Supporting Development of Digitalisation of Undertakings, Real-Time Economy Solutions and Data Economy Use Cases

Passed 23.01.2026 No. 2

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.

Chapter 1
General Provisions

§ 1. Scope of regulation and application

(1) The Regulation regulates granting support for implementing intervention 21.1.2.21 "Development and uptake of digital solutions and innovations in the private sector" of measure 21.1.2.2 "Digital state" of specific objective (a)(ii) "Reaping the benefits of digitisation for citizens, companies, research organisations and public authorities" and intervention 21.1.3.14 "Supporting activities related to digitisation of companies (incl. RTE)" of measure 21.1.3.1 "Development of entrepreneurship environment, supporting internationalisation and facilitating investments" of specific objective (a)(iii) "Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments" of policy objective 1 "Smarter Estonia" of the "Programme for Cohesion Policy Funds 2021–2027" (hereinafter *Programme*) specified in clause 1 (1) 1) of the 2021–2027 European Union Cohesion and Internal Security Policy Funds Implementation Act (hereinafter *Act2021_2027*).

(2) Government of the Republic Regulation No. 55 of 12 May 2022 "General Conditions for Granting and Using Resources from Programmes of European Union Cohesion and Internal Security Policy Funds 2021–2027" (hereinafter *Combined Regulation*) applies to applying for, granting, using and recovering support, subject to the special rules provided for in this Regulation.

(3) The Regulation does not apply in the events provided for 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, 30.6.2021, 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 fishing (section A);
2) manufacture of tobacco products (section C, division 12);
3) gambling and betting activities (section S, division 92);
4) mining of coal and lignite (section B, division 05), extraction of crude petroleum and natural gas (section B, division 06), support activities for petroleum and natural gas extraction

(section B, group 091) and manufacture of coke and refined petroleum products (section C, division 19).

(4) The information and documents related to applying for, awarding, using and recovering support are submitted, and the application and report forms are made available in, the e-support environment provided for in subsection 21 (3) of the Act2021_2027. If the relevant type of documents cannot be submitted in this environment, the digitally signed document is submitted electronically.

§ 2. De minimis aid and state aid

(1) The support to be granted on the basis of the Regulation is:
1) state aid covered by block exemption within the meaning of 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, 26.6.2014, pp. 1–78) (hereinafter *General Block Exemption Regulation*) and it is governed by the provisions of the aforementioned Regulation and of § 34^2 of the Competition Act, or de minimis aid within the meaning of Commission Regulation (EU) No 2023/2831 on 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 *de minimis Regulation*) and it is governed by the provisions of the de minimis Regulation and of § 33 of the Competition Act;
2) in the case of the activities specified in clause 6 (1) 1), de minimis aid;
3) the support granted in the case of the activities specified in clause 6 (1) 2) is aid for consultancy in favour of small and medium-sized enterprises within the meaning of Article 18 of the General Block Exemption Regulation, or aid for process and organisational innovation within the meaning of Article 29 of the General Block Exemption Regulation, or de minimis aid;
4) in the case of the activities specified in clause 6 (1) 3), aid for consultancy in favour of small and medium-sized enterprises within the meaning of Article 18 of the General Block Exemption Regulation, or aid granted for developing a new or improved product, process or service specified in Article 2, point (86) of the Block Exemption Regulation within the meaning of Article 25(2)(c), or de minimis aid;
5) in the case of the activities specified in clause 6 (1) 4), aid for consultancy in favour of small and medium-sized enterprises within the meaning of Article 18 of the General Block Exemption Regulation, or aid within the meaning of Article 25(2)(c), or de minimis aid.

(2) Support is not granted:
1) to an undertaking that is subject to an outstanding recovery order following a previous European Commission decision declaring aid unlawful and incompatible with the internal market;
2) in the events provided for in Article 1(1) of the de minimis Regulation;
3) to a beneficiary under the General Block Exemption Regulation in the events established in Articles 1(2)–(6) of the General Block Exemption Regulation.

(3) The aid granted pursuant to the de minimis Regulation may not exceed the limit provided for in Article 3(2) of the de minimis Regulation.

(4) The rules on cumulation provided for in Article 8 of the General Block Exemption Regulation and in Article 5 of the de minimis Regulation are taken into account when granting support. In order to calculate the amount of de minimis aid, undertakings that are related pursuant to Article 2(2) of the de minimis Regulation are deemed to be a single undertaking.

