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# Support for Small and Medium-Sized Enterprise Development Programme

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The Regulation is established on the basis of subsection 10 (2) of the 2021–2027 European Union Cohesion and Internal Security Policy Funds Implementation Act (hereinafter referred to as the Act2021_2027).

## Chapter 1
## General provisions

### § 1. Scope of regulation

(1) This regulation sets forth the terms and conditions of and the procedure for granting and use of support for implementing intervention number 21.1.3.13 “Enterprise Development Programme Light” of measure number 21.1.3.1 “Development of entrepreneurship environment, supporting internationalisation and facilitating investments” of the special objective “Improvement of the sustainable economic growth and competitiveness of SMEs and creating jobs in SMEs, including by productive investments” of policy objective 1 “Smarter Estonia” under the operational programme specified in clause 1 (1) 1) of the Act2021_2027 (hereinafter the Operational Programme).

(2) The support is aimed at meeting the objectives set out in the “Research, Development, Innovation and Entrepreneurship (RDI) Strategy 2021–2035” approved by the Government of the Republic.

(3) The target region for the support is the whole territory of Estonia, except Harju County and the City of Tartu.

(4) The activities of the projects supported on the basis of the Regulation contribute to the achievement of the objectives of the target “The economy of Estonia is strong, innovative and responsible” of the Estonian long-term development strategy “Estonia 2035” approved by the Riigikogu (hereinafter Estonia 2035) and take into account the horizontal principles in Article 9 of Regulation (EU) 2021/1060 of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.06.2021, pp 159–706) (hereinafter the Common Provisions Regulation).

(5) The Regulation is not applied in the cases stipulated in Article 7(1) of Regulation (EU) 2021/1058 of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund (OJ L 231, 30.06.2021, pp 60–93) and to projects in the following areas of activity listed in Annex 16 “Estonian Classification of Economic Activities (EMTAK)” to Regulation No 59 of the Minister of Justice of 28 December 2005 “Procedure for submission of documents to court”: 1) agriculture, forestry and fishery

(section A) and the processing and preserving of fish, crustaceans and molluscs (section C, group 102);
2) real estate activities (section M);
3) manufacture of tobacco products (section C, division 12);

4) gambling and betting activities (section S, division 92);
5) financial and insurance activities (section L);
6) legal and accounting activities (section N, division 69), head office activities and management consultancy (section N, division 70), advertising, market research and public relations (section N, division 73);
7) rental and operating lease (section O, division 77) and temporary employment agency activities and other human resource provisions (section O, group 782);
8) wholesale and retail trade (section G);
9) repair and maintenance of motor vehicles and motorcycles (section T, group 953);
10) mining of coal and lignite (section B, division 05), production of crude oil and natural gas (section B, division 06), activities supporting the production of oil and natural gas (section B, group 091) and production of coke and purified petroleum products (section C, division 19).
[RT I, 30.05.2025, 4 – entry into force 02.06.2025]

(6) Support is applied for and the information, payment requests, cost statements and reports and submitted, decisions granting and denying an application and decisions on financial correction are delivered, application and report forms and guidelines will be made available in the e-support environment set forth in subsection 21 (3) of the Act2021_2027 (hereinafter referred to as e-support environment).

(7) Application for support based on the Regulation, requirements concerning the applicant, the processing, granting of applications, changing and revoking a decision to grant an application, eligibility of costs, in respect of the project selection criteria and methodology and purchasing procedure, the obligations of the beneficiary, and all other matters included in the Regulation are subject to the Government of the Republic Regulation No 55 of 12 May 2022 “General conditions for the allocation and use of resources from the operational programmes of the European Union Cohesion and Internal Security Policy Funds for the period 2021–2027” (hereinafter referred to as the Combined Regulation) with derogations set out in this Regulation.

