European Funds

Indirect State aid - what should we know?

Online webinar for project partners of South Baltic programme

20 th of October 2026

European Funds

Republic of Poland

Interreg South Baltic

Co-funded by the European Union

What are we going to talk about today?



1. Legal basis for granting indirect state aid
2. Direct state aid vs. indirect state aid
3. Assessment of indirect state aid
4. Examples of indirect state aid
5. How to avoid indirect state aid?
6. Responsabilities of partners granting indirect state aid

Cafe 1



5 EUR

Cafe 2



5 EUR

Cafe 3



3 EUR

Cafe 3



Price 3 EUR

Why is coffee so cheap?

State Aid

INTERREG South Baltic

Tax relief

Support from the regional program for creating new jobs and infrastructure

Café 1 – how indirect support can create an advantage over competitors?

A story from a project in the South Baltic area

1 Participation in the Interreg project



The café takes part in a South Baltic project and receives free workshops on marketing and business promotion.

This is indirect support – a service that the business would normally have to pay for.

2 New knowledge = promotion boost



The owner learns effective marketing techniques, including how to promote the café locally and online, and how to attract tourists.

3 Price reduction



Thanks to better promotion, the café attracts more customers and decides to lower the price of coffee from **5 EUR** to **3 EUR**.

4 Stronger customer base



More customers choose the café, including tourists from the region. The café becomes the most popular place in town.

5 Competitors lose customers



Two nearby cafés, which did not receive support, start losing customers. One of them reduces its activity, and the other one closes down.

6 Final effect



The support intended for one business leads to a shift in the local market and affects its competitors.

Indirect support can change competition conditions not only for the beneficiary, but also for its competitors.

Does the South Baltic project support only one café, or does it also affect its competitors?

Legal basis for granting indirect aid

- Article 20a of the GBER



Preamble COMMISSION REGULATION (EU) 2021/1237 of 23 July 2021 (updating GBER)

…Given the limited impact on trade and competition of small amounts of aid granted to undertakings participating in ETC projects, especially if the undertakings receive this aid indirectly, it is necessary to lay down simple rules applicable in cases where the total amount of aid per undertaking per project does not exceed a certain ceiling.

COMMISSION REGULATION (EU) 651/2014 of 17 June 2014 the so-called GBER Article 20a

(legal basis for the provision of indirect state aid by the partner)

1. Aid threshold: up to EUR 22 000 per undertaking per project
2. Documents storage obligation: 5 years, starting from 31 December of the year in which the last payment was made by the MA to the Lead beneficiary.

Who cannot receive state aid?



An enterprise if:

1. is subject to an order to repay the aid by the EC

https://competition-policy.ec.europa.eu/state-aid/procedures/recovery-unlawful-aid_en

2. is in a difficult situation (except for natural disasters)

3. the aid would serve activities related to the export of products to third countries or Member States

A company in difficulty

- lost more than half of its share capital
- is subject to collective bankruptcy proceedings
- has received rescue aid that it has not reimbursed or restructuring aid for which the plan is still in force

Legal basis

1. **EC regulation**
   - Commission Regulation (EU) No 651/2014, known as the General Block Exemption Regulation (GBER)

2. **State aid scheme for SB programme**
   - Regulation of the Minister of Development Funds and Regional Policy on granting de minimis aid and state aid under Interreg programmes for 2021-2027