§ 3. Definitions

For the purposes of this Regulation, the following definitions have the following meanings:
1) data economy – economic sector centred on collecting, sharing, and using data for the purpose of gaining mutual benefits;
2) data economy use case – a situation where several parties exchange data corresponding to an agreed data set for the purpose of gaining a defined benefit;
3) digitalisation strategy – a comprehensive and targeted plan drawn up for at least three years, on the basis of which an undertaking implements developments that enable interoperable digitalisation and automation of its business processes and include real-time economy solutions;
4) digital consultant – a service provider providing consultancy on the uptake of digital solutions who has experience in providing similar consultancy on at least three occasions in the four years immediately preceding the project to be supported;
5) undertaking – an entity engaged in an economic activity, irrespective of its legal form and the way in which it is financed;
6) financial forecast – a forecast of revenue and expenses on the form provided by the implementing body;
7) cooperation partner – in the application, a state or municipal authority that participates in the activity to be supported by the project and is not a partner within the meaning of subsection 2 (5) of the Act2021_2027;
8) interoperable digitalisation – data interfacing, which is a standardised exchange of data between two or more information systems that allows automatic, secure and machine-readable data transfer and synchronisation between different software or platforms;
9) partner – a company registered in the commercial register of Estonia who participates in the project activities and has a clear role and responsibility in the implementation of the activity supported;
10) project plan – a document that includes a mapping of the current state and development needs of the business process or software to be developed, together with a description of the possible development, the activities to be carried out with the project, the expected results of the activities with a time schedule, and a risk analysis with risks and mitigation actions;
11) real-time economy – a digital economic system in which transactions between different economic agents take place in real time or near real time through the exchange of structured, standardised and machine-readable digital data, as automatically as possible;
12) real-time economy solution – a technological solution that enables the automatic exchange of structured, standardised and machine-readable data in real time or near real time;

13) solution in compliance with the principles of real-time economy – a technological or software solution that enables the automatic exchange of structured, standardised and machine-readable digital data between parties to economic transactions in real time or near real time, thereby supporting the functioning of the digital economy and the efficiency of business processes;
14) large enterprise – an undertaking not fulfilling the criteria provided for in Article 2 of Annex I to the General Block Exemption Regulation;
15) software – a set of procedures and associated documentation and data;
16) software interfacing – creating a connection between several software programs in use to integrate data;
17) small and medium-sized enterprise (hereinafter *SME*) – an undertaking fulfilling the criteria provided for in points (1), (2) or (3) of Article 2 of Annex I to the General Block Exemption Regulation.

§ 4. Objectives of granting support, performance and output indicators

(1) The objectives of granting support are:
1) to increase the productivity of undertakings through the uptake of software solutions;
2) to encourage the uptake of real-time economy solutions by undertakings by supporting the elaboration and improvement of developments that promote business processes of undertakings;
3) to boost the development of the data economy sector by supporting the elaboration and implementation of practical data economy use cases of undertakings in practice and by supporting undertakings in the uptake of country-centric solutions.

(2) Granting support contributes to the achievement of the following output indicators of the Programme:
1) the number of undertakings to be supported;
2) the number of undertakings to be supported with the support;

(3) Granting support in the case of intervention 21.1.3.14 contributes to the achievement of the performance indicator "SMEs with higher value added per employee" of the Programme.

(4) The implementation of the activities of the projects to be supported on the basis of the Regulation must contribute to the achievement of the objectives of the strategic target "The economy of Estonia is strong, innovative and responsible" of the Estonian long-term development strategy "Estonia 2035" approved by the resolution of the Riigikogu of 12 May 2021 (hereinafter "*Estonia 2035*") and its sub-target "The economy of Estonia is innovative and knowledge-based".

(5) Upholding the fundamental principles of "Estonia 2035" and the achievement of its targets, balanced regional development, gender equality, equal opportunities, accessibility, environmental and climate objectives are assessed in a supportive manner with the following indicators:
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 EU 27;
5) net greenhouse gas emissions in tons of CO_2 equivalent;
6) circular material use rate.