**§ 2 State aid**

(1) The support granted for the activities specified in § 6 is state aid within the meaning of subsection 30 (1) of the Competition Act or de minimis aid within the meaning of subsection 33 (1) of the Competition Act and European Commission Regulation (EU) 2023/2831, which tackles the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L, 2023/2831, 15.12.2023) (hereinafter referred to as *De Minimis Regulation*).
[RT I, 25.07.2024, 1 – entry into force 28.07.2024, applied retroactively from 01.01.2024]

(2) The provisions of the de minimis Regulation and § 33 of the Competition Act are applied if the support is granted as de minimis aid and if the support is granted as the aid set forth in Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.06.2014, pp 1–78) (hereinafter referred to as the General Block Exemption Regulation), the provisions of the General Block Exemption Regulation and § $34^2$ of the Competition Act are applied.

(3) Support is granted as follows:
1) the support granted for the activity specified in clause 6 (1) 1) is aid for training aid within the meaning of Article 31 of the General Block Exemption Regulation or de minimis aid;
2) the support granted for the activity specified in clause 6 (1) 2) is aid for process and organisational innovation within the meaning of Article 29 of the General Block Exemption Regulation or de minimis aid;
3) the support granted for the activity specified in clause 6 (1) 3) is aid for research and development (hereinafter R&D) projects within the meaning of Article 25 of the General Block Exemption Regulation or innovation aid for SMEs within the meaning of Article 28 of the General Block Exemption Regulation or de minimis aid;
4) the support granted for the activity specified in clause 6 (1) 4) is aid to SMEs for participation in fairs within the meaning of Article 19 of the General Block Exemption Regulation or de minimis aid;
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]
41) the support granted for the activities specified in clauses 6 (1) 5) and 6) is de minimis aid;
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]
5) the support granted for the activity specified in clauses 6 (4) 1) and 3) is aid granted to R&D projects within the meaning of Article 25(2)(b) and (c) of the General Block Exemption Regulation or de minimis aid;
[RT I, 25.07.2024, 1 – entry into force 28.07.2024]
6) the support granted for the activity specified in clause 6 (4) 2) is aid granted to R&D projects within the meaning of Article 25(2)(b)(c) of the General Block Exemption Regulation or de minimis aid;
7) the support granted for the activity specified in clause 6 (4) 4) is innovation aid granted to SMEs within the meaning of Article 28 of the General Block Exemption Regulation or de minimis aid. [RT I, 25.07.2024, 1 – entry into force 28.07.2024]

(4) In order to calculate de minimis aid, related entrepreneurs are considered a single entrepreneur according to Article 2(2) of the de minimis Regulation.
[RT I, 25.07.2024, 1 – entry into force 28.07.2024 – subsection number 2 amended to number 4]

(5) The rules for cumulation laid down in Article 5 of the de minimis Regulation are taken into account in the

case of de minimis aid.
[RT I, 25.07.2024, 1 – entry into force 28.07.2024 – subsection number 3 amended to number 5]

(6) According to the de minimis Regulation, the de minimis aid granted to the applicant with the de minimis aid applied for on the basis of this Regulation cannot exceed the limit laid down in Article 3(2) of the de minimis Regulation;
[RT I, 25.07.2024, 1 – entry into force 28.07.2024, applied retroactively from 01.01.2024]

(7) [Repealed – RT I, 25.07.2024, 1 – entry into force 28.07.2024]

(8) The support is not granted:
[RT I, 25.07.2024, 1 – entry into force 28.07.2024 – subsection number 6 amended to number 8]
1) to a state aid or de minimis aid recipient which is subject to an outstanding recovery order following a previous European Commission decision declaring an aid illegal and incompatible with the internal market;
2) in the cases provided for in Articles 1(2)–(6) of the General Block Exemption Regulation;
[RT I, 25.07.2024, 1 – entry into force 28.07.2024]
3) in the cases provided for in Article 1(1) of the de minimis Regulation;

**§ 3 Definitions**

For the purposes of the Regulation the following terms have the following meanings:
1) development employee means an employee of an enterprise or a natural person acting under a contract under the law of obligations who is works on the development of policies, strategies and related action plans and individual activities related to the development of products, services, processes and sales and marketing activities and their implementation in the enterprise's business practice;
2) micro, small and medium-sized enterprise means an enterprise that meets the criteria set out in Article 2(1), (2) or (3) of Annex I to the General Block Exemption Regulation (hereinafter SME).

