

Approved by the Decision of the
Plenum of the Competition Council
No 5 of August 30, 2013

REGULATION

on state aid for training employees and jobs creation

This Regulation transposes the Section 8 and 9 of the Regulation (EC) No 800/2008 of Commission of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation), published in Official Journal of the European Union No L 214 of 09.08.2008, p.0003-0047 and Part III.2 and Part III.3 from Annex I of the Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty, published in Official Journal of the European Union No L 140, of 30.04.2004, p.1-134.

Section 1

General Provisions

1. This Regulation is applied to aid for training employees and help to create work places for disadvantaged workers and those with disabilities.
2. State aid for training employees and creating new work places may be considered compatible with a normal competitive environment, in accordance with Article 5 Para (1) b) of Act No. 139 of 15 June 2012 on State aid if they meet the conditions laid down in this Regulation.
3. Aids for training the employees is granted when the training provided by enterprises, from its own resources are insufficient for the needs of contemporary society overall.
4. Aid granted in order to create new jobs for the disadvantaged workers and disabled people is justified by lower productivity, perceived or real, of those categories of workers, due either to lack of recent work experience or some disability.
5. This regulation does not allow granting state aid for training employees, and the aid granting for job creation for workers disadvantaged and disabled in the following cases:
 - 1) the aid beneficiary is a an undertaking in difficulty, as it is defined by the Regulation on State rescue aid for beneficiaries in difficulty;
 - 2) aid granted or intended for export-related activities, that are directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
 - 3) aid are contingent upon the use of domestic over imported goods;
 - 4) aid is granted for favoring activities in the processing and marketing of agricultural products in the following cases:
 - a) when the aid is determined on the basis of the price or quantity of such products purchased from primary producers or sold by the undertakings concerned, or

b) when the aid is conditional on being partly or entirely passed on to primary producers.

6. This regulation does not allow granting state aid for training employees, namely aid for job creation for disadvantaged workers and the disabled, who are the subject of the Competition Council decision ordering the recover illegal state aid or misused aid previously granted and outstanding by the beneficiary until the new effective aid is granted.

7. The state aid is not considered in the meaning of the Law No. 139 of 15 June 2012 on State aid and are not covered by this Regulation, the support measures intended to promote employment and vocational training for the staff which have a general nature, are applicable to all sectors and all undertakings, without discrimination, as well as the facilities are directly granted to persons.

Section 2

Definitions

8. In the meaning of this Regulation the following definitions can be applied:

labor costs - consumption and expenditure on wages, determined in accordance with the Law on Accounting No.113-XVI of 27.04.2007 (Official Gazette of the Republic of Moldova No.90-93 of 29.06.2007);

general training - training with content that is not applicable exclusively or mostly to the present or future position of the undertaking, but which provides qualifications that are largely transferable to other undertakings or fields. The training is considered general if:

a) is jointly organized by different independent undertakings, or is available to employees of different companies;

b) is recognized, certified or validated by public authorities or bodies or other bodies or institutions authorized under national or international law;

specific training – the professional training with content directly and principally applicable present or future position in the undertaking and providing qualifications which cannot be transferred to other undertakings or fields or can be transferred only to a limited extent;

sheltered employment - employment in a specialized undertaking, as it is defined in Article 2 of Law No. 60 of 30 March 2012 on the social inclusion of people with disabilities;

disadvantaged worker - any person who:

a) did not have a regular paid job in the last six months or

b) has an age between 16 and 24 years old, graduated from high school or university and is looking for their first job or

d) has age between 50 years old or,

e), is single or has one or more persons on maintenance or,

f) working in a sector or profession in which the unequal division of posts between men and women is at least 25% higher than the average imbalance distribution of posts between men and women in all economic sectors, calculated at national level and which belongs to the minority gender or,

g) a member of an ethnic minority and has needs to develop their linguistic, vocational training or work experience to improve their chances of getting a stable job;

h) is looking for their first job after release from prison;

severely disadvantaged worker - any person who has been unemployed for 24 months;

disabled worker - any person whose disability or impairment recognized as a result of physical, mental or psychological, was determined under national law;

safe work environment - space for the professional activity of an undertaking in which at least 50% of workers are workers with disabilities, including institution building workplace in any other place within the institution and beyond, which disabled person has access while performing work tasks, tailored to the needs, including equipment and access routes;

number of employees - the number of work units (NWU), namely the number of persons employed full time in a year, work part time and seasonal work representing fractions of NWU.