3. **Program Manual (chapter 9)**

4. **Subsidy contract**



Direct state aid vs indirect state aid



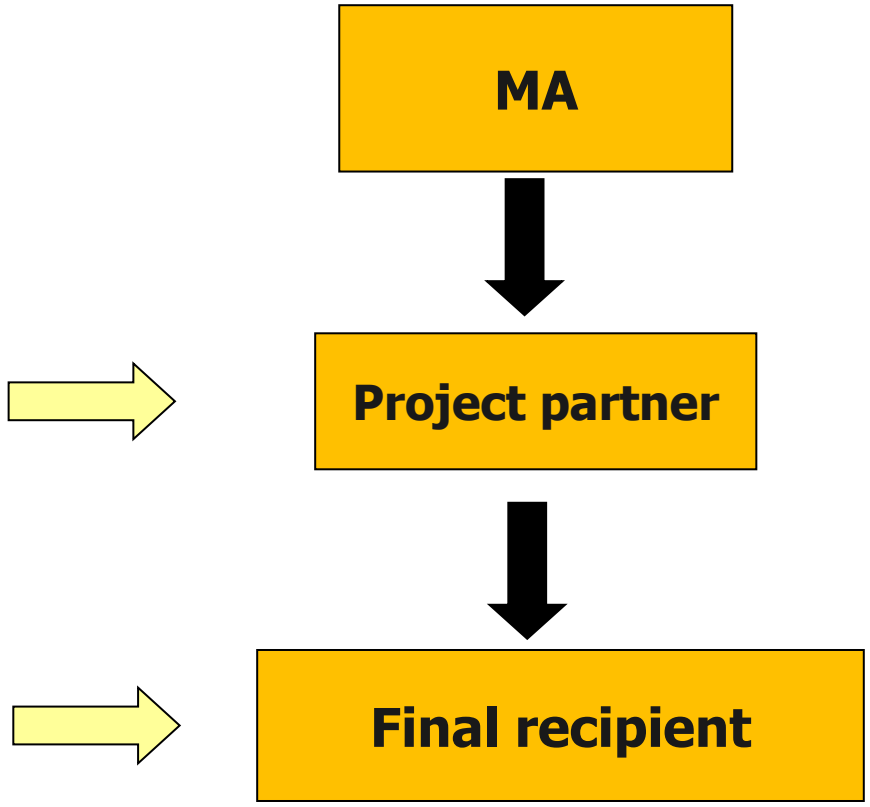
Contitions of indirect state aid

	State resources	Economic advantage	Selectivity	Distorion of competition	Effect on trade
State Aid article 20 and 20 a					