**§ 4 Purpose and outcome of granting support**

(1) The objective of the support is to increase the added value and export capacity of SMEs and thereby improve their competitiveness.

(2) The sub-objectives of granting support are:
1) comprehensive promotion of the management model and quality of the enterprise;
2) implementation of the enterprise's changed business model;
3) development and market uptake of an entrepreneur's product, service or technology;
4) adaptation, development and implementation of processes related to the enterprise's product or service.

(3) The support will contribute to the achievement of the output indicators "Supported Enterprises" (of which: micro, small and medium-sized enterprises) and "Enterprises Supported with the Support" of the Operational Programme. In output indicator "Supported Enterprises", account will be kept on the basis of micro, small and medium-sized enterprises.

(4) The grant of the support contributes to the achievement of the performance indicator "SMEs with higher added value per employee".

(5) The following indicators are used to assess the maintenance of the basic principles and the achievement of the targets of "Estonia 2035", balanced regional development, gender equality, equal opportunities, accessibility in support of the environmental and climate objectives when granting support, and the applicant complies with the explanatory guidance published on the website of the implementing body:
1) gender equality index;
2) measure of caring and cooperativeness;
3) accessibility indicator;
4) gross domestic product per capita generated outside Harju County compared to the average of the European Union 27;
5) resource productivity.

(6) The support will contribute to the achievement of the objectives of the measure "Development of the entrepreneurship environment, supporting internationalisation and facilitating investments" of the activity "Promoting competitiveness and export of enterprises" approved under subsection 20 (4) of the State Budget Act.

(7) As a result of the support, the beneficiary must comply with the following conditions by the end of the second financial year following the end of the project eligibility period compared with the year when the project started:
1) the value added of the enterprise that received the support must increase by at least 15%; and
2) the export sales revenue of the enterprise that received the support must increase by at least 15%.

(8) If the research and development costs of the enterprise that received the support represent at least 25% of the volume of the supported project, the condition set out in subsection 7 (2) must not be met.

**§ 5. Implementing authority and implementing body**

(1) The implementing authority is the Ministry of Economic Affairs and Communications (hereinafter the implementing authority).

(2) The implementing body is the Estonian Business and Innovation Agency (hereinafter the implementing body).

# Chapter 2.
# Supported activities, eligibility of expenses and support rate

## § 6 Supported activities

(1) Support will be granted for the following activities of a project which contributes to the achievement of the performance and output indicators specified in § 4:
1) development of staff, management, services and products;
2) implementation of process and organisational innovation;
3) implementation of product or service development;
4) development and implementation of product or service sales and marketing;
5) acquisition of equipment;
6) connection to the networks, construction and renovation of buildings and facilities.
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]

(2) The following activities are supported for the implementation of the activity specified in clause (1) 1):
1) outsourcing training for the development of staff;
2) implementation of management development activities, outsourcing training and participation in training;
3) outsourcing the training required for the development and market uptake of a product or service.

(3) The following activities are supported for the implementation of the activity specified in clause (1) 2):
1) development of the enterprise's work organisation, planning the staff, materials, stocks and equipment required for this, and purchasing, development and implementation of software solutions related to resource planning, procurement, supply and management;
2) mapping and building the data flows and IT architecture with cyber security solutions;
3) outsourcing the process development consultation service;
4) hiring and implementation of a new development employee;
5) development and implementation of a sustainable business model.

(4) The following activities are supported for the implementation of the activity specified in clause (1) 3):
1) applied research;
2) product development;
3) feasibility studies;
4) outsourcing and carrying out of consultancy and support services, conformity testing and certification activities related to the development of a product, service or process.

(5) The following activities are supported for the implementation of the activity specified in clause (1) 4):
1) outsourcing the procurement and supply strategy and the corresponding action plan;
2) outsourcing of consultancy services related to the development of sales and marketing, procurement and supply activities, target market consultancy and partner search;
3) production of product samples and marketing material for the promotion of a product or service, and participation in foreign trade fairs and exhibitions, except for trade fairs where Estonia is represented by a joint stand.