§ 5. Implementing authority and implementing body

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

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

Chapter 2
Activities to Be Supported, Conditions for Granting Support, Eligibility of Costs and Rate of Support

§ 6. Activities to be supported and conditions for granting support

(1) The activities to be supported include:
1) the uptake or interfacing of software that meets the needs of the undertaking;
2) the development of interoperable digitalisation and automation of business processes of an undertaking;
3) the development of existing or novel software;
4) the development and implementation of a data economy use case.

(2) The activities specified in clause 1) of subsection (1) are supported if:
1) the applicant's employee, member of the management board or shareholder completes the free-of-charge training "Training for digitalisation of a company" on the e-learning platform available on the website of the Digital State Academy;
2) the applicant is an e-invoice user or will implement e-invoicing software by the end of the project;
3) a digital consultant is involved in the project;
4) the final result is documented in a form reproducible in writing.

(3) The activity specified in clause 2) of subsection (1) is supported if:
1) the software development enables to receive, send and process timestamped or other securely traceable machine-readable and standardised data via the X-Road or another secure data exchange platform;
2) the development includes at least two solutions in compliance with the principles of real-time economy;
3) the development is part of a comprehensive process within the undertaking or between undertakings;
4) at least one cooperation or partner is involved in the development;
5) the undertaking has a digitalisation strategy or another document of equivalent content.

(4) The activity specified in clause 3) of subsection (1) is supported if:
1) the software development enables to receive, send and process timestamped or other securely traceable machine-readable and standardised data via the X-Road or another secure data exchange platform;
2) where processing of personal data is necessary, it is possible for the person to give consent to data sharing or the software can be interfaced with the data consent service developed by the Estonian Information System Authority, so that a natural and a legal person can share data with different information systems;
3) the software development complies with the principles of real-time economy or includes a technological solution that enables the automatic exchange of structured, standardised and machine-readable data in real time or near real time;
4) the software to be developed is a comprehensive solution for data-driven reporting, which is based on the data-driven reporting taxonomy and covers the data of the reporting entity from their generation to their submission to a state authority or a municipality and its authority;
5) in the case of a comprehensive data-driven reporting solution, the development involves as cooperation partners a state authority or a municipality and its authority and at least three providers of reporting data, unless the applicant themselves is the data provider and does not collect the data from other persons;
6) in the case of an existing or novel software solution not specified in clauses 4) and 5), at least one cooperation partner or partner must be involved in the development and at least three testing end customers who are not partners in the project must be ensured.

(5) The activity specified in clause 4) of subsection (1) is supported where the data economy use case is involved in the uptake of a country-centric solution and in the performance of the analyses and developments necessary for it, or in the valorisation of data held by the public sector.

(6) In addition to the provisions of subsections (2)–(5), in order to receive support, the activities specified in subsection (1) must comply with the 'do no significant harm' principle, as a result of which 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, 22.6.2020, pp. 13–43), is caused to environmental objectives.

§ 7. Eligibility of costs

(1) Eligible costs are the costs meeting the conditions provided for in § 15 of the Combined Regulation and in this Regulation and in the decision to grant an application.

(2) The following is supported for the implementation of the activities specified in clause 6 (1) 1):
1) the cost of the digital consultant service;
2) the one-off cost of purchasing a software licence or subscribing to a software;
3) development costs for interfacing software.

(3) The following is supported for the implementation of the activities specified in clauses 6 (1) 2)–4):
1) the salary paid for the implementation of the development activities related to the project and the remuneration paid for the management of the project of the beneficiary of the de minimis aid, and the state taxes and contributions payable thereon;
2) the remuneration paid on the basis of a contract under the law of obligations for the implementation of the activities related to the project and the remuneration paid on the basis of a contract under the law of obligations for the management of the project of the beneficiary of the de minimis aid, which is taxed in the same way as salaries, and the state taxes and contributions payable thereon;
3) the cost of project-related services purchased;
4) the cost of project-related licensed knowledge and patents;
5) the cost of consultancy service and other similar services purchased from an external consultant only for the project;
6) repealed

(3^1) In addition to the costs specified in subsection (3), the cost of preparing a digitalisation strategy, which has been incurred during the period specified in subsection 8 (4), is supported for the implementation of the activity referred to in clause 6 (1) 2).

(4) In addition to the costs specified in subsection (3), the cost of marketing the software developed within the framework of the project is supported for the implementation of the activities specified in clause 6 (1) 3).