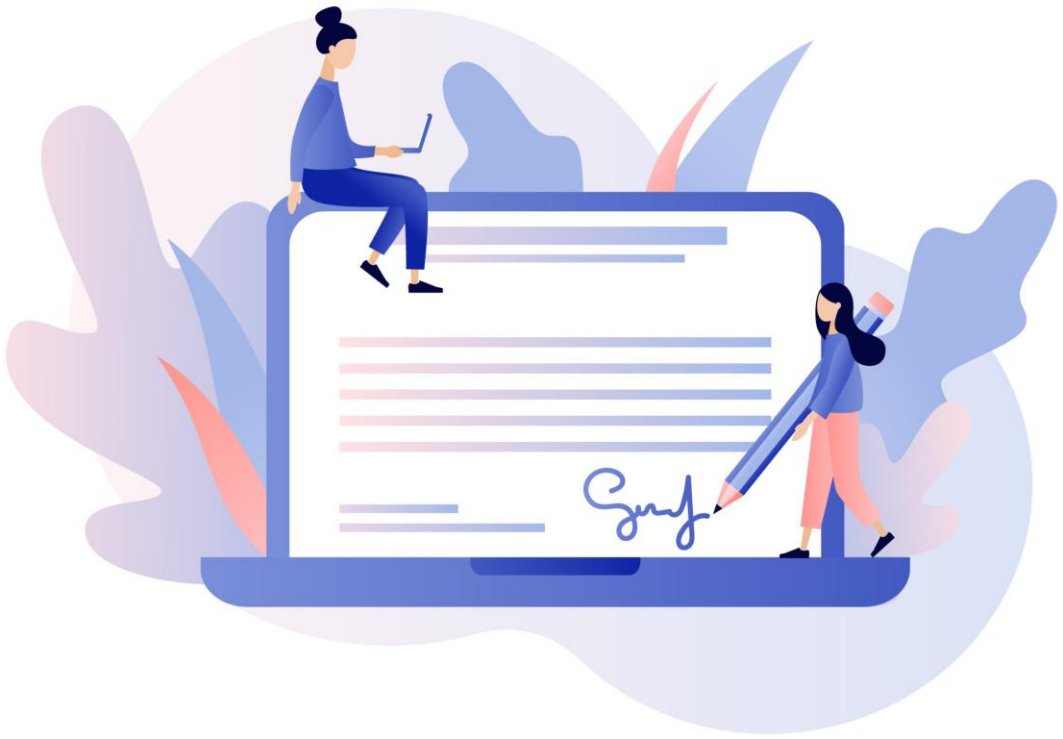
State Aid levels

LEVEL I: co-financing of the project with the funds of the operational programme
(DIRECT STATE AID)

LEVEL II: use of project funds to support other actors
(INDIRECT STATE AID)



Moment of granting state aid



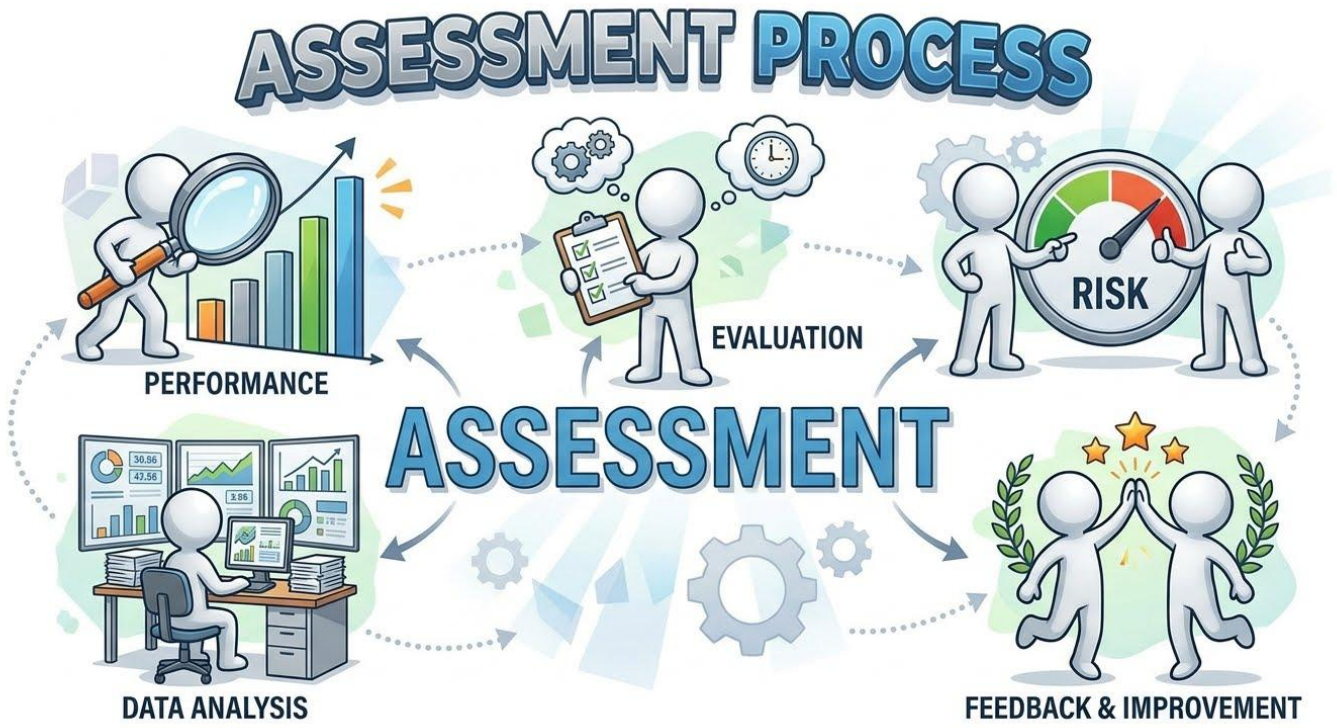
To the Project partner (direct aid)

date of signing a subsidy contract with the MA

To final recipients (indirect aid)

date of signing the contract or carrying out the event

Assessment of indirect state aid



Assessment steps

- Assessment procedures established by the MA/JS
- Assessment carried out by external independent experts
- Assessment made based on information in the application form, including the self – check state aid test
- Assessment may require additional explanations

State Aid
Self - check assessment test

4. Do you plan to transfer benefits from project activities on final recipients that are undertakings in the meaning of state aid rules?