(6) The following activities are supported for the implementation of the activity specified in clause (1) 5):
1) acquisition, installation and setup of equipment necessary for production;
2) purchasing the software necessary for the development of the enterprise.

(7) Support will be granted for an activity that complies with environmental legislation and does no significant harm within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (OJ L 198, 22.06.2020, pp 13–43).

(8) Support will not be granted to an enterprise that has received support on the basis of Minister of Entrepreneurship Regulation No 2 of 5 January 2016 "Support measure for Enterprise Development Programme" or from the sub-activity "Enterprise Development Programme" of intervention 21.1.1.13 "Enterprise Development Programme (including Enterprise Development Programme, Product Development Programme of Entrepreneur, Support for Development Centres) of measure number 21.1.1.1 "Increasing the RDI Intensity and Knowledge Transfer Capacity of Enterprises" of the period 2021–2027.

## § 7 Eligibility of costs

(1) The costs necessary for the implementation of the activities specified in clause 6 (1) 1) are eligible:
1) the remuneration of trainers for the hours during which the trainers participate in the training, and the taxes and payments to be withheld from and paid on the remuneration of trainers;
2) travel expenses of the trained staff related directly to the training project;
3) the costs of materials, supplies, tools, to the extent that they are used exclusively for the implementation of the activities related to the project;
4) the costs of consultancy services related to the training.

(2) The costs necessary for the implementation of the activities specified in clause 6 (1) 2) are eligible:

1) staff costs of process development;
2) the costs of outsourced services relating to the purchase, development and implementation of the intangible assets needed to improve the organisation of work;
3) the staff costs of the development employee according to clauses 16 (1) 1) 4), 5) and 6) and subsection 16 (4) of the Combined Regulation.

(3) The costs necessary for the implementation of the activities specified in clause 6 (1) 3) are eligible:
1) the staff costs of the employees involved in the development of a product or service according to clauses 16 (1) 1) 4), 5) and 6) and subsection 16 (4) of the Combined Regulation and Article 25(3)(a) of the General Block Exemption Regulation.

2) the costs of validating and protecting patents and other intangible assets;
3) contractual scientific research, knowledge and patent costs as well as consultation services used only for the project and costs of other, similar services bought at market conditions and from an external source;
4) the costs of materials and supplies directly linked to the development of a product, service or process and incurred as a result of the project;
5) the costs of consultancy and support services, the acquisition, validation and protection of patents and other intangible assets related to the development of a product, service or process.

(4) The costs necessary for the implementation of the activities specified in clause 6 (1) 4) are eligible:
1) sales and marketing costs, and the costs of purchasing a procurement and supply strategy and an appropriate action plan;
2) sales and marketing costs, and the costs of purchasing procurement and supply development consultancy services;
3) one-off costs of materials and one-off outsourced services related to the production of product samples and marketing materials for the promotion of a new product or service;
4) the costs of renting an exhibition spot, setting up, preparing and transporting marketing materials and product samples, and the travel expenses of staff related to participation in trade fairs abroad.

(5) The following costs are eligible in order to carry out the activities specified in clause 6 (1) 5):
1) the lease payments for machinery and equipment and the intangible assets, licences, purchase costs or finance lease contracts required for using them that are due during the project eligibility period;
2) the costs of setup and transport, and the cost of insurance required for transport of property if this is included in the acquisition cost of the respective property.

(51) The costs necessary for the implementation of the activities specified in clause 6 (1) 6) are eligible:
1) design costs;
2) the costs of construction and renovation of buildings and facilities, and costs directly related to this;
3) costs of preparation of an assessment of ensuring climate proofing;
4) costs of connection to the network or modification of an existing connection.
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]

(6) If the support allocated to the entire project is de minimis aid, the indirect eligible costs are seven percent of the eligible costs of the project.

