
This document sets out the scheme information for Invest Northern Ireland's Selective Financial Assistance Scheme and how it will operate under Commission Regulation (EU) 651/2014, the General Block Exemption Regulation, as amended by Commission Regulation (EU) 2017/1084 of 14 June 2017.

1. Member State

United Kingdom

2. Region

Northern Ireland

For the purposes of Regional Investment Aid, Northern Ireland will remain a 100% TFEU Article 107 (3) (c) assisted area for the foreseeable future, subject to review by HM Government in the context of the UK's Regional Aid map.

3. Title of Scheme

Invest NI Selective Financial Assistance Scheme

4. UK Legal Basis

The relevant legal powers under which support will be provided under this Scheme are contained in:

- The Industrial Development (Northern Ireland) Order 1982¹
- The Industrial Development (Northern Ireland) Act 2002²
- The European Communities Act (1972)³

5. EC Legal Basis

All aid provided under this Scheme will be within the limits and conditions set out in Commission Regulation (EU) 651/2014, the General Block Exemption Regulation (GBER)⁴

¹ <http://www.legislation.gov.uk/nisi/1982/1083/contents>

² <http://www.legislation.gov.uk/nia/2002/1/contents>

³ <http://www.legislation.gov.uk/ukpga/1972/68/section/2>

⁴ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=EN>

6. Definitions

To the extent that they apply to the aid categories set out in paragraph 12, the definitions in Article 2 of Commission Regulation (EC) 651/2014 shall apply to the Selective Financial Assistance scheme.

7. Objective of the Scheme

The objective of the Selective Financial Assistance scheme is to secure increased private sector investment and employment growth in Northern Ireland. Beneficiaries must be able to demonstrate the viability of their projects, there must be need for public funds and there should be a net economic benefit as a result of supported projects.

The scheme will not assist those companies which cater purely for a Northern Ireland market if it is already well served.

The scheme is not sector specific and is open to SMEs and large companies. Invest NI will apply the definition of SME as set out in Annex I of Commission Regulation (EC) 651/2014 and summarised below:

Company category	Employees	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Large companies may only receive Regional Investment aid in favour of new economic activity as provided for in Commission Regulation (EC) 651/2014.

Beneficiaries of Regional aid under the Selective Financial Assistance Scheme must confirm that they have not carried out a relocation to the establishment in which the initial investment for which aid is requested is to take place, in the two years preceding the application for aid and give a commitment that they will not do so up to a period of two years after the initial investment for which aid is requested is completed.

“Relocation” means a transfer of the same or similar activity or part thereof from an establishment in one contracting party to the EEA Agreement (initial establishment) to the establishment in which the aided investment takes place in another contracting party to the EEA Agreement (aided establishment). There is a transfer if the product or service in the initial and in the aided establishments serves at least partly the same purposes and meets the demands or needs of the same type of customers and jobs are lost in the same or similar activity in one of the initial establishments of the beneficiary in the EEA

8. Estimated Annual Scheme Expenditure

£50 million

9. Maximum Aid Intensity

The Selective Financial Assistance Scheme will respect the relevant maximum aid intensities as set out in Chapter 3 of Commission Regulation (EC) 651/2014. Where the maximum aid intensity cannot be set, because eligible costs cannot be identified or in order to provide simpler instruments for small amounts, the Selective Financial Assistance scheme will respect the relevant maximum aid amounts set out in Commission Regulation (EC) 651/2014.

10. Date of Implementation

1 January 2018

11. Government body authorised to implement the scheme

The Government Body authorised to implement the scheme is Invest Northern Ireland, a non-departmental public body under the Department for the Economy for Northern Ireland.

12. Scope of Scheme

The Selective Financial Assistance scheme will be open to undertakings proposing to set up, locate and invest in Northern Ireland. Funding awarded will be discretionary and will align with Invest NI's legal powers and will support Northern Ireland's (draft) Programme for Government⁵ and (draft) Industrial Strategy⁶.

