

EARTO Response to the EC Consultation on GBER

3 October 2025

EARTO, representing over 350 Research and Technology Organisations across 32 countries, welcomes the European Commission's initiative to revise the <u>General Block Exemption Regulation</u> (GBER) and appreciates the opportunity to contribute to this important consultation. Building on our <u>previous responses</u>, we would like to reiterate and expand upon our key recommendations to ensure that the revised GBER and its <u>RD&I Framework</u> effectively and equitably support Europe's innovation ecosystem.

Recognition of RTOs as RKDOs - Not "Undertakings"

EARTO strongly urges the EC to explicitly recognise Research and Technology Organisations (RTOs) as Research and Knowledge Dissemination Organisations (RKDOs) by default under the GBER definitions and RD&I Framework. RTOs are not-for-profit entities whose primary mission is to conduct and disseminate research, often under public mandate. Treating them as "undertakings" undermines their ability to participate in publicly funded RD&I programmes and leads to unjustified funding limitations.

EARTO Recommendations:

- Ensure RTOs are eligible for 100% cost coverage in national/regional RD&I programmes, regardless of their legal status or financing model.
- Prevent Member States from using State Aid rules to justify lower funding rates or impose repayable advances to RTOs by improving Member States' understanding and application of the GBER.

Ensure Consistent Interpretation Across Member States

EARTO remains concerned about inconsistent interpretations of economic vs. non-economic activities by national or regional authorities and funding agencies. These discrepancies create barriers to RD&I investment and distort our European single market. To address the issue of overly broad interpretations by national or regional authorities and funding agencies, it is essential to enhance clarity—either through revisions to the GBER itself or via detailed explanatory guidelines. The EC DG COMP maintains a rich repository of information on its internal e-State aid wiki system, addressing questions from Member States. For the sake of transparency, we strongly recommend that this content be made publicly accessible. This would enable RD&I actors to reference it when engaging with their national or regional authorities and funding agencies, fostering more informed and consistent dialogue.

Regarding the 20% ancillary use rule, this safe harbour provision allows an RTO to allocate up to 20% of its annual capacity to ancillary economic activities before State Aid regulations are triggered. However, its practical application remains unclear. This ambiguity has led, in some cases, to public funding being granted under overly strict conditions — such as prohibiting any economic use of the research results or enforcing a hard cap on economic activity. Rather than imposing such rigid limitations (20%), a more effective approach for a Member State would be to implement a clawback mechanism where needed, e.g. where the economic use of an infrastructure would grow over time and exceed the 20% threshold. This would facilitate a smoother transition from primarily non-economic use to increased economic utilisation over time. Moreover, we propose to reiterate and clarify that the 20% rule is a safe harbour rule and that RPOs having more than 20% economic activity may be fully funded for their non-economic activities where separation of activities are kept.

EARTO Recommendations:

 Update the <u>EC JRC Decision Tree</u>¹ issued in 2020 and promote the "array of proof" methodology mentioned in this decision tree to guide Member States in applying State Aid rules consistently.

 Establish mechanisms to monitor and correct risk-averse or misaligned national and/or regional implementations.

 To promote transparency, we recommend that the feedback provided by EC DG COMP to national and regional authorities regarding GBER application questions be made publicly accessible. This would allow RD&I stakeholders to refer to these responses when engaging with their respective authorities and funding agencies, fostering clearer and more consistent dialogue.

¹ State Aid Rules in Research, Development & Innovation - Addressing Knowledge and Awareness Gaps among Research and Knowledge Dissemination Organisations, EC DG JRC, November 2020.

Reiterate and clarify that the 20% rule is a safe harbour rule only and that RPOs having
more than 20% economic activity may be fully funded for their non-economic activities
where separation of activities are kept. Rather than imposing such rigid limitations (20%),
a more effective approach for Member States would be to implement a clawback
mechanism where needed. This would facilitate a smoother transition from primarily noneconomic use to increased economic utilisation over time, especially for infrastructures.

Clarify the Distinction Between TEIs and TIs

First and foremost, EARTO warmly welcomes the recently published <u>EU Strategy on Research and Technology Infrastructures</u> (RTIs), which suggests a much-needed clarity and guidance on the application of State Aid rules across Member States.

In parallel, the introduction of "Testing and Experimentation Infrastructures" (TEIs)² under the RD&I Framework is a positive development. However, EARTO urges caution against conflating TEIs with "Technology Infrastructures" (TIs). TIs are primarily used for non-economic activities in collaboration with Research and Knowledge Dissemination Organisations (RKDOs) and SMEs. Technology Infrastructures should therefore remain within the scope of Research Infrastructures (RIs)³ under State Aid Rules (GBER and RD&I Framework).

EARTO Recommendations:

- Define TEIs based on predominant economic activity, and Research Infrastructures (including Technology Infrastructures) based on predominant non-economic activity.
- Maintain Technology Infrastructures within the Research Infrastructures' definition as per the current GBER and RD&I Framework.
- Raise the notification threshold for Testing and Experimentation Infrastructures to €35 million to align with Research Infrastructures.
- Allow preferential access to Testing and Experimentation Infrastructures for contributors investing at least 5% of total costs.

EARTO urges the European Commission to incorporate these recommendations into the revised GBER to foster a more innovation-friendly regulatory environment. Doing so will strengthen Europe's RD&I capacity, it will ensure a fair treatment of RTOs across Europe, facilitating the creation of a real and competitive single market. EARTO and its members remain at your disposal for further dialogue and collaboration with the EU Institutions and services.

EARTO - European Association of Research and Technology Organisations

Founded in 1999, EARTO promotes RTOs and represents their interest in Europe. EARTO network counts over 350 RTOs in more than 32 countries. EARTO members represent 228,000 highly-skilled researchers and engineers managing a wide range of innovation infrastructures.

RTOs - Research and Technology Organisations

From the lab to your everyday life. RTOs innovate to improve your health and well-being, your safety and security, your mobility and connectivity. RTOs' technologies cover all scientific fields. Their work ranges from basic research to new products and services' development. RTOs are non-profit organisations whose core mission is to produce, combine and bridge various types of knowledge, skills and infrastructures to deliver a range of research and development activities in collaboration with public and industrial partners of all sizes. These activities aim to result in technological and social innovations and system solutions that contribute to and mutually reinforce their economic, societal and policy impacts.

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2 New art 26 (a) GBER. 3 Art. 26 GBER.