

## Declaration form for undertaking

In order for the Research Council to determine whether an undertaking is eligible to receive state aid under the General Block Exemption Regulation for state aid, the undertaking must provide relevant information about its size and financial situation, among other things. Since up-to-date information is often only available from the undertaking itself, the Research Council requests that you complete the declaration form below and submit it together with the revised grant application.

The relevant regulatory framework in this context is the European Commission General Block Exemption Regulation for state aid. Official versions of the General Block Exemption Regulation are available in English, Danish and Swedish; click on the link below:

<http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1404295693570&uri=CELEX:32014R0651>

**Each undertaking must provide information about their circumstances in three areas, and this has been consolidated into a single declaration form on page 5 of this document.** Only the declaration form itself is to be filled in, signed and uploaded as an attachment to the revised grant application. Only attachments in pdf-format can be uploaded. The Project Owner is responsible for obtaining completed declaration forms for all undertakings required to submit them.

**Information about the three parts of the declaration form is provided below. Applicants are requested to read this information closely before filling in the form.**

## 1 Declaration regarding the size of the enterprise

### Grounds for requiring this declaration

#### 1.1 Aid reserved for micro, small and medium-sized enterprises (SMEs)

In certain contexts, the Research Council awards state aid that is specifically reserved for micro, small and medium-sized enterprises (SMEs). If the recipient does not constitute an SME in legal terms, the awarding and receipt of such aid will be in violation of the state aid rules.

The Research Council does not have access to the information needed to determine whether an enterprise may be considered an SME. The Council therefore asks applicants to assess whether the enterprise satisfies the criteria for the SME category based on the definition below. The applicant is also requested to classify the enterprise as a micro-enterprise, small enterprise, medium-sized enterprise or large enterprise.

#### 1.2 Definition of micro, small and medium-sized enterprises (SMEs) in the General Block Exemption Regulation

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Article 2 of Annex I to the General Block Exemption Regulation defines what constitutes a medium-sized enterprise, a small enterprise and a micro-enterprise. Enterprises that are not encompassed by the definitions below are considered large enterprises.

1. *The category of micro, small and medium-sized enterprises ('SMEs') is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.*
2. *Within the SME category, a small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.*
3. *Within the SME category, a micro-enterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.*

As the financial thresholds above are stipulated in EUR, the Research Council requests that applicants use Norges Bank's middle rates valid at the time of submission of the grant application to calculate whether their enterprise lies within or exceeds these thresholds.

Articles 4 and 5 of Annex I stipulate the data to be used when calculating the staff headcount and annual turnover/annual balance sheet total.

### **1.3 Specific rules for enterprises with relationships to other enterprises or public bodies**

Aid to SMEs is intended to help enterprises of this size to overcome particular handicaps in the market. For example, SMEs often have difficulties in obtaining capital or suffer under market failure caused by imperfect information.

Such handicaps will not manifest themselves to the same degree when the enterprise in question has a sufficiently close relationship to other enterprises, for example as a linked enterprise in a group, through cross-ownership or through control of voting rights.

For this reason specific rules apply for *linked enterprises* and *partner enterprises*. The applicant must take the data of linked enterprises and partner enterprises into consideration when calculating whether its enterprise exceeds the SME definition thresholds for staff headcount and annual turnover/annual balance sheet total.

There are also specific rules for enterprises in which one or more public bodies control at least 25 % of the enterprise's capital directly or indirectly. Such enterprises will often not be classified as SMEs.

Applicants whose enterprise could potentially be classified as a linked enterprise or partner enterprise are requested to consult Article 3 of Annex I to the General Block Exemption Regulation. Article 6 stipulates how the data are to be established for determining thresholds for staff headcount and annual turnover/annual balance sheet total for linked enterprises and partner enterprises.

Applicants whose relationship with public bodies could mean that their enterprise cannot qualify as an SME are also requested to give careful consideration to this issue.