Section 3

Aid for employee training

The aid intensity shall not exceed:

- 1) 25% of eligible costs for specific training and
- 2) 60% of eligible costs for general training.

10. The aid intensity may be increased up to a maximum intensity of 80% of eligible costs, as follows:

- 1) 10% if the training is given to disabled or disadvantaged workers;
- 2) 10% if the aid is granted to medium and by 20% if the aid is to small.

11. Aid intensity granted to the maritime transport sector can reach 100% of eligible costs, whether the training project concerns specific or general, if the following conditions are met:

- a) beneficiary of the training is not part of the team, but he is member of additional staff and
- b) training takes place on board ships recorded in the national registers.

12. In cases where the aid project involves both general education components, as well as specific training components which cannot be separated for the calculation of the aid intensity and where specific or general character of the training aid project cannot be determined, the aid intensities applicable to specific training are applied.

13.: Eligible costs of a training aid project are:

- 1) staff costs of trainers;
- 2) travel costs of trainers and trainees, including accommodation;
- 3) other current expenses such as materials and supplies directly related to the project;
- 4) depreciation of tools and equipment, to the extent that they are used exclusively for the training project;

- 5) cost of the guidance and advice on the training project;
- 6) Personnel costs of trainees and other costs related to project implementation (administrative costs, rent, overheads) up to the total value of the other eligible costs referred to in points 1) -5). On the cost of staff to be trained, taking into account only the hours during which the trainees actually participate in the training, after deduction of any productive hours.

Section 4

Aid for the employment of disadvantaged workers in the form of wage subsidies

14. Granting aid for the employment of disadvantaged workers in the form of wage subsidies permitted under the provisions of this Regulation, if to the following conditions are met:

- 1) The aid intensity shall not exceed 50 % of the eligible costs.
- 2) in case of employment of disadvantaged workers eligible costs are the wage costs over a maximum period of 12 months from the date of employment;
- 3) when the worker employed is a severely disadvantaged worker, eligible costs are wage costs over a maximum period of 24 months from the date of employment;
- 4) when employment is not a net increase in the number of employees of the undertaking compared with the average over the previous 12 months, post or posts shall have fallen vacant following the resignation of disability, retirement age, voluntary reduction of working time or lawful dismissal for misconduct and not as a result of redundancy;
- 5) continuous employment for disadvantaged worker must be provided for a minimum period consistent under national law or any collective agreements governing employment relationships, unless lawful dismissal for misconduct;
- 6) when duration of employment is less than 12 months or, 24 months, when the aid shall be reduced aright proportionally.

Section 5

Aid for the employment of disabled workers in the form of wage subsidies

15. Aid granting for the employment of disabled workers in the form of wage subsidies permitted under the provisions of this Regulation, subject to the following conditions:

- 1) the aid intensity shall not exceed 75 % of the eligible costs.
- 2) eligible costs are labor costs for the period being of employment of disabled workers;
- 3) when employment is a net increase in the number of employees of undertaking compared with the average over the previous twelve months, post or posts shall have fallen vacant following the resignation of disability, retirement age, voluntary reduction of working time or lawful dismissal for misconduct and not as a result of redundancy;

- 4) continuous employment for workers is provided for a minimum consistent period which is set of labor law or any collective agreements governing employment relationships, unless lawful dismissal for misconduct;
- 5) where employment duration is less than 12 months, the aid shall be reduced aright proportionally.

Section 6

Aid for compensating the additional costs generated by the employment of disabled workers

16. Aid granting to offset the additional costs generated by the employment of disabled workers is permitted in accordance with this Regulation, subject to the following conditions:

- 1) the aid intensity shall not exceed 100 % of the eligible costs.
- 2) eligible costs are costs other than labor costs covered by point 15 2) of this Regulation, which are additional to those which the undertaking would have incurred if workers without disabilities are employed, the period of employment of the concerned worker namely:
 - a) costs of spaces adapting;
 - b) costs of employment of staff for time spent solely to assist disabled workers;
 - c) costs of adapting or acquiring of equipment, or acquiring and validating software for use by disabled workers, including adapted or assistive technology facilities, which are additional to those which the beneficiary would have incurred if he have employed workers without disabilities;
 - d) when the beneficiary provides sheltered employment, the costs of constructing, installing or expanding the establishment concerned, and any costs of administration and transport which are resulted directly from employment of workers with disabilities.