(4^1) In addition to the costs specified in subsection (3), the cost of purchasing a software licence or subscribing to a software is supported for the implementation of the activities specified in clause 6 (1) 4).

(5) Ineligible cost is, addition to that specified in § 17 of the Combined Regulation:
1) value added tax;
2) the costs specified in clauses 16 (1) 2), 3), 5), 6) and 7) of the Combined Regulation;
3) a cash payment;
4) the cost of version updates of software in use.

(6) In the event of the activities specified in clauses 6 (1) 2)–4) and if the support allocated to a project is de minimis aid, the indirect costs constitute seven per cent of the eligible costs of the project, based on subsection 21 (1) of the Combined Regulation.

§ 8. Project eligibility period

(1) Project eligibility period is the period of time determined in the decision to grant the application when the project activities start and end and costs necessary for carrying out the project are incurred. The maximum eligibility period is 18 months.

(2) The project eligibility period begins as of the date provided for in the decision to grant the application and ends on the date provided for in the decision to grant the application, but no later than on 31 August 2029.

(3) The applicant may not assume binding obligations for the implementation of the activities to be supported before submitting an application to the implementing body, except in the event specified in subsection (4).

(4) If de minimis aid is applied for covering the eligible costs provided for in clauses 7 (2) 1) and 7 (3) 6), the project eligibility period may begin earlier, but no earlier than three months as of the submission of the application.

(5) The beneficiary may apply for an extension of the project eligibility period by a maximum of six months with good reason, exceeding the maximum time limit provided for in subsection (1), on the condition that the project activities are carried out no later than by 31 August 2029.

(6) The project ends when the implementing body has approved the final report and made the final payment to the beneficiary.

§ 9. Amount and rate of support

(1) The minimum amount of support in the case of the activities specified in clause 6 (1) 1) is 2,000 euros and the maximum amount is 5,000 euros, with the maximum amount of support in the case of the digital consultant service being up to 50 per cent of the total amount of support for the project.

(2) The maximum amount of support in the case of the activities specified in clauses 6 (1) 2)–4) is 150,000 euros.

(3) The maximum support intensity is 50 per cent of the eligible costs of the project.

(4) In the case of the aid granted on the basis of Article 25(2)(c) of the General Block Exemption Regulation, the maximum support intensity in the event of a large enterprise is 25 per cent, in the event of a medium-sized enterprise 35 per cent and in the event of a small enterprise 45 per cent of the costs to be supported.

(5) In the case of the aid granted on the basis of Articles 18 and 29 of the General Block Exemption Regulation, the maximum support intensity in the event of a small and medium-sized enterprise is 50 per cent of the costs to be supported while no support is granted to large enterprises on the basis of these Articles.

(6) In the case of the aid granted on the basis of Article 25(2)(c) of the General Block Exemption Regulation, the service or item that constitutes a basis of the cost provided for in clauses 7 (3) 2)–6) must have been purchased under market conditions.

(7) If the activity to be supported is supported as aid granted on the basis of both the General Block Exemption Regulation and the de minimis aid Regulation, the support rate provided for in the General Block Exemption Regulation is applied.

(8) Non-refundable support granted by the state, municipality, or a European Union institution or fund, or from another external resource is not regarded as self-financing.

Chapter 3
Additional Requirements for Applicant, Partner and Application

§ 10. Additional requirements for applicant and partner

(1) A company registered in the commercial register of Estonia may be an applicant.

(2) In order to implement the activities specified in clauses 6 (1) 1) and 2), the applicant for support must have had an average sales revenue of at least 50,000 euros in the two financial years immediately preceding the submission of the application, according to the annual report submitted to the commercial register.

(3) The applicant and the partner must meet the requirements set out in subsection 3 (2) of the Combined Regulation.