- Define if you, in result of the project ativities, transfer benefits to third parties that perform economic activity. Such third parties might be project target groups like SMEs.

Examples:

- Consultancy or other services (e.g., energy audits) provided for free to companies
- Training courses provided for free to companies
- Free access to research facilities

Assessment impact

- Risk by type of final recipients
- Risk by type of activities: of general social interest or of economic nature

The probability of positive assessment is higher if:

  - activities generally described e.g no information how many SMEs will receive the advantage, how will they be selected, does their activity is of a local character
  - lack of a clear declaration in the state aid test or explanations at the project assessment stage



of indirect state aid

Who are final recipients?



SMEs Challenges	
Innovation and commercialisation	Limited access to R&D expertise, technologies and resources to bring new solutions to market
Internationalisation	Difficulties reaching foreign markets, finding business partners and developing cross-border value chains
Digital transformation	Need for digital tools, skills and more efficient business processes
Green transition	Challenges in adopting renewable energy, circular economy practices and resource-efficient solutions
Business networking	Limited access to knowledge, research institutions, innovation ecosystems and cross-sector cooperation
Sustainable tourism	Need to diversify tourism offers, improve competitiveness and turn natural and cultural heritage into business opportunities

Different tools used to support SMEs in projects

Matchmaking and innovation networks
Help SMEs to identify partners, exchange expertise, find technology providers and explore business opportunities in other countries

Local workshops, transnational workshops, trainings, market visits, matchmaking events and individual sparring sessions with SMEs
Bring critical knowledge gaps and lower the financial risks of expanding abroad

Consultations, mentoring, evaluation reports
Offer of high-value expertise that companies often cannot afford on the open market

Pilot solutions and demonstration activities
Enable businesses to test, validate and adapt new technologies or business models before wider adoption

Tourism toolkits and accessibility guidelines
Help tourism operators apply inclusive solutions

Promotion and activities related to commercialisation
Bring the gap between developing an innovative solution and successfully launching it on the market

Online collaboration platforms
Support research collaboration and knowledge exchange.

What are the types of project activities with indirect state aid?

Project activity	Example	What is the benefit?
Free training	training of hotels, restaurants, and attraction operators in regenerative tourism	the entrepreneur obtains specialist knowledge at no cost
Workshops and consulting	individual development of a tourist offer for the company	consulting service provided free of charge
Study visits	entrepreneurs travel to for free to learn about tourism models	economic benefit in the form of knowledge, contacts, know-how
Piloting new products	the company is testing a new tourism/ wellness service	the company can test the product without incurring the full costs

Project activity	Example	What is the benefit?
Joint promotion	a campaign promoting specific companies/their offers	free marketing and access to new customers
Incorporating a company into a cross-border product	hotel + bike rental + guide form a joint package	access to a new sales channel/customers
Digital tools	an application enabling the booking of services of specific companies	free sales/promotion channel
Recreational infrastructure	marina, bike path, activity center, tourist point	the ability to run a business thanks to the infrastructure
Preferential use of infrastructure	specific companies receive preferential access to the facility	more favorable conditions than for other users
Certification/license	the entrepreneur receives a free certificate or the right to use the project's brand	marketing and reputation value

EXAMPLE – Indirect Support for SMEs



Target group: SMEs operating in the wellbeing and wellness sector across the South Baltic Area

Project benefits and support:

1. **Joint promotion:** Increased visibility and market reach through collective promotion of the "Destination Forest" brand across the SBA.
2. **Nature-based wellness marketing:** Promotion of forest therapy and other nature-based wellness experiences.
3. **Cross-border tourism:** Marketing of tourism activities and offers across the South Baltic region.
4. **Branding and capacity building:** Strengthening SMEs' capacity to develop and market services linked to the "Destination Forest" brand.
5. **Digital interactive map:** A shared map showcasing designated forest areas, each with its own profile and portfolio of offers.