Section 7

The compatibility of state aid

17. State aid granted under this regulation is compatible with the normal competitive environment if it is complied with the assessment criteria provided by it (aid intensity, eligibility criteria, aid amount, etc..). In order to verify compliance with state maximum aid intensities for employment and training of employees is considered the total amount of state aid granted for the subsidized activity or project, whether that support is financed from State resources or external resources.

18. State aid for training State aid for professional training or employment of disadvantaged workers and those with disabilities cannot be cumulated with any other aid which is subject to other pieces of legislation adopted by the Competition Council or with de minimis aid or any other external funding related to the same – eligible costs which are partly or fully overlap - if such accumulation would result in exceeding the maximum aid intensity or amount applicable to this aid under this Regulation.

19. As the derogation from point 14 of this Regulation, aid for disadvantaged workers, provided in sections 15 and 16 of this Regulation may be cumulated with

other categories of state aid on the same eligible costs, provided that this accumulation does not result in an aid intensity exceeding 100% of the relevant eligible costs in any period in which the workers concerned are employed.

20. Competition Council will assess the incentive effect of the facilities that the provider wishes to grant to the state aid beneficiary according to the criteria set out in Point 23-26 of this Regulation.

21. State aid for professional training or state aid for employment of disadvantaged workers and those with disabilities, granted to small and medium undertakings, under this Regulation shall be deemed to have an incentive effect if, before initiate the project or activity, the beneficiary shall submit a request for providing state aid.

22. State aid for professional training granted to large undertakings is considered to have an incentive effect if the provider will verify, before granting the individual aid, in addition to the condition laid down in point 21 of this Regulation, if the training professional project is recording a substantial increase in size as a result of aid granting.

23. If aid is granted in order to offset the additional costs generated by the employment of disabled workers referred to in point 16 of this Regulation, the aid granting is considered to have an incentive effect if the conditions set out in point 16 subpoint 2) of this Regulation.

24. Aid for the employment of disadvantaged workers in the form of wage subsidies and aid for employment of disabled workers in the form of wage subsidies referred to in points 14 and 15 of this Regulation, shall be deemed to have an incentive effect if it leads to a net increase in the number of disadvantaged / disabled ones employed.

25. Any intention of provider to grant of state aid for professional training or aid for employment of disabled workers and people with disabilities shall be notified to the Competition Council, which will issue a decision of authorization in accordance with the Law on state aid.

26. Notification of state aids for training, namely those for the employment of disadvantaged workers and those with disabilities will be made in compliance with the Regulation on the notification form, the procedure for considering and adopting decisions on state aid and in accordance with the notification forms annexed to this Regulation.

27. The granting of individual state aid will be assessed differently by the Competition Council by the amount.

28. Are considered to have a distorting effect on the competitive environment individual state aid which exceeds the following thresholds:

- 1) in case of state aid for general and specific training - 3 million lei / training project;
- 2) in case of state aid for the employment of disadvantaged workers - 5 million USD / undertaking / year;
- 3) in case of state aid for the employment of disadvantaged workers in the form of wage subsidies - 10 million lei / undertaking / year;
- 4) in case of state aid for the offset of the additional costs of generated by the employment of workers with disabilities - 10 million lei firm / year.

29. The Competition Council shall authorize any individual aid or any aid scheme for professional training or employment of disadvantaged and disabled workers, which gives to undertakings the benefit of state aid by an amount lower than thresholds stipulated in point 28 of this Regulation, if the conditions are met, where it is appropriate, the specific conditions stipulated in Sections 3-6 of this Regulation.

30. The Competition Council will verify , during the authorization process of state aid under this Regulation and compliance with repository of rules stipulated in point 19 of this Regulation and the existence of the incentive effect of the aid, as defined in section 21-24 of this Regulation.

31. Authorization of state individual aid for training or employment of workers disadvantaged and disabled, whose amount is higher than thresholds laid down in point 28 of this Regulation shall be subject of comparative assessment procedure referred to in Section 8 of this Regulation.