§ 11. Additional requirements for application

(1) In addition to the provisions of subsections 4 (1)–(3) of the Combined Regulation, an application must include the following information and documents:
1) the name, registry code, registered office and size of the applicant;
2) a description of the activity of the applicant;
3) the name, objective and brief description of the project;
4) where applicable, information on the compliance of the applicant with the sales revenue requirement provided for in subsection 10 (2);
5) the amount of self-financing and confirmation of its availability;
6) a power of attorney if the person who has the right to represent the applicant acts on the basis of an authorisation;
7) information on whether non-refundable support for the project or a single activity of the project is applied for at the same time or has been received from the state, municipality, or a European Union institution or fund, or from another external resource;
8) the income statement and balance sheet of the applicant and the partner as at the quarter preceding the submission of the application, except if the aforementioned period coincides with the period of the previous annual report and the annual report is accessible in the commercial register, or, in the case of publicly traded companies, the last published income statement and balance sheet;
9) in the case of an applicant and a partner who is a contracting authority within the meaning of the Public Procurement Act, the procurement plan on the form provided by the Estonian Business and Innovation Agency;

10) the scheme of the group members on the form provided by the Estonian Business and Innovation Agency if the data are not publicly accessible and if the applicant or the partner belongs to a group;
11) if a cooperation partner or a partner exists, the partner's name, registry code and letter of confirmation for participating in the project.

(2) When submitting an application for the implementation of the activities specified in clause 6 (1) 1), the application must include the following documents, in addition to the provisions of subsection (1):
1) a certificate of completion of the training specified in clause 6 (2) 1);
2) price offers for purchasing digital consultancy service and software;
3) information proving the experience of the digital consultant in providing consultancy on at least three occasions in the four years immediately preceding the project to be supported.

(3) When submitting an application for the implementation of the activities specified in clauses 6 (1) 2) and 3), the application must include the following data and documents, in addition to the provisions of subsection (1):
1) the project plan;
2) the project budget;
3) a financial forecast for the project implementation period and for the three years following it.

(4) When submitting an application for the implementation of the activities specified in clause 6 (1) 2), the application must include, in addition to the provisions of subsections (1) and (3):
1) a digitalisation strategy or another document of equivalent content;
2) information proving the experience of the digital consultant in providing consultancy on at least three occasions in the four years immediately preceding the project to be supported if support is applied for preparing the document specified in clause 1).

(5) When submitting an application for the implementation of the activities specified in clause 6 (1) 4), the application must include the following data and documents, in addition to the provisions of subsection (1):
1) the project plan;
2) the project budget.

Chapter 4
Applying for Support

§ 12. Applying for support

(1) Support can be applied for on an ongoing basis until the budget for financing the support has been used up or until 31 March 2029.

(2) The implementing body notifies of the breakdown of the budget for financing the support between the activities specified in subsection 6 (1) and of the commencement, suspension and termination of the receipt of applications on its website in agreement with the implementing authority.

(3) Support may be applied for only one project at a time and only one project to be supported under the Regulation may be implemented at a time.

(4) If the amount of support applied for by the applications being reviewed by the implementing body is equal to or exceeds the available balance of the budget for financing the support, the implementing body will suspend the receipt of applications and will review the applications submitted to it in the order in which they were submitted.

Chapter 5
Review of Application

§ 13. Processing of application

(1) The time limit for processing an application is up to ten working days in the case of the activity provided for in clause 6 (1) 1) and up to 30 working days in the case of the activities provided for in clauses 6 (1) 2)–4) as of the submission of the application to the implementing body.

(2) If shortcomings are detected in the course of verification of compliance of the application with requirements, the applicant will immediately be notified thereof and granted up to ten working days for eliminating the shortcomings, by which the time limit for processing the application will also extend.

(3) The implementing body refuses to review an application if the applicant has not eliminated the shortcomings during the time limit granted on the basis of subsection (2).

(4) The implementing body may involve experts in processing applications.

§ 14. Declaration of compliance of applicant, partner and application with requirements

(1) The implementing body declares compliance of an applicant, partner and application with requirements if all the requirements set for the applicant, partner and application in the Regulation have been met.

(2) The implementing body refuses to review an application if:
1) the application or applicant does not comply with the requirements provided for in the Regulation and the shortcoming cannot be eliminated within the time limit provided for in subsection 13 (2);
2) the application contains incorrect or incomplete data, or the applicant unlawfully influences the decision-making process;

3) the applicant does not allow verification of compliance of the application with requirements.

§ 15. Selection criteria and methods

(1) An application submitted for the activity specified in clause 6 (1) 1) is granted if it is in compliance with requirements and the project described therein has received a positive assessment in the case of each of the following selection criteria:
1) compliance of the project with field-specific development plans, impact on the achievement of the specific objective of the Programme and the objectives of the measure;
2) justification of the project;
3) cost-effectiveness of the project;
4) the ability of the applicant and cooperation partner to implement the project;
5) compliance of the project with the fundamental principles and targets of "Estonia 2035".

