# ffiqs





a PNO grants management & compliance company





### **STATE AID**

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The EU prohibits state aid. What does this mean for you?

In the case of grants and other forms of state aid, it is important that the grant provider and the grant recipient check whether the aid complies with the state aid rules. The sooner this check takes place, the better.

#### What is state aid?

Within the European Union, fair competition is enshrined. This means, in principle, state aid is prohibited. The term state aid stands for financial benefit from a government to a company that performs economic activities. A well-known form of state aid is grants, but loans and guarantees are also included. Although in principle state aid is prohibited within the EU, there are many exceptions to this rule. For example, aid for non-economic activities, purely local aid or market compensation is not considered to be state aid.

To be sure that any support received does not fall under the prohibition, it is important to check the relevant European rules beforehand. If any of the aid is not lawful, the company must repay the (excess) amount received. Compliance with the state aid prohibition is also a significant factor in the determination of grants, audits and accountancy.

## State aid risk often overlooked in practice

In practice, companies, organisations and governments are increasingly seeking each other out when developing and financing projects. This is a positive development. But in the enthusiasm for cooperation and the content of the project, the state aid aspect is often only recognised at a late stage. Sometimes this leads to legal questions, sometimes to necessary adjustments to the already agreed activities for each partner and the financial contributions to the project, and in other cases even to termination of the project in its chosen form. A costly situation that can easily be avoided by being alert earlier on in the process.

#### How we can help

We are confronted with state aid issues in our innovation and grant practice daily. We have a great deal of knowledge and experience: our lawyers can assist you in a number of ways.



**State aid assessment:** we assess whether a situation falls within the scope of the state aid prohibition and, if so, whether and in what way the aid is permissible. A state aid assessment is relevant if you are the party applying for a grant, but also if you are a party that implements grant schemes and support to projects.



Advice on project design: the main rule is that the government may not provide state aid without prior notification to the EC. An important exception to this requirement are the categories of exemption set out in EU policy. We can advise on the organisation of a project before the submission of a grant application and when answering questions from the grant provider. In doing so, we examine the project from the perspective of each partner, and even each project activity, to establish whether and in what way it fits within the state aid framework, and which alternatives are available.



**Training:** we provide training to lawyers and non-lawyers on state aid, the General Block Exemption Regulation and the de minimis regulation, and we give plenty of practical examples. Our lawyers will be happy to assist you.



Answering legal questions: we are available to answer all your legal questions regarding state aid.

#### Make acquaintance with unique specialism

ffiqs offers a high-quality service at a competitive rate. The combination of legal expertise with knowledge of grants and sectors such as Energy & Environment, Life Sciences & Health, and Transport, is something that even the larger legal service providers do not offer, or only at very considerable expense. More than enough reason to get acquainted.

Call +31 (0) 88 838 1381 or email info@ffiqs.com.



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#### **About ffiqs**

ffiqs was founded in 2018, which means we are still a young organisation, but one with more than 30 years of experience! That is because before ffiqs was established, our experts were employed by PNO Consultants, market leader in the Netherlands and Europe in the field of grants and innovation.

That ffiqs was founded in 2018 is no coincidence. That was the year in which the GDPR came into force in the Netherlands and the rest of the EU, and because grants management frequently involves the use of personal data, PNO decided to place its grants management activities in a separate company: ffiqs.

#### Would you like to know more?

Would you like to know more about our state aid service? If so, please call or email us.

#### ffiqs B.V.

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ffiqs is a grant management and compliance company and is a separate legal entity belonging to PNO Group Holding B.V.