32. Documents, which are made available by the providers of state aid in order to assess the comparative analysis of state aid, will allow to the Competition Council to analyze positive and negative effects of granting aid measure in limiting the distorting effects of granting them on the competitive environment.

Section 8

Assessment of the compatibility of state aid with the normal competitive environment through benchmarking

33. If the provider and / or state aid initiator intends to grant state aid which does not meet or exceed the assessment criteria provided (higher intensity value greater than the limits set etc.) in this Regulation, the compatibility assessment with normal competitive environment is made through benchmarking.

34. The Benchmarking in order to assess the compatibility of aid for professional training or aid for employment of disadvantaged workers and those with disabilities are made in accordance with Section 11 of the Regulation on the notification form, the procedure for examination and decision making on state aid and the provisions of this chapter.

35. Additional criteria set out in sections 9 to 10 of this Regulation complements the criteria set out in sections 3-6 of this Regulation and the provisions of points 17-24 of this Regulation.

Section 9

Compatibility of state aid for professional training is a subject to an assessment through benchmarking

36. During the evaluation phase of professional training state aid, aid provider will make available for the Competition Council the documentation that will demonstrate:

- 1) existence of a market failure which justifies the aid granting;
- 2) that the state aid is the right tool to remedy or reduce market failures;

- 3) incentive effect and necessity of aid;
- 4) proportionality of the aid;
- 5) negative effects of aid (distortion of the competitive environment).

37. The Competition Council will authorize those aids to which the positive effects of aid are prevailing over negative ones. In order to compare the positive and negative effects, the Competition Council will assess and develop an overall assessment of their impact on producers and consumers on each of the affected markets. Unless, the Competition Council has quantitative information it will use qualitative information for the assessment.

38. During its analysis, the Competition Council will accept a higher degree of distortion in case where aid is necessary, well targeted and proportionate for a specific undertaking in order to increase its training activities and society benefits from the additional training more than the aid beneficiary.

39. The existence of market failure is manifested by the fact, that undertakings do not have sufficient funds or unwilling to assume the risks of professional training of its employees on a level considered optimal for society as a whole, when there is no security of full depreciation of investment within a reasonable time or where trained staff may leave the company before amortization of costs associated with training.

40. During its analyses the Competition Council will take into account the following elements:

1) **type of training** (specific, general or mixed) - general training will be considered to produce more positive effects than negative;

2) **transferability of the skills acquired during training** - as the degree of transferability is higher, the more positive effects of aid are obvious.

It is considered that training provides transferable skills if:

a) training is jointly organized by many independent undertakings, or if employees who benefits from the training are from different undertakings;

b) training is certified, and leads to obtaining the diploma which will be recognized or validated by public authorities or institutions;

c) training targets the categories of employees that are characterized by a high turnover in the company and in this sector;

d) training is important for the employee and beyond his current job (future occupations in another undertaking, social life, welfare, etc..)

3) **participants during training** - including the disabled or disadvantaged workers enhances the positive effects of training.

41. In order to demonstrate to the Competition Council that state aid is the right tool to remedy or reduce market failures, the provider will present considered alternatives (eg. training provided by the education system - universities, schools, professional training undertaken or sponsored by state authorities) and demonstrate the advantages of using a selective instrument such as state aid for a specific undertaking.

42. The Competition Council will take into account, particularly, any study of impact of the proposed support measure which the provider might have been carried out.

43. In order to demonstrate to the Competition Council the incentive effect and the necessity of the state aid granting, the provider must demonstrate that the facilities, which will be granted determine the increase of size, quality, scope or targeted participants of the training project, compared to the situation in which no aid was provided.

44. Additional training provided because of state aid granting will be indicated by a greater number of hours or training courses, participants, the transition from training specific for an undertaking to a general training or increasing participation of certain categories of disadvantaged workers or the ones with disabilities.

45. The Competition Council will consider in its analysis, at least the following elements:

1) internal documents of the aid beneficiary on training costs, budgets, participants, content and program for two scenarios: training with aid and training without aid,

2) the existence of a legal obligation for employers to provide a certain type of training (eg. training on safety at work). The existence of such legal obligations certify that the aid granting for organizing such training courses has no incentive effect,

3) the credibility of the project submitted: reference is made, for example, on the training budgets of the previous years of the beneficiary and comparison with them,

4) the relationship between the training program and aid beneficiary's commercial activities: the more narrow is the ratio, the more the incentive effect is reduced.