Expected benefit: SMEs can expand their businesses, reach new markets and promote their services through a shared cross-border destination brand focused on recreation, mental wellbeing and cultural exchange.

EXAMPLE – Indirect Support for SMEs



The aim: Connecting South Baltic SMEs to scale up sustainable solutions

1. **Cross-border innovation network:** Establish a lasting network for matchmaking, and knowledge exchange across the South Baltic region and beyond.
2. **SME matchmaking & business growth:** Connect SMEs and stakeholders with relevant business opportunities, innovative technologies and scalable solutions.
3. **Platform for business opportunities:** Share opportunities identified via the project platform and link with other initiatives, e.g. *SME Beyond*.
4. **Online matchmaking workshop:** a workshop with project partners, inviting SMEs from the South Baltic region and beyond to present their solutions.
5. **Sustainable stormwater innovation:** Explore innovative ways to reuse stored stormwater and create incentives for companies and SMEs to develop sustainable solutions.

Expected benefit: SMEs can receive stronger cross-border cooperation, new business connections and wider uptake of sustainable innovations.

Example

Partners: museum, municipalities, universities, toursim information centre, the association of sea cities and municipalities

Target groups: local stakeholders in tourism development (owners of the boats)

- Local and regional administrations
- Local NGOs connected to tourism and maritime heritage
- Local SMEs and potential entrepreneurs in the field of heritage tourism

Main activities:

- boat renovation, exhibitions, serve for trainings and as tourist attraction



NO state aid if the boat used for:

- general social purpose (public activity)
- ancillary economic activity
- local economic activity

Example

Partners: harbour association, the association of sea cities and municipalities, municipality

Target groups:

- MUNICIPALITIES & HARBOUR OPERATORS
- Local tourism offices
- Harbour users
- Harbour visitors

Main activities:

- pilot marketing campaign for harbours, “open harbour days”, elaboration of the methodology for evaluating the campaigns



NO state aid if the harbour owners :

- do not perform economic activity
- economic activity is ancillary
- economic activity is of local nature

Example of a project with indirect state aid activities

Project activity / partner	Potential form of indirect state aid to SMEs	When could State aid appear?
Yacht upgrade	Access to an upgraded vessel for commercial cruises, overnight stays or tourism services	If a commercial operator receives preferential or exclusive access, or uses the yacht charging for cruises
Restoration of a model of a wooden boat	Use of the restored boat and reusable model for commercial tours, craft workshops or paid tourism activities	If selected SMEs receive preferential access or project funding covers costs they would normally bear themselves
Restoration of a boat and workshops	Opportunities to develop paid workshops, heritage tourism products and related services.	If a SME obtains an economic advantage from project-funded restoration works or services without appropriate compensation
Functional reconstruction of a boat	Commercial use of the reconstructed boat for cruises, demonstrations, events or other tourism services	If a commercial operator receives privileged access or exclusive commercial use of the boat.
Tourism development concept for the historic boatyard	Access to planned tourism infrastructure, such as a pavilion, workshop space or visitor facilities	If a specific SME receives land, premises or infrastructure on terms more favourable than market conditions
Portable tourism infrastructure	Benefits from interactive information boards, signs, audio guides, information tables and other visitor facilities	If infrastructure selectively promotes particular SMEs or grants them preferential or exclusive commercial use
Pilot tourism activities	Opportunities to provide guided tours, boatbuilding demonstrations, workshops and other tourism services	If the project subsidises specific businesses, awards them paid contracts on preferential terms or enables them to provide services below normal cost
Cross-project activities – promotion and common tourism brand	Increased visibility, customer reach and business opportunities for local SMEs operating in maritime heritage tourism.	If promotional activities disproportionately benefit selected businesses rather than being open and non-discriminatory.

