs), translators' fees, editors' fees, other editorial costs (proofreading, correcting, reviewing), layout and pre-press costs and printing or e-publication costs.

Aid Intensity

- For aid not exceeding €2 million, the maximum amount of aid may be set at 80% of eligible costs.

Maximum Amount payable under the Scheme

- The maximum aid amount shall not exceed either the difference between the eligible costs and the project's discounted revenues or 70 % of the eligible costs. The revenues shall be deducted from the eligible costs *ex ante* or through a clawback mechanism.

Schedule 7 – Section 12: Aid for sport and multicultural recreational infrastructures

Article 55: Aid for sport and multifunctional recreational infrastructures

Type of Aid

- Aid for sport and multifunctional recreational infrastructures shall be compatible with the internal market.
- Sport infrastructure shall not be used exclusively by a single professional sport user. Use of the sport infrastructure by other professional or non-professional sport users shall annually account for at least 20 % of time capacity. If the infrastructure is used by several users simultaneously, corresponding fractions of time capacity usage shall be calculated.
- Multifunctional recreational infrastructure shall consist of recreational facilities with a multi-functional character offering, in particular, cultural and recreational services with the exception of leisure parks and hotel facilities.
- Access to the sport or multifunctional recreational infrastructures shall be open to several users and be granted on a transparent and non-discriminatory basis. Undertakings which have financed at least 30 % of the investment costs of the infrastructure may be granted preferential access under more favourable conditions, provided those conditions are made publicly available.
- If sport infrastructure is used by professional sport clubs, Member States shall ensure that the pricing conditions for its use are made publicly available.
- Any concession or other entrustment to a third party to construct, upgrade and/or operate the sport or multifunctional recreational infrastructure shall be assigned on a open, transparent and non-discriminatory basis, having due regard to the applicable procurement rules.

Eligible Costs

- The aid may take the form of:
 - a. investment aid, including aid for the construction or upgrade of sport and multifunctional recreational infrastructure;
 - b. operating aid for sport infrastructure;
- For investment aid for sport and multifunctional recreational infrastructure the eligible costs shall be the investment costs in tangible and intangible assets.
- For operating aid for sport infrastructure the eligible costs shall be the operating costs of the provision of services by the infrastructure. Those operating costs include costs such as personnel costs, materials, contracted services, communications, energy, maintenance, rent, administration, etc., but exclude depreciation charges and the costs of financing if these have been covered by investment aid.

Aid Intensity

- For investment aid for sport and multifunctional recreational infrastructure, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. The operating profit shall be deducted from the eligible costs *ex ante*, on the basis of reasonable projections, or through a claw-back mechanism.
- For operating aid for sport infrastructure, the aid amount shall not exceed the operating losses over the relevant period. This shall be ensured *ex ante*, on the basis of reasonable projections, or through a claw-back mechanism.

Maximum Amount payable under the Scheme

- For aid not exceeding €2 million, the maximum amount of aid may be set at 80% of eligible costs, as an alternative to application of the method referred to in paragraphs 10 and 11.

Schedule 8 – Section 13: Aid for local infrastructures

Article 56: Investment aid for local infrastructures

Type of Aid

- Financing for the construction or upgrade of local infrastructures which concerns infrastructure that contribute at a local level to improving the business and consumer environment and modernising and developing the industrial base.
- Aid to airport infrastructure and port infrastructure is not eligible under this schedule.
- The infrastructure shall be made available to interested users on an open, transparent and non-discriminatory basis.
- The price charged for the use or the sale of the infrastructure shall correspond to the market price.
- Any concession or other entrustment to a third party to operate the infrastructure shall be assigned on an open, transparent, and non-discriminatory basis, having due regard to the applicable procurement rules.
- Dedicated infrastructure is not eligible for aid under this schedule. “Dedicated infrastructure” means infrastructure that is built for ex ante identifiable undertaking(s) and tailored to their needs.

Eligible Costs

- The eligible costs shall be the investment costs in tangible and intangible assets.

Aid Intensity

- The aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. The operating profit shall be deducted from the eligible costs ex ante, on the basis of reasonable projections, or through a claw-back mechanism.

Maximum Amount payable under the Scheme

- €10 million or the total costs exceeding €20 million for the same infrastructure