46. The provider must demonstrate maintenance of the aid amount at a minimum level in order to achieve the objective of the aid.

47. Eligible costs calculated in accordance with point 13 of this Regulation shall comply with the maximum intensity allowable under points 9-12 of this Regulation and shall be limited to the costs of the training activities, which would not be undertaken without aid.

48. The Competition Council will assess aid characteristics that may influence the likelihood and extent of distortion:

1) selectivity;

2) aid amount;

3) the aid repetition and duration;

4) the effect of aid on company costs.

49. In assessing the market characteristics that can provide a clearer picture to the potential impact of aid, the Competition Council will consider, among other things:

1) market structure - will be assessed by market concentration, size of undertakings, the importance of product differentiation and existence of entry and exit barriers from the market,

2) the characteristics of the sector or industry - will be measured against market shares and concentration ratios calculated with the definition of the relevant market.

50. The Competition Council will also assess the way the aids granting for training creates distortions of competition in terms of market entry and exit from the market, the effects on trade flows and investment excluding in training.

Section 10

Compatibility of state aid for the employment of disadvantaged workers and those with disabilities is a subject to an assessment through benchmarking

51. The evaluation phase of state aid for the employment of disadvantaged workers and those with disabilities, aid provider will make available to the Competition Council documents, which will demonstrate:

- 1) the existence of a public interest objective;
- 2) that state aid is the right tool to remedy or reduce market failures;
- 3) the incentive effect and necessity of aid;
- 4) the aid proportionality;
- 5) negative effects of aid (distortion of competitive environment).

52. The Competition Council will authorize those aids to which the positive effects of aid are prevailing over the negative ones. In order to compare the positive and negative effects, the Competition Council will measure and make an overall assessment of their impact on producers and consumers in each of the affected markets. Unless, the Competition Council has quantitative information it will use qualitative information for the assessment.

53. During its analysis, the Competition Council will accept a higher degree of distortion in case where aid is necessary, well targeted and proportionate for a specific undertaking in order to increase its training activities and society benefits from the additional training more than the aid beneficiary.

54. The provider will need to demonstrate to the Competition Council that the aid which he is about to grant will seek to achieve an objective of public interest.

55. During its analysis, the Competition Council will take into account the following elements: 1) the number and categories of concerned workers by the measure;

2) employment rates of workforce of the workers categories concerned by the measure on the national and / or regional level and within undertaking (s);

3) unemployment rates for the categories of workers concerned by the measure on the national and / or regional level;

4) particularly marginalized subgroups within the aggregate of categories of disadvantaged and disabled workers.

56. In order to demonstrate to the Competition Council that state aid granting is the right tool to remedy or reduce market failures, provider will present alternative options, which are taken into consideration (eg. use of general measures, such as reducing taxes on labor and social costs, investment support in education and training, measures for providing guidance and advice, assistance and training for the unemployed and improving labor legislation) and demonstrate the advantages of using a selective instrument such as state aid for a specific undertaking.

57. The Competition Council will take into account, particularly, any study of impact of the proposed support measure which the provider might have been carried out.

58. In order to demonstrate to the Competition Council the incentive effect and the necessity of the state aid granting, the provider must demonstrate that the facilities, which will be granted determine the changes in the aid beneficiary behavior, so that aid will ensure the net increase of the numbers of disadvantaged workers or the disabled ones, employed in concerned undertaking, compared to the situation in which the beneficiary will not receive aid.

59. Changing behavior of aid beneficiary will be indicated by the fact that disadvantaged or disabled employees newly employed will take the new created jobs or vacant following voluntary departure, disability, retirement on grounds of age, voluntary reduction of working time or lawful dismissal for misconduct. Posts resulting from layoffs should not be occupied by subsidized disadvantaged or disabled. State aid cannot be used to replace workers for which the undertaking does not receive subsidies and therefore they were dismissed.

60. The Competition Council will take into account during its analyses for the least the following elements:

- 1) internal documents of the aid beneficiary on labor costs in relation to the categories of workers concerned by the measure for two scenarios: with aid and without aid;
- 2) existing or past wage subsidies in the undertaking concerned: categories and number of workers who benefits from subsidy;
- 3) annual turnover of staff in the categories of concerned workers by the measure of aid.