Example

Partners: Business Hub, technology park, NGOs, association, technology cluster

Target groups:

- SMEs
- Formal associations, clusters, and networks of SMEs
- Local, regional, and national authorities
- NGOs



Main activities:

- Internationalization - SMEs provided with: matchmaking support and collaborations to establish international contacts with challenge owner,
- access to international markets and innovative technologies - Customized Capacity Building Workshops

NO state aid if:

- SMEs selected in open market procedure
- Matchmaking concerns all possible SMEs
- Free access to the digital platform for all

EXAMPLE



The project partner runs a series of free trainings/workshops for SMEs.
The training will focus on:

how to achieve energy efficiency of the company, achieve savings and increase economic activity

Is there a risk of indirect state aid?

EXAMPLE



Tourism organizations plan to create an interactive map of tourist and cultural attractions of the border region

Publishing information about individual facilities on the web portal will be free of charge for facility owners

Contact details will appear along with a redirect to the websites of individual property owners

Is there a risk of indirect state aid?

What to remember?

Identify economic final recipients	Assess the status of final recipients and the conditions of state aid
Assess publicly funded services	Review if free workshops, promotional services, pilot activities may reduce costs normally born by SMEs and bring them benefits
Document the state aid assessment	Record the assessment for each relevant activity and final recipient and identify an appropriate state aid basis if aid is present

How to avoid state aid?



The most important rule

The aim is not to eliminate every benefit to businesses,

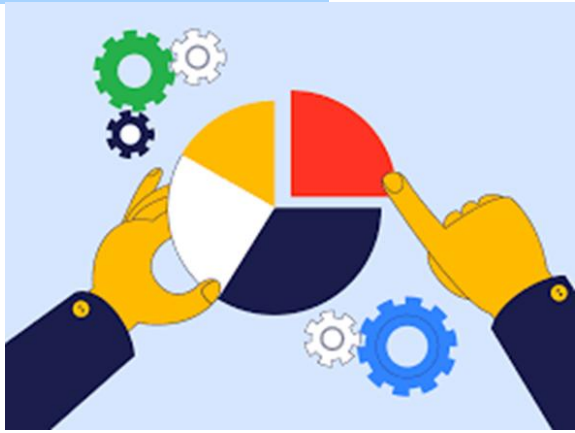
but to avoid unjustified selective economic advantages or,

where State aid is present,

to ensure that it is granted under a valid legal basis

and all programme requirements are met.

How to avoid indirect state aid?



1. Use an open, transparent and non-discriminatory procedure for selecting event attendees or service providers

1. Organize a public event open to all interested groups, institutions, provide streaming

3. Ensure that the results of the research are available to all interested parties, publication on the website

4. Avoid advertising/promoting private business entities, funding awards/trainings/study visits to entrepreneurs

5. Target non-business recipients of project outputs

Indirect state aid exclusion

Assess whether the nature of the economic activity of the company you support is local = no impact on trade

- The marginal impact of the aid on other businesses and cross-border investments, i.e.
- will not attract customers from other EU countries (local only)
- will not discourage other foreign entrepreneurs from investments of a similar type (local rather than cross-border competition)

Economic activity vs non-economic activity?

1. In the case of **cultural heritage sites**, research institutes, public suport is possible even if fees are charged, provided that all income from it is reinvested in the core activity

2. If the commercial (economic) **activity is purely ancillary**, public funding granted to an institution for its main activity is not considered to be state aid

In order for an activity to be considered purely ancillary it must meet two conditions:

- It is directly related to and necessary for the main activity of a given organization (e.g. it uses the same resources: personnel, equipment, laboratories).

- It has a limited scope – it is usually measured in terms of time or by a capacity limit/resource limit (e.g. it cannot exceed 20% of the annual capacity of a given research institution).