(7) The following costs are ineligible:
1) value added tax;
2) the costs provided for in clauses 16 (1) 2), 3) and 7) of the Combined Regulation.

(8) The sum of the eligible costs of a cost statement must be at least €100 excluding value added tax.

**§ 8 Project eligibility period**

(1) The project eligibility period is the time frame set in the decision grant the support during which project-related activities start and end and expenses necessary for carrying out the project are incurred. The applicant may not commence project-related activities or assume obligations for carrying out these activities before submitting an application to the implementing body.

(2) The project eligibility period begins as of the submission of the application or the later date noted in the decision granting the application and ends on the date specified in the decision granting the application, but not later than on 31 August 2029.

(3) The maximum eligibility period of a project is 24 months.

(4) The beneficiary may apply for an extension of the eligibility period with good reason and provided that the result to be achieved continues to be related to the objectives of the measure and the project and the project activities will be completed at the latest on 31 August 2029. If the project eligibility period is extended, it may exceed the duration of the eligibility period provided for in subsection (3).

(5) A project is deemed to be completed after the implementing body has approved the final report and made the final payment to the beneficiary.

**§ 9 Limit and percentage of support**

(1) The minimum amount of support is €10,000 and the maximum amount is €300,000 per beneficiary. [RT I, 29.01.2025, 9 – entry into force 01.02.2025]

(2) The percentage of the support in the total eligible costs of a project is:
1) 45% for a beneficiary that is a micro enterprise or a small enterprise;
2) 35% for a beneficiary that is a medium-sized enterprise.

(21) If the support is granted in accordance with the de minimis Regulation, the percentage of the support of the total cost of eligible costs is:
1) 60% for a beneficiary that is a micro enterprise or a small enterprise;
2) 50% for a beneficiary that is a medium-sized enterprise.
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]

(3) The amount of self-financing must cover the part of the eligible costs that the support does not cover. Other non-refundable aid granted by the state, local authorities, other European Union institution or fund or other external funds is not regarded as self-financing.

# Chapter 3
# Requirements for applicant and application

### § 10 Requirements for applicant

(1) An SME registered in the Estonian Commercial Register may be an applicant. The average sales revenue of the applicant or an enterprise related to it through dominant influence in the two financial years preceding the submission of the application according to the annual reports is at least €200,000 for each financial year and at least two people work full-time for the applicant.

(2) An applicant must comply with the following requirements:
1) the applicant has the required self-financing;
2) no liquidation, compulsory dissolution or bankruptcy proceedings have been launched and no deletion caution or bankruptcy decision has been made in regard to the applicant or a person with significant influence over the applicant.

### § 11 Preliminary consultation

(1) Prior to submitting an application, the applicant is required to undergo a preliminary consultation conducted by the implementing body, during which a preliminary assessment is made of the applicant and the proposed project, the feasibility of the planned activities and the capacity of the persons involved in the applicant to implement the project, and recommendations and proposals are made to remedy shortcomings.

(2) The implementing body prepares the preliminary assessment within one month of the consultation and it is emailed to the applicant. The preliminary assessment is not a preliminary administrative act and is without prejudice to the discretionary power of the implementing body in assessing the application.

(3) A preliminary assessment is valid for six months after it is given.

(4) A negative preliminary assessment is given if the development plan does not meet the objectives and results set out in § 4 of the Regulation or the requirements set out in § 12.

### § 12 Requirements for application

An application must include the following data and confirmations:
1) the applicant’s business name, registration number, address and proof that the applicant is an SME;
2) the activities described in the application contribute to the achievement of the objectives, result, performance and output indicators specified in § 4;
3) the activity specified in § 6, for the realisation of which support is requested;
4) the total budget for the project, the amounts of the support requested per activity and the required self-financing;
5) the development plan approved by the implementing body at the preliminary consultation;
6) the project plan that includes an action plan, financial indicators, objectives, measurable results and a description of the team’s roles and competences;
7) the balance sheet and income statement for the quarter preceding the submission of the application if the data are not available in the Commercial Register;
8) the start and end date and location of the implementation of the project to the accuracy of local government unit;
9) the type of state aid requested for the project activities;
10) information on whether the applicant has applied for support for the project or some activities of the project from other state budget, local government, European Union institution or fund, or other external funds;
11) a power of attorney if the person who has the right to represent the applicant acts on the basis of an authorisation;
12) confirmation that the project will not breach the fundamental rights set out in the Charter of Fundamental Rights of the European Union;