61. The provider must demonstrate maintenance of the aid amount to a minimum level in order to achieve the objective of the aid.

62. The provider must provide evidence that the aid amount does not exceed the net additional costs on the employment of the categories of concerned workers by the measure, compared to the costs of on the employment of workers who are disadvantaged or are not enrolled in degree disability and that the maximum allowable intensities observed under points 14-16 of this Regulation.

63. The Competition Council will assess aid characteristics that may influence the likelihood and extent of distortion:

- 1) selectivity;
- 2) aid amount;
- 3) the aid repetition and duration;
- 4) the effect of aid on company costs.

64. In assessing the market characteristics that can provide a clearer picture to the potential impact of aid, the Competition Council will consider, among other things:

- 1) market structure - will be assessed by market concentration, size of undertakings, the importance of product differentiation and existence of entry and exit barriers from the market,
- 2) the characteristics of the sector or industry - will be evaluated against the existence of overcapacity and that markets in the industry are developing, mature or declining;
- 3) the context of the situation on the labor market - will be evaluated unemployment and employment rates, wage levels, and labor law.

65. The Competition Council will also assess the way the aids granting for employment of disadvantaged workers and those with disabilities produces a substitution effect between subsidized and unsubsidized workers, i.e. a displacement effect of jobs demand between different sectors of the economy.

66. In its analysis, the Competition Council will study the way the aids granting creates distortions of competition as regards to the barriers of entry and exit from the market of the undertaking, the total investment in the industry and the effects on trade flows in region covered by state aid.

Section 11

Final Dispositions

67. The Recording and reporting of state aid granted in accordance with this Regulation shall be made in accordance with the Regulation on State aid Register.

SPECIAL FORM
state aid notification for training employees

This form of information should be used for notification of individual aid to be assessed in accordance with the Regulation on State aid for training employees and creation of new work places (the Regulation).

If in the notified project are involved multiple beneficiaries, please provide the information below for each of them.

Characteristics of the notified measure

1. Describe briefly the measure, specifying the objective (objectives) of the instrument support structure / organization of training employees, beneficiaries, budget amount, timing of payments, the aid intensity and eligible costs.

2. Does the measure apply to the production and / or processing and / or marketing of agricultural products listed in Annex 1 to the Regulation on the notification form, the procedure for examining and taking decisions on state aid? (please tick)

	YES		NO	

3. Is aid provided for the maritime transportation? (please tick)

	YES		NO	

If yes, answer the following questions:

(a) The trainee is not an active member of the crew and is in addition to the staff of the board? (please tick)

	YES		NO	

(b) Training will be held on board ships registered in the Republic of the Moldova? (please tick)

	YES		NO	

4. The notified measure concerns:

specific training (as defined in section 8 of the Regulation) (please tick)

	YES		NO	

general training (as defined in point 8 of the Regulation) (please tick)

	YES		NO	

a combination of general and specific training: (please tick)

	YES		NO	

aid training for workers with disabilities or disadvantaged workers (as defined in point 8 of the Regulation) (please tick)

	YES		NO	

5. Describe in detail the training project, including schedule, skills to be acquired, timing, number of hours, participants, organizers, budget, etc..

6. Provide details of beneficiaries, including the identity of the group it belongs to the recipient, annual turnover, number of employees and business activities.

7. If applicable, specify the exchange rate that was used in the notification.

8. Number all documents provided as annexes to the notification form and indicate the document numbers in the relevant sections of this form for further information.

Objective of aid

9. Describe in detail the objectives of common interest pursued by the notified measure.

The existence of positive externalities (the criteria for the compatibility analysis, Section 9 of this Regulation)

10. Demonstrate that the training will generate positive externalities and provide legitimate documentation.

The following elements may be used to demonstrate positive externalities. Specify the relevant elements for the notified measure and provide legitimate documents:

- nature of training;
- transferability of the skills acquired during the training,
- training participants.

Suitable instrument (according to the criteria for the compatibility analysis, Section 9 of this Regulation)

Explain to what extent the notified measure is an appropriate tool in order to enhance training activities and provide legitimate documentation.

Incentive effect and necessity of aid (according to the criteria for the compatibility analysis, Section 9 of this Regulation)

To demonstrate the incentive effect, the Competition Council requires the supplier to carry out an assessment to prove that without aid, i.e. in the opposite situation, the number of training activities should be lower or the quality of the training would be lower.