(2) The project described in the application submitted for the implementation of the activities specified in clauses 6 (1) 2)–4) is assessed on the basis of the following selection criteria and weightings:
1) compliance of the project with field-specific development plans, impact on the achievement of the specific objective of the Programme and the objectives of the measure – 30 per cent of the total score;
2) justification of the project – 20 per cent of the total score;
3) cost-effectiveness of the project – 20 per cent of the total score;
4) the ability of the applicant and cooperation partner(s) or partner(s) to implement the project – 20 per cent of the total score;
5) compliance of the project with the fundamental principles and targets of "Estonia 2035" – ten per cent of the total score.

(3) The project specified in subsection (2) is assessed on a scale of 0–4 for each of the selection criteria, and the total score given in the assessment is the weighted average of the scores of the selection criteria.

(4) In order to assess according to the selection criteria, the implementing body prepares more detailed assessment methods, agrees thereon with the implementing authority and makes them available on the website of the implementing body before opening a call for proposals.

§ 16. Conditions of and procedure for granting and denying application

(1) An application pursuant to clause 6 (1) 1) is to be granted if it meets all the selection criteria specified in § 15 and has received a positive assessment in the case of each of the selection criteria.

(2) In the case of the activities specified in clauses 6 (1) 2)–4), an application is to be granted if it has been declared to be in compliance with requirements and:

1) the application has received the total score of at least 2.50 based on the selection criteria provided for in subsection 15 (2);
2) the application has not received a score lower than 2.00 in any of the selection criteria provided for in subsection 15 (2).

(3) A decision to grant an application sets out, in addition to the provisions of subsection 8 (4) of the Combined Regulation:
1) the conditions of implementing the project;
2) the time limits of and procedure for submission of reports.

(4) An application is denied, in addition to the events specified in subsections 8 (2) and (3) of the Combined Regulation, if at least of the following circumstances exists:
1) the application, applicant or partner does not comply with the requirements of this Regulation;
2) the total score of the application is below the threshold specified in clause 16 (2) 1);
3) the application is below the threshold specified in clause 16 (2) 2) in at least one of the selection criteria specified in subsection 15 (2);
4) the financial volume of the application exceeds the available balance of the budget for financing applications, and the application cannot be granted in part under the conditions provided for in § 18.

(5) A decision to deny an application sets out the circumstances specified in subsection 8 (2) of the Combined Regulation.

§ 17. Granting application in part or with secondary condition

(1) An application may be granted in part in the events specified in subsection 9 (1) of the Combined Regulation.

(2) An application may be granted in part if:
1) support has been applied for an activity or for covering costs that are not justified from the viewpoint of the implementation of the project;
2) the financial volume of the application exceeds the available balance of the financing budget;
3) the objective of the project can also be achieved if the application is granted in part and the applicant agrees to the proposal of the implementing body to reduce the amount of the support applied for or to amend the activities planned in the project. If the applicant does not agree to the proposal, the implementing body makes a decision to deny the application.

(3) A decision to grant an application for the implementation of the activities provided for in subsection 6 (1) may be made with a secondary condition within the meaning of § 53 of the Administrative Procedure Act if the establishment of the secondary condition is reasonable and justified and the applicant agrees to the establishment of the secondary condition. Upon proper arrival of or compliance with the secondary condition, the relevant information will be appended to the decision to grant the application.

(4) On the basis of a decision to grant an application for the implementation of the activities provided for in subsection 6 (1) conditionally, the beneficiary does not become entitled to payments of the support. The beneficiary becomes entitled to payments related to the support if the implementing body has identified compliance with the secondary condition on the basis of the information provided by the beneficiary or obtained from a public information system, register or data source.

Chapter 6
Amendment and Revocation of Decision to Grant Application

§ 18. Amendment of decision to grant application

(1) A decision to grant an application is amended at the initiative of the implementing body or on the basis of a corresponding application submitted by the beneficiary under the conditions and pursuant to the procedure provided for in § 12 of the Combined Regulation.

(2) In the case of the activities specified in subsection 6 (1), an applicant can amend the circumstances specified in clause 12 (2) 4) of the Combined Regulation in the decision to grant the application, in which case the implementing body will verify the relevance and necessity of the amendments before making the decision.