13) confirmation that the ‘do no significant harm’ principle, pursuant to which no significant harm specified in Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council is caused to any of the environmental objectives provided for in Article 9, is followed during the implementation of the project;
$13^1$) assessment of ensuring climate-proofing if the support is applied for in order to build or renovate a building

or facility, the duration of which is at least five years;
[RT I, 29.01.2025, 9 – entry into force 01.02.2025]
14) confirmation that the submitted data are correct and complete.

# Chapter 4
# Applying for support

### § 13. Applying for support

(1) The support can be applied for on a continuous basis until the budget for funding the measure has been used up or until the end of the application period. The implementing body will announce the commencement, suspension and termination of the receipt of applications and the budget for the measure on its website.

(2) The implementing body will end the receipt of applications if the remaining budget for funding the measure becomes equal to the volume of applications that are being processed but have not yet been assessed.

(3) From the moment when the financial amount requested in the registered applications for which no decision has been made on acceptance or denial reaches at least the amount available in the budget for the activity of the measure, the applications will be processed in the order in which they were submitted.

# Chapter 5
# Processing of applications

### § 14 Processing of applications

(1) The deadline for processing an application is 30 working days from submission of the application. The time of submission of an application is the date on which the applicant confirms the application in the e-support environment.

(2) The time of processing an application may be extended by up to ten working days in the cases laid down in subsection 6 (2) of the Combined Regulation, of which the applicant will be informed.

(3) The implementing body will make the decision denying an application without evaluating the application substantively if the applicant has not rectified the deficiencies during the term specified in subsection (2).

### § 15 Finding an applicant and an application ineligible

The implementing body makes a decision denying the application without assessing the application substantively if the applicant or the application does not meet the requirements laid down in the Regulation.

### § 16 Criteria and methodology for selection of applications

(1) Assessment is carried out on the basis of the selection methodology prepared by the implementing body. The selection methodology will be prepared according to the selection criteria set out in subsection (4). The selection methodology will be made public on the websites of the implementing body and the managing authority not later than on the start date of the receipt of applications.

(2) When experts are used in the assessment of applications, the deadline for processing the application also extends by the time to be spent on performing the expert analysis, but not more than 10 working days. The implementing body immediately notifies the applicant of an extension of the processing deadline.

(3) The application is evaluated on a scale of 0 to 4. The total score given in the assessment of an application is the weighted average of the scores of the selection criteria.

(4) Eligible applications are assessed by the assessment committee on the basis of the following selection criteria:
1) compliance of the project with field-specific development plans, impact on the achievement of the special objective of the operational programme and the special objectives of the measure – 35% of the total score;
2) justification of the project – 15% of the total score;
3) cost-efficiency of the project – 15 percent of the total score;
4) the applicant’s ability to carry out the project – 30% of the total score;
5) compliance of the project with the fundamental principles and objectives of “Estonia 2035” – 5% of the total score.

### § 17 Formation of assessment committee

(1) The implementing body has the right to form an assessment committee for the assessment of applications and include experts. The implementing body will have the formation of the assessment committee and its members approved by the implementing authority. The implementing body will publish the names of the assessment committee members on its website at the latest on the day the receipt of applications starts.

(2) The members of the assessment committee and the experts must:
1) comply with the requirements set out in subsection 11 (2) of the Act2021_2027;
2) declare their impartiality and independence from the assessed projects and applicants;

3) ensure the confidentiality of the information that became known to them in the course of work during their membership of the assessment committee and indefinitely after the expiry of their membership.