11. Initiation of project(s) that benefit of support has occurred prior to the application for the aid by the beneficiary(s)? (please tick)

	YES		NO	

If so, the Competition Council considers that the aid is not an incentive for the beneficiary.

12. If not, specify the relevant dates:

- Project training will start on:

.....

- The beneficiary's aid application was submitted to the provider on:

.....

Provide relevant legitimate documentation .

13. Provide the beneficiary's internal documents on training costs, participants, content and scheduling for two scenarios: training project, which benefits from aid and training project, which does not benefit from aid. Explain, based on this information, how State aid increases the number and / or quality of the training activities planned.

14. Confirm that there is no legal obligation for employers to provide the type of training the notified measure.

15. Provide training budgets of the beneficiary in previous years.

16. Explain the relationship between the training program and activities of the aid beneficiary.

Proportionality of the aid (according to the criteria for the compatibility analysis, Section 9 of this Regulation)

Eligible costs

Eligible costs must be calculated in accordance with point 13 of this Regulation and shall be limited to the extra costs needed to increase the number of training activities.

17. Specify the eligible costs referred to as:

- trainers' personnel costs;
- traveling expenses of trainers and trainees, including accommodation costs;
- other current expenses such as materials and supplies directly related to the project;
- depreciation of tools and equipment, to the extent that they are used exclusively for the training project;
- cost of the guidance and advice on the training project;
- indirect costs (administrative costs, rent, overheads , transport costs and tuition fees for participants) to the total value of the other eligible costs referred to above;
- personnel costs of trainees (in terms of staff costs trainees can be taken into account only actual hours of participation in training, after deduction of any productive hours).

18. A detailed calculation of the eligible costs of the notified measure, so they are limited to the additional costs required to increase the number and quality of the training.

19. Provide evidence that the aid is limited to the minimum, i.e. the additional costs of training that the company cannot recover by benefiting directly from the skills acquired by its employees during training.

Aid intensity for general training

20. Specify the aid intensity applicable to the notified measure.

21. Benefit of general training under the notified measure disabled or disadvantaged workers? (please tick)

	YES		NO	

22. Nature of beneficiary:

- Large enterprise;
- Medium-sized enterprise;
- Small enterprise.

Aid intensity for specific training

23. Specify the aid intensity applicable to the notified measure.

24. Receive specific training in the notified measure disabled or disadvantaged workers? (please tick)

	YES		NO	

25. Nature beneficiary:

- Large enterprise ;
- Medium-sized enterprise;
- Small enterprise .

Analysis of the distortion of competition

26. Specify whether the beneficiary received aid for training in the past and provide details on using the above (dates, amount, and duration of training projects).

27. Specify the annual training costs of the beneficiary (total training budget in three years, the proportion of training costs relative to total costs) and explain how

the aid affects the beneficiary's costs (ex. the percentage of annual training costs and total costs covered by the aid and so on).

28. Specify the relevant market of product and relevant geographic markets in which the beneficiary is active and relevant market on which the aid is likely will have an impact.

29. For each of these markets, provide

- 1) The coefficients of market concentration;
- 2) The market share of the beneficiary;
- 3) The market shares of other companies present in these markets.

30. Describe the structure and competitive situation on the relevant markets and provide legitimate documents (eg barriers to entry and exit, product differentiation, the character of competition among market participants, etc.) .

31. Describe the characteristics of the beneficiary is active (eg importance of the trained workforce for the business, the existence of overcapacity, financing strategies of training for competitors , etc.).

Cumulation

32. Aid granted under the notified measure combined with other aid? (please tick)

	YES		NO	

If yes, describe the cumulation rules applicable to notified aid measure:

Other information

33. Indicate any other information which you consider relevant to the assessment measure(s) in question.

**SPECIAL FORM
on notification of state aid for new workplaces creation**

This form should be used for notification of individual aid, which is the object of assessment in accordance with the Regulation on State aid for training employees and creation of new work places (the Regulation).

If the notified project involves multiple beneficiaries, please provide the information below for each of them.

Characteristics of the notified measure

1. Briefly describe the notified measure, specifying the objective of the aid, aid instrument, beneficiaries, categories of workers concerned, aid amount, payment schedule, duration, aid intensity and eligible costs.

