

Public consultation on the draft for a new General Block Exemption Regulation

Interact

The position of Interreg programmes

INTERACT is the platform of European Territorial Cooperation (ETC or 'Interreg') programmes. One of the objectives of the Interact programme is to support Interreg programmes in the simplification and harmonisation of their approaches to programme and project management.

Interreg programmes provide grants to co-finance cooperation projects across national borders. Decisions to co-finance cooperation projects are taken jointly by all Member States participating in a programme.

Our response below is based on input received from Interreg programmes and related primarily to Article 18 (Aid to undertakings participating in European territorial cooperation project) of the current Draft for a Regulation declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, amending Regulations (EU) 2022/2472, (EU) 2022/2473, and (EU) XX/XX [Transport Block Exemption Regulation] as published on 25 February 2026.

Interreg programmes welcome the proposed 100% maximum aid intensity under draft Article 18, but identify several provisions that risk undermining simplification, legal certainty, and alignment with post-2027 Cohesion Policy objectives.

In the consultation, we would like to highlight aspects that were most frequently mentioned by various Interreg programmes:

1. Core concern: Article 18 represents cost-based approach instead of performance-based approach

Article 18 is drafted in a way that is implicitly cost based, while the post 2027 regulatory environment encourages the use of performance-based approaches (P-BA) at lower levels. This creates a mismatch between regional policy objectives and State aid policy, calling into question whether Article 18 is fit for purpose for the post 2027 period. The draft GBER discourages the use of P-BA at lower levels despite explicit encouragement elsewhere in the post 2027 regional policy framework.

2. Referencing the eligibility provisions which will soon become obsolete

The revised GBER will mostly apply to the 2027–2034 period but makes the references to the current regulations which will soon become obsolete. Article 18(3) currently refers only to:

Delegated Regulation (EU) No 481/2014 (2014–2020)

Articles 38–44 of Regulation (EU) 2021/1059 (2021–2027)

It is also possible that eligible costs will not be defined by a Commission regulation or delegated act, in such a case the eligible costs set out by the European territorial cooperation programme should apply.

Suggested solution:

Please replace specific references with a dynamic, generic formulation, e.g.: “eligible costs defined in accordance with the eligibility rules applicable to European territorial cooperation programmes.”

3. VAT eligibility and consistency with cohesion policy rules

Future Cohesion Policy regulations may allow refundable VAT to be eligible (as in 2021–2027) or, if P-BA will be applied on lower levels, the amount of refundable VAT will not be known, but Article 7 of draft GBER excludes refundable VAT. This will create inconsistencies between State aid rules and programme rules and add complexity in projects combining State aid and non-State aid components.

4. Lump Sum of EUR 22,000 in Article 18(2): Meaning, Scope, and Risks of Misinterpretation

The wording suggests that the only possible modality is a lump sum of exactly EUR 22,000, which is legally and practically odd. Additionally, it suggests that real costs can no longer be covered. Previously, the provision referred to “a total amount not exceeding EUR 22,000”.

Suggested change:

Please remove the reference to “lump sum” and retain a simple threshold of aid up to EUR 22,000, regardless of cost methodology.

5. Risk of automatic application of Article 18(3)

As currently drafted “when determined on the basis of eligible costs” if a beneficiary claims real costs, even below EUR 22,000, Article 18(3) would apply. This triggers additional reporting obligations, monitoring requirements and transparency and publication duties which undermine the simplification objective of Article 18(2) and causes disproportionate administrative burden for very small amounts of aid.

6. Undertakings in Difficulty (UiD) under Article 18(2)

Aid under Article 18(2) typically involves small amounts (up to EUR 22,000) and targets start-ups, young enterprises, and local SMEs which sometimes due to scarce capital can be considered UiD. Current GBER rules require checks on UiD in all cases, which is disproportionate. In comparison, de minimis aid allows higher amounts without excluding undertakings in difficulty.

Suggested amendment:

Add to draft GBER Article 1(5) “(l) aid schemes to undertakings participating in European territorial cooperation projects covered by Article 18(2).”

7. Definition of “Undertaking per Project” vs. “Any Undertaking Participating”

The broadened definition of “undertaking” (including economic units and groups) as proposed by draft GBER Article 2(3) introduces uncertainty. It becomes unclear whether the relevant undertaking is the specific beneficiary, or the group/single economic unit.

Replacing “an undertaking per project” with “any undertaking participating” in draft GBER Article 18(2) may unintentionally widen the scope and complicate assessments.

Suggested solution:

Maintain the wording “an undertaking per project” (as in current GBER Article 20(a)) to preserve clarity and legal certainty.

8. Transparency and Transparency Award Module publication obligation

Please extend the publication deadline (draft GBER Article 9(5) from six to twelve months, given the lengthy technical requirements phases, partnership changes, budget revisions, and possible involvement of Member States in State aid assessment.