Commission Notice on the notion of State aid as defined in Article 107(1) of the Treaty on the Functioning of the European Union (2016/C 262/01)

EXAMPLE

Project objective:

supporting local public authorities in improving public services for young people to improve their mental health

development of a conceptual model for the joint redesign of youth spaces without features of commercial use

public dissemination of results





of project partners

granting indirect state aid

Calculate the amount of indirect aid for final recipients

Actual value of aid provided = total cost of the event ÷ number of participants



Examples:

1. The project partner incurred the costs of training for entrepreneurs, which consists of renting a room, catering, external expert

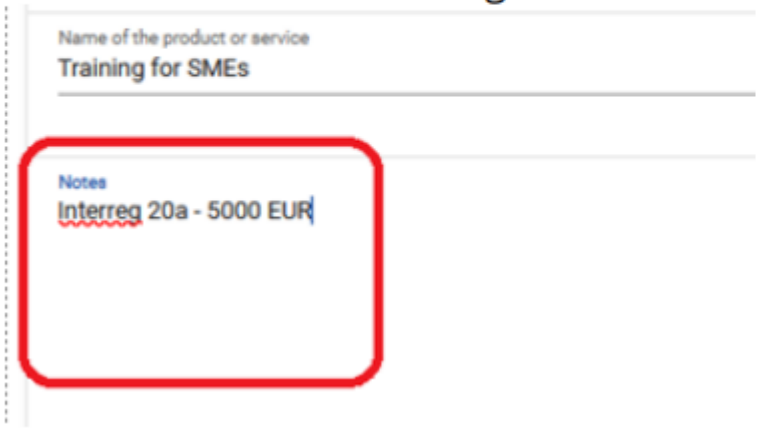
Add up all the costs and divide by the number of trainees to get the unit cost

2. The partner prepared a promotional video for 2 public entities and 1 private entity

The price was calculated on the basis of the cost of the film, i.e. how much time is spent on private entities in relation to the total time of the film

Indicate in the payment claim the positions of expenditures that are indirect aid relevant

- If during the reporting period you granted indirect aid (in accordance with Article 20a of Commission Regulation (EU) 651/2014), when completing the list of documents in the payment claim, complete the 'Notes' field for the expenditures that relate to this aid. In the 'Notes' field enter "Interreg 20a" and the amount of indirect aid granted.



Document number

Work package
Work package 3 New Formats for business acceleration with upskill training models

Document type
Invoice or document with equivalent probative value

Document number

KSeF number (optional field)

Accounting or record number

Issuer ID type
Not applicable

Issuer identification number

Date of document issue
2025-04-12

Date of payment
2025-04-24

Gross document amount
1 341,24

Net document amount
1 341,24

Correcting invoice
No

Contract number
Not applicable

Name of the product or service
Participation of I (external expert) in Vilnius workshop

Notes (optional field)
Indirect state aid, art. 20a GBER;

Inform final recipients on awarding the aid

Follow national rules on awarding the state aid based on art. 20 a of GBER if required

Polish partners:

Collect the state aid form from third entities (obligation based on national provisions)

Resister the aid in System for Scheduling Registration and Monitoring of Aid - SHRIMP 2 - shrimp.uokik.gov.pl (dedicated code for art. 20 a measure is a25.1) within 7 days since granting the aid

Update information on state aid in the system in case the amount changes

Control/ audit

The controller verifies:

obligations of the project partner granting aid under Article 20a (requirement to present documents, e.g. collected state aid forms)

The auditor (IA, EC, ECA) verifies:

- if the conditions for granting state aid have been met

Control of indirect aid



Has the partner granted state aid based on the acceptable forms of specified in the programme?	Programme Manual
Has the partner fulfilled its obligations regarding the granting of state aid to third parties /if any/?*	Programme Manual/ Subsidy contract

** Verification of whether the limit does not exceed EUR 22 thousand per enterprise in the project, whether the partner has informed about the amount of indirect state aid in the payment application*

Questions




THANK YOU
FOR YOUR
ATTENTION