The Selective Financial Assistance Scheme will provide the following categories of aid as set out Chapter III of Commission Regulation (EC) 651/2014.

Section	Article
1 - Regional aid	14 - Regional Investment Aid
2 - Aid to SMEs	18 - Aid for consultancy in favour of SMEs 19 - Aid to SMEs for participation in fairs
3 - Aid for access to finance for SMEs	22 - Aid for start-ups
4 - Aid for research and development and innovation	28 - Innovation aid for SMEs
6 - Aid for disadvantaged workers and for workers with disabilities	32 - Aid for the recruitment of disadvantaged workers in the form of wage subsidies
7 - Aid for environmental protection	38 - Investment aid for energy efficiency measures

⁵ <https://www.northernireland.gov.uk/sites/default/files/consultations/newnigov/pfg-consulation-document.PDF>

⁶ <https://www.economy-ni.gov.uk/sites/default/files/consultations/economy/industrial-strategy-ni-consultation-document.pdf>

The Selective Financial Assistance Scheme will respect the exclusions set out in paragraphs 2 to 4 of Chapter I (Common Provisions), Article 1 (Scope).

13. Duration

The Selective Financial Assistance scheme will operate until 31 December 2020.

14. Form of Aid

Aid awarded under the Selective Financial Assistance scheme will be predominantly grant, although loans may also be provided. Only aid for which it is possible to calculate a gross grant equivalent will be awarded under the scheme.

15. Eligible Costs

Aid will be awarded against only the eligible costs set out in Articles 14, 18, 19, 22, 28, 32 and 38 of Commission Regulation (EC) 651/2014.

16. Incentive Effect

Aid awarded under the Selective Financial Assistance scheme must demonstrate an incentive effect. To that end, beneficiaries must submit written applications for aid before work on a project or activity starts. Invest NI will further comply with the provisions of Article 6 of Commission Regulation (EC) 651/2014 (Incentive Effect) in respect of ad hoc aid awarded to large enterprises.

17. Cumulation

The Selective Financial Assistance Scheme will respect the cumulation conditions detailed in Article 8 of Commission Regulation (EC) 651/2014 and will not cumulate aid such that the relevant maximum aid intensities or aid amounts are exceeded.

Aid awarded under the Selective Financial Assistance scheme shall not be cumulated with any de minimis aid in respect of the same eligible costs if such cumulation would result in an aid intensity exceeding those laid down in Chapter III of Commission Regulation (EC) 651/2014.

18. Notification Thresholds

In accordance with Article 4 of Commission Regulation (EC) 651/2014 the Selective Financial Assistance Scheme will respect the following notification thresholds:

- a) for regional investment aid: the 'adjusted aid amount' of aid, as calculated in accordance with the mechanism defined in Article 2, point 20 for an investment with eligible costs of EUR 100 million;
- b) for aid for consultancy in favour of SMEs: EUR 2 million per undertaking, per project;
- c) for aid to SMEs for participation in fairs: EUR 2 million per undertaking, per year;
- d) for aid for start-ups: the amounts laid down per undertaking in Article 22(3), (4) and (5);
- e) for innovation aid for SMEs: EUR 5 million per undertaking, per project;

- f) for aid for the recruitment of disadvantaged workers: EUR 5 million per undertaking, per year; and
- g) for investment aid for energy efficiency projects: EUR 10 million as laid down in Article 39(5);

19. Reporting and Monitoring

An annual report on the expenditure under the Selective Financial Assistance scheme will be provided to the Commission.

Records will be kept for 10 years from the date of the last award of aid under the Scheme. Records will be sufficiently detailed to establish that the conditions of Commission Regulation (EC) 651/2014 are met.

20. Name and Address of Granting Authority

Invest Northern Ireland
Bedford Square
Bedford Street
Belfast
BT2 7ES
+44 28 9069 8257

www.investni.com