2. Does the measure apply to the production and / or processing and / or marketing of agricultural products listed in Annex 1 to the Regulation on the notification form, the procedure for examining and taking decisions on state aid? (please tick)

	YES		NO	

3. Provide details of beneficiaries, including the identity, the group, which belongs to the beneficiary, turnover, number of employees and business activities.

4. The notified measure concerns:
recruitment of disadvantaged workers (as defined in section 8 of Regulation) (please tick)

	YES		NO	

recruitment of severely disadvantaged workers (as defined in section 8 of the Regulation) (please tick)

	YES		NO	

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recruitment of workers with disabilities (as defined in section 8 of the Regulation) (please tick)

	YES		NO	

5. If applicable, specify the exchange rate that was used in the notification.

6. Number all documents provided as annexes to the notification form and indicate the document numbers in the relevant sections of this form for further information.

Objective of aid

7. Describe in detail the objectives of common interest pursued by the notified measure.

8. Demonstrate that the notified measure will lead to a net increase in the number of disabled and disadvantaged workers in employment and quantified growth.

9. The following elements can be used to demonstrate that the notified measure contributes to equity objective of common interest.

Specify the relevant elements for the notified measure and provide legitimate documents:

- the number and categories of workers concerned by the measure;
- employment rates for the categories of workers concerned by the measure on the national and / or regional level and in the undertaking(s) concerned;
- unemployment rates for the categories of workers concerned by the measure on the national and / or regional level.

Appropriate instrument (criteria for the compatibility analysis , Section 9 of this Regulation)

10. Explain to what extent the notified measure is an appropriate instrument to increase the number of disadvantaged and / or disabled people in employment and provide documentation.

Incentive effect and necessity of aid (according to the criteria for the compatibility analysis, Section 9 of this Regulation)

To demonstrate the incentive effect, the Competition require the supplier to carry out an assessment to prove that the wage subsidy is paid only for disadvantaged or disabled worker in a company where recruitment would not be produced without the aid.

11. Initiate project(s) which benefit from support occurred prior to the application for the aid by the beneficiary (s)? (please tick)

	YES		NO	

If so, the Competition Council considers that the aid is not an incentive for the beneficiary, so as to increase the net number of workers with disabilities or disadvantaged in employment.

12. If not, specify the relevant dates:

- Employment began on:

.....

- The beneficiary's aid application was submitted to the provider on:

.....

Provide relevant documentation.

13. Recruitment lead to an increase, compared with a situation in which aid is granted, the number of disadvantaged or disabled workers employed in the undertaking(s) concerned ? (please tick)

	YES		NO	

14. If not, post or posts(s) become vacant as a result of voluntary departure, disability, retirement on grounds of age, voluntary reduction of working time or lawful dismissal for misconduct and not as a result of redundancy? (please tick)

	YES		NO	

15. Describe any existing or past wage subsidies in the undertaking concerned: categories and number of workers receiving subsidies.

Proportionality of the aid (the criteria for the compatibility analysis , Section 9 of this Regulation)

Eligible costs

Eligible costs must be calculated in accordance with points 14 - 16 of this Regulation and shall be limited to the extra costs needed to net increase of disadvantaged or disabled employment.

16. What are the eligible costs foreseen under the notified measure?

- gross salary before tax;
- compulsory contributions to social security and healthcare;
- child care and parent care costs.

17. A detailed calculation of the eligible costs and the period covered by the notified measure, so they are limited to the net costs to increase the number of employment of the targeted categories of disadvantaged or disabled.

For the employment of disadvantaged workers eligible costs are the wage costs over a maximum period of 12 months (or 24 months for severely disadvantaged workers) recruitment.

For the employment of disabled workers eligible costs are the wage costs over the period of their employment.

18. Provide evidence that the aid is limited to a minimum, that the aid amount does not exceed the net additional costs of employment of the targeted categories of disadvantaged or disabled, compared to the costs of employment of workers who are not disadvantaged / disabled.

Aid intensity for disadvantaged workers

19. Specify the aid intensity applicable to the notified measure.

Intensity of aid for disabled workers

20. Specify the aid intensity applicable to the notified measure.

Analysis of the distortion of competition

21. Provide information on the amount of aid, payment schedule and aid instrument.

22. Specify whether the beneficiary received aid for disadvantaged or disabled in the past and provide details