

General Block Exemption Regulation (“the Regulation”)

Department of Transport, Tourism & Sport

Capital grants scheme for large sports and recreational facilities projects 2017 – 2021

1. Objective of the Scheme

The objective of this scheme is to develop sports facilities in Ireland at a national and regional level, thereby contributing to healthier lifestyles and an improved overall quality of life.

2. Legal Basis and Rules

The national legal basis is the Ministers and Secretaries (Amendment) Act 2013.

State Aid Basis

The operation of this scheme is subject to Chapter 1 and Article 55 of the General Block Exemption Regulation for 2014-2020, published in Official Journal No. 57, 26th June 2014, Commission Regulation (EU) No. 651/2014 (General Block Exemption Regulation (GBER)).

3. Budget

The average annual budget of this Scheme shall not exceed €150 million.

4. Who can apply/Award of Grants

Organisations may submit to Government proposals for the development/redevelopment of sports facilities of regional/national importance. Major sports grants for facilities of regional/national importance are awarded by Government on a case by case basis and are administered by the Department and paid through the Sports Capital Programme (for dry facilities) and Local Authority Swimming Pool Programme (for wet facilities).

5. Incentive Effect

5.1 This Scheme shall apply only to aid which has an incentive effect.

5.2 Aid shall be considered to have an incentive effect if the beneficiary has submitted a written application for the aid to the relevant development agency before work on the project or activity starts. The application for the 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;

5.3 If work begins before the applicant has submitted a written application to the relevant development agency the whole project will be ineligible for aid. Start of work means the earlier of either the start of construction works relating to the investment or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits or conducting feasibility studies are not considered start of works.

6. Scope of Scheme

6.1 The following aid is not permitted under the scheme:

- (a) Aid where the sport infrastructure shall be used exclusively by a single professional sport user.
- (b) Aid exceeding €15 million per development project or where the total project cost exceeds €50 million
- (b) Aid subject to conditions that the beneficiary establish its headquarters in Ireland or to be predominantly established in Ireland.

6.2 The following beneficiaries are ineligible for aid under the scheme:

- (a) A beneficiary who is subject to an outstanding recovery order following a previous Commission decision declaring the aid illegal and incompatible with the internal market.
- (b) A firm in difficulty as defined by Article 2(18) of the Regulation.

7. Eligible Projects

Projects of regional/national significance, as prioritised by Government, will be eligible for support under this scheme.

8. Aid intensity and Eligible costs

For the purposes of calculating aid intensity and eligible costs, all figures used shall be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which shall be clear, specific and contemporary. Aid shall not exceed €15 million or the total costs shall not exceed €50 million per project.

9. Support intensity

9.1 For investment aid for sport and multifunctional recreational infrastructure the eligible costs shall be the investment costs in tangible and intangible assets.

9.2 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.

10. Funding

Funding for the scheme is provided by the Department of Transport, Tourism and Sport from the Sports Capital Programme and the Local Authority Swimming Pool Programme. Funding is determined through the annual estimates process and the final amounts made available to the schemes as noted in the Estimates for Public Services approved by Dáil Éireann.

11. Form of Aid

Only transparent forms of aid may be paid i.e. in which it is possible to calculate precisely the gross grant equivalent as a percentage of eligible expenditure ex ante without need to undertake a risk assessment.

12. Definitions

For the purposes of this scheme the definitions set out Article 2 in the Regulation shall apply.

13. Cumulation

The scheme will comply with the regulations relating to cumulation as defined by Article 8 of Commission Regulation (EU) No. 651/2014. Aid 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 laid down in the Regulation.

14. Period of Validity

This scheme shall operate from 1 February 2017 until 30 June 2021.

15. Publication and Information

The full text of the Scheme will be published on the Department of Transport, Tourism and Sport's website.

The link to the scheme is as follows:

<https://www.gov.ie/en/service/d13385-sports-capital-programme/>