(3) If, in the case of the activities specified in clauses 6 (1) 2)–4), an applicant wants to amend the circumstances specified clauses 12 (2) 1)–4) of the Combined Regulation in the decision to grant the application, the implementing body will verify the relevance and necessity of the amendments before making the decision, if necessary also on the basis of the project selection criteria provided for in subsection 15 (2), involving experts, if necessary.

(4) The implementing body has the right to refuse to amend a decision to grant an application or, in the event specified in subsection (2), to accept the amendments if:
1) the amendment casts doubt on the achievement of the expected results of the project or on the completion of the project activities during the eligibility period;
2) the amendment is not in compliance with the requirements set out in the Regulation, including with the state aid rules;
3) the amendment is not in compliance with the content and objectives of the project;
4) the amendment is not deemed justified.

(5) The implementing body decides on the amendment of the decision to grant an application in the case of the activity specified in clause 6 (1) 1) within ten working days and in the case of the activities specified in clauses 6 (1) 2)–4) within 20 working days of the receipt of a corresponding application.

§ 19. Revocation of decision to grant application

(1) A decision to grant an application is revoked in part or in full by a decision in accordance with § 14 or subsection 37 (7) of the Combined Regulation or if:

1) the beneficiary has not started using the support within the time limit set in the decision to grant the application;
2) the beneficiary does not comply with the provisions of the decision to grant the application or of legislation or does not use the support under the prescribed conditions;
3) the project activities cannot be completed by the time limit set in the decision to grant the application, but no later than by 31 August 2029;
4) in the application process or upon implementing the project, the applicant has knowingly provided incorrect or incomplete information or has failed to provide the requested information;

(2) The beneficiary must repay the support received in part or in full pursuant to the decision to revoke the decision to grant the application in part or in full.

(3) If it appears that the beneficiary has disregarded its obligations or the requirements imposed on it and the breach resulted in a financial impact, but the implementing body is unable to assess the extent of the financial impact, the support will be reduced proportionately depending on the severity of the breach and its impact on the eligibility of the cost.

Chapter 7
Submission of Reports

§ 20. Submission of reports

(1) The beneficiary submits the following reports on the implementation of the project to the implementing body:
1) a final report on the activity specified in clause 6 (1) 1);
2) interim reports and a final report on the activities specified in clauses 6 (1) 2)–4).

(2) The period of submission of an interim report is three to six months.

(3) The duration of the reporting period and the time limits for submission of reports are provided for in the decision to grant the application.

(4) A report must include at least the following information and documents:
1) the name and number of the project;
2) an overview of the implementation of the project activities and execution of the budget;
3) data on the fulfilment of output indicators;
4) an assessment on the performance of the project and achievement of the objectives established;
5) contribution of the project to the promotion of the horizontal principles related to the fundamental principles and targets of “Estonia 2035”;
6) in the case of the activities specified in clause 6 (1) 1), a written report on the digital consultancy service.

(5) The implementing body approves the final report of the project when the activities determined in the decision to grant the application have been implemented in full.

(6) The implementing body has the right to demand that the reports be supplemented. The implementing body does not approve a report if the applicant does not supplement it by the time limit set.

Chapter 8
Conditions of Payment of Support

§ 21. Conditions of payment of support

(1) Support is paid in accordance with §§ 24–26 of the Combined Regulation and the specifying conditions of and procedure for making payments as provided for in the Regulation and in the decision to grant the application.

(2) In the case of the activity specified in clause 6 (1) 1), the following conditions of payment of support apply:
1) the support is paid as a flat-rate payment pursuant to subsection 28 (2) of the Combined Regulation;
2) a prerequisite for payment of the support is the submission of the project report and its approval by the implementing body;
3) the support is not paid if the result is achieved in part.

(3) In the case of the activity specified in clauses 6 (1) 2)–4), the following conditions of payment of support apply:
1) the support is paid to the beneficiary on the basis of the actual costs in accordance with clause 27 (1) 1) of the Combined Regulation and on the basis of indirect costs specified in subsection 7 (6) as a flat rate accordance with subsection 28 (3) of the Combined Regulation;
2) the beneficiary submits the documents proving the incurrence of the cost to be supported and payment of the cost together with the interim or final report;
3) for the purposes of proving eligible costs and self-financing, only costs paid on the basis of accounting source documents (hereinafter *expense receipts*) and by bank transfer are taken into account;
4) the minimum amount of eligible costs in an expense receipt is 100 euros;
5) the implementing body processes expense receipts for up to 20 working days as of the submission of the expense receipts;
6) if a shortcoming is found in the expense receipts upon processing, which cannot be eliminated during the time limit for processing, the implementing body will set an additional time limit for eliminating the shortcoming.