### § 18 Terms and conditions and procedure for granting an application

(1) Applications that have been declared eligible and meet all the requirements laid down in the Regulation are granted if:
1) their total score on the basis of the selection criteria specified in subsection 16 (4) is at least 2.50;
2) they have not received a score lower than 2.00 in any of the selection criteria specified in subsection 16 (4);
3) their financing amount does not exceed the budget.

(2) The following will be set out in a decision granting an application:
1) terms and conditions of implementing the project;
2) reporting deadlines and procedure for submission of reports;
3) the fact that the aid is state aid or de minimis aid.

### § 19 Partial grant of application or grant with secondary conditions

(1) An application may be partially granted if justified and on the condition that the objective of the project is feasible and the applicant consents to the proposal of the implementing body to reduce the amount of the support requested or change the activities planned in the project. If the applicant does not consent to the proposal of the implementing body, the implementing body makes a decision denying the application.

(2) If an application is granted with a secondary condition, the decision granting the application may stipulate that the financing of each subsequent stage of the project is subject to the condition that the previous stage has been properly completed and has achieved the results.

(3) On the basis of a decision granting an application conditionally, the beneficiary has no right to payments of the support. The right to payments of the grant arises after the arrival of or compliance with the secondary condition. If the implementing body is unable to identify the above from an information system or data source, the beneficiary will provide the appropriate information.

## Chapter 6
## Amendment and annulment of decision granting application

### § 20 Amendment of decision granting application

(1) The beneficiary must immediately request from the implementing entity an amendment of the decision granting the application in the case of changes in the activities that are directly related to or have a significant impact on the activities financed with the decision granting the application. The beneficiary may not implement said changes until the implementing body has made a decision to that effect.

(2) If the circumstances specified in clauses 12 (2) 1)–3) of the Combined Regulation change in the decision to grant the application, the relevance and necessity of the changes will be checked before a decision is made and, where necessary, it is done also on the basis of the project selection criteria laid down in subsection 16 (4) of this Regulation, involving experts or the assessment committee where necessary.

(3) The implementing body has the right to refuse to amend the decision granting the application if the requested amendment is contrary to this Regulation.

(4) The decision granting the application may be amended retroactively if it helps achieve the project results and the change is founded.

(5) The implementing body decides on the amendment of the decision granting the application within 20 working days of receiving the application.

## Chapter 7

## Rights and obligations of beneficiary and implementing body

### § 21 Rights and obligations of beneficiary

(1) The beneficiary has the right to receive information and clarifications from the implementing body that concern the requirements and the obligations of the beneficiary established in the Act2021_2027 and the legislation established on its basis.

(2) In addition to the obligations laid down in subsection 10 (1) and § 11 of the Combined Regulation, the beneficiary of the grant must perform the following obligations:
1) use the support according to the provisions of the decision granting the application;
2) retain the documentation and materials related to the application, the support and the implementation of the project for 10 years after the end of the project;
3) ensure the duration requirement under Article 65 of the Common Provisions Regulation for a period of

three years from the date of the final payment;

(3) As a result of the support, the beneficiary must ensure an increase in added value of at least 15% by the end of the second financial year following the year when the project eligibility period ends. Unless the R&D costs of the beneficiary comprise at least 25% of the volume of the supported project, the export sales revenue of the beneficiary must increase by at least 15% by the end of the second financial year following the year when the project eligibility period ends.

### § 22 Obligations and rights of implementing body

(1) The implementing body performs the following obligations:
1) advises applicants on project-related issues;
2) sends the decisions to the beneficiary within three working days;
3) makes the application and report forms and the relevant guidelines accessible on its website;
4) when clawing back the support, stipulates the grounds of the clawback, the amount clawed back, the deadline for compliance with the decision and other important information concerning the decision in the respective decision;
5) retains the documents relating to the grant of the support for 10 years after the grant of the last support;
6) inspects the implementation of the project;
7) continuously monitors the financial balances of the measure and, if necessary, submits the respective overview to the implementing authority;
8) provides the information necessary for the preparation of reports on the grant and use of the support;
9) prepares and publishes overviews on the award and use of the grant;
10) informs the implementing authority about any obstacles to the use of the grant;