[User guide to the SME definition, with practical examples of calculating data for linked enterprises and partner enterprises.](#)

## 2 Declaration that the enterprise is not an undertaking in difficulty

### Grounds for requiring this declaration

According to the General Block Exemption Regulation, an undertaking in difficulty is not eligible to receive state aid.<sup>1</sup> The applicant enterprise is therefore requested to confirm that it does *not* fulfil the definition of an “undertaking in difficulty” set out in Article 2, item 18 of the Block Exemption.

An enterprise will be considered an undertaking in difficulty if *one or more* of the following circumstances described in points (a) through (d) below occurs. In keeping with point (e), SMEs and large enterprises will be assessed in different ways. The threshold for considering SMEs to be an undertaking in difficulty is higher than for large enterprises.

The definition of “undertaking in difficulty” (Article 2, item 18) is as follows:

*(a) In the case of a limited liability company (other than an SME that has been in existence for less than three years [...]), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, ‘limited liability company’ refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1 ) and ‘share capital’ includes, where relevant, any share premium.*

*(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years [...]), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, ‘a company where at least some members have unlimited liability for the debt of the company’ refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.*

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<sup>1</sup> With a strictly limited exception in connection with natural disasters.

*(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.*

*(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.*

*(e) In the case of an undertaking that is not an SME, where, for the past two years:*

*(1) the undertaking's book debt to equity ratio has been greater than 7,5 and*

*(2) the undertaking's EBITDA interest coverage ratio has been below 1,0.*

### **3 Declaration that the enterprise is not subject to an outstanding recovery order following a decision of the EFTA Surveillance Authority or European Commission**

#### **Grounds for requiring this declaration**

An undertaking which is subject to an outstanding recovery order following a formal decision by the EFTA Surveillance Authority or the European Commission that state aid received is illegal cannot receive state aid under the Block Exemption.<sup>2</sup> Applicants are therefore asked to confirm that no such outstanding recovery order exists at the time of submission of the grant application.

Please note that it is only in cases where either the EFTA Surveillance Authority or the European Commission has taken a decision that an enterprise has received non-compliant aid and where the enterprise has not repaid this aid that the enterprise is not eligible to receive further aid.

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<sup>2</sup> With a strictly limited exception in connection with natural disasters.

Declaration form undertaking on **this page** is to be submitted as an attachment to the **revised grant application**. Application number (fill in):

## Declaration

*(This form is to be filled in, signed and uploaded as an attachment to the revised grant application for each undertaking that is required to submit a declaration. The name of the undertaking should be indicated in the filename for each completed form.)*

The undersigned, who is authorised to sign this declaration on behalf of

COMPANY NAME:	
BUSINESS ENTERPRISE NUMBER:	

has read the information about enterprise size, undertakings in difficulties and outstanding recovery orders and understands the regulations described. The undersigned confirms the information below is true and correct to the best of his/her knowledge. The undersigned is furthermore aware that if state aid is disbursed on the basis of incorrect information, this aid may be in violation of the state aid rules and may have to be repaid.

1. In accordance with the definition set out in Annex I of the Commission Regulation (EU) No 651/2014 of 17 June 2014, published in OJ L 187/1, the enterprise is:

<input type="checkbox"/> A large enterprise
<input type="checkbox"/> A medium-sized enterprise
<input type="checkbox"/> A small enterprise
<input type="checkbox"/> A micro-enterprise

2. The undersigned confirms that the enterprise is *not* an undertaking in difficulty, cf. the definition in Article 2, item 18 of the Commission Regulation (EU) No 651/2014 of 17 June 2014, published in OJ L 187/1.

3. The undersigned confirms that the undertaking is *not* subject to an outstanding recovery order as described in Article 1, item 4, letter a of the Commission Regulation (EU) No 651/2014 of 17 June 2014, published in OJ L 187/1.

Place/date:	
Name:	
Position:	
Signature:	