Chapter 9
Rights and Obligations of Beneficiary and Implementing Body

§ 22. Rights and obligations of beneficiary

(1) The beneficiary has the right to receive information and explanations from the implementing body that concern using the support and the obligations of the beneficiary.

(2) In addition to the obligations provided for in §§ 10 and 11 of the Combined Regulation, the beneficiary performs the following obligations:
1) uses the support in accordance with the provisions of the decision to grant the application;
2) ensures project management and its successful implementation pursuant to the time limits and conditions set out in the decision to grant the application;
3) ensures compliance with the durability requirement arising from Article 65 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) for at least three years following the completion of the project in the case of a beneficiary who is a SME, and for at least five years in the case of a beneficiary who is a large enterprise;
4) fulfils notification requirements in accordance with the provisions of Government of the Republic Regulation No. 54 of 12 May 2022 "Informing Public of Granting Resources from Cohesion and Internal Security Policy Funds 2021–2027".

§ 23. Rights and obligations of implementing body

(1) The implementing body has the right to:
1) check expense receipts and the implementation of project activities on the premises of the beneficiary;
2) examine the documents drawn up in the course of preparing the project and performing the work;
3) demand the submission of additional data and documents on the duration, activities, objectives, results and costs of the project included in the application that prove proper implementation of the project and proper performance of the obligations of the beneficiary;
4) suspend or terminate the payment of the support and demand the repayment of the support in part or in full if the beneficiary breaches the conditions provided for in the Regulation or otherwise deviates from the provisions of the application or of the decision to grant the application;
5) reduce the amount of the support in proportion to the reduction of the cost of the project approved in the decision to grant the application;
6) refuse to pay the support if the economic situation of the beneficiary has deteriorated to such an extent that using the support or implementing the project plan is compromised;

(2) In addition to the provisions of subsection 8 (2) of the Act2021_2027, the implementing body also performs the following obligations:
1) notifies the beneficiary of any decision made in respect of it;
2) checks the implementation of the project;
3) continuously monitors the financial balances of the measure and, if necessary, submits a respective overview to the implementing authority;

4) retains the data related to granting state aid and de minimis aid together with the information and necessary additional documents for ten years from the most recent grant of the aid;
5) prepares a monitoring report and a final report on the measure, confirms the accuracy of the data included in the report and sends the report to the implementing authority;
6) submits the data necessary for reporting on granting and using the support;
7) prepares and publishes overviews of granting and using the support;
8) notifies the implementing authority of any obstacles to using the support.

Chapter 10
Financial Corrections and Challenges

§ 24. Financial corrections and repayment of support

(1) A financial correction decision is made and support is repaid in accordance with the provisions of §§ 28–30 of the Act2021_2027 and §§ 34–38 of the Combined Regulation.

(2) In the event of state aid that is unlawful, misused or incompatible with the common market, and the grant of de minimis aid, a decision to recover the support may be made within ten years of making a decision to grant the support to the beneficiary. In the event of recovery of the support, the provisions of § 42 of the Competition Act will apply.

§ 25. Challenge proceedings

A challenge against an activity or a decision of the implementing body is submitted to the implementing body before filing an appeal with an administrative court pursuant to § 31 of the Act2021_2027. The challenge is adjudicated by the implementing body.

Chapter 11

Implementation of Regulation

[RT I, 26.06.2026, 1 – entry into force 29.06.2026]

§ 26. Implementation of Regulation

(1) The amendment to subsection 22 (2), which entered into force in June 2026, applies as of 30 January 2026.
[RT I, 26.06.2026, 1 – entry into force 29.06.2026]

(2) In respect of applications for support submitted before the amendments to sections 3 and 7 entered into force in July 2026, the wording of the provision in force before the amendments to this Regulation entered into force in July 2026 shall apply.
[RT I, 07.07.2026, 1 – entry into force 10.07.2026]