(2) The implementing body has the right to:
1) carry out inspections of cost statements and of the implementation of project activities at the location of the beneficiary;
2) review the documents prepared in the course of performance of the work;
3) verify the eligibility of costs;
4) request the submission of additional data and documents on the duration, activities, objectives, results and costs of the project in the application that prove the proper implementation of the project and the proper performance of the obligations by the beneficiary;
5) refuse to amend the project if the requested amendment significantly affects the expected results of the project or their compliance with the objectives of the support;
6) refuse to pay out the support if the beneficiary's economic situation has deteriorated to such an extent that the use of the support or implementation of the project is compromised;
7) end the payout of the support and demand the repayment of the support in part or in full if the recipient breaches the Act2021_2027, the terms and conditions of the regulations issued on its bases or this Regulation, or otherwise deviates from the provisions of the application or the decision granting the application;
8) reduce the amount of the grant proportionally to the reduction in the cost of the project as fixed in the decision granting the application.

## Chapter 8
## Submission of reports and conditions for payment of support

### § 23 Submission of reports

(1) The beneficiary submits the following reports on the implementation of the project to the implementing body according to the conditions set forth in the decision granting the application using the form made available by the implementing body:
1) interim report;
2) final report.

(2) With regard to the forms of the reports and the data to be provided therein, the implementing body takes into account that:
1) the interim report includes a description of the completed activities with the results achieved;

2) the final project report, submitted within 30 calendar days of the end of the project eligibility period, includes a description of the main activities of the entire project, information on the achievement of the project's outputs and results, and the beneficiary's assessment of the achievement of the targets of the Estonia 2035 Strategy and the maintenance of the underlying principles as stated in the application.

(3) The beneficiary submits a post-completion project report at the request of the implementing body. The implementing body has the right to request such a report within three years of the end of the eligibility period of the project.

(4) The implementing body approves or rejects the interim report and the final report within 30 business days of its registration in the implementing body. The implementing body has the right to request that the report be supplemented.

### § 24 Terms and conditions of payment of support

(1) The support will be paid on the basis of actual costs in accordance with clause 27 (1) 1) of the Combined

Regulation, with the exception of the indirect costs as specified in subsection 7 (6), for which the support will be paid in accordance with subsection 28 (3) of the Combined Regulation.

(2) The beneficiary submits the documents and supporting evidence required to receive the payment no more frequently than quarterly.

(3) If shortcomings are found in cost statements when they are processed, the implementing body will set a deadline of up to 10 working days for their correction.

(4) The implementing body processes a payment request within 30 business days of the submission of the cost statements.

# Chapter 9
# Financial corrections and challenges

### § 25. Financial corrections and repayment of support

(1) The decision on financial correction is made and the support is repaid in accordance with sections 28-30 of the Act2021_2027 and sections 34-38 of the Combined Regulation.

(2) In the case of state aid that is unlawful, misused or incompatible with the common market, and the grant of de minimis aid, recovery decisions may be taken within 10 years of the date on which the aid was allocated to the beneficiary and the provisions of § 42 of the Competition Act are observed upon recovery.

### § 26. Filing challenges

A challenge against an activity or a decision of the implementing body is submitted to the implementing body before the submission of a complaint to an administrative court according to § 31 of the Act2021_2027. The challenge will be resolved by the implementing body pursuant to the procedure stipulated in the Administrative Procedure Act.

# Chapter 10
# Implementation of Regulation

[RT I, 25.07.2024, 1 – entry into force 28.07.2024]

### § 27 Implementation of Regulation

(1) The amendments to subsections 2 (1) and (6) that entered into force in July 2024 shall apply retroactively from 1 January 2024.
[RT I, 25.07.2024, 1 – entry into force 28.07.2024]

(2) The amendments to subsection 1 (5) of this Regulation that entered into force in May 2025 do not apply to applications submitted before said amendments entered into force.
[RT I, 30.05.2025, 4 – entry into force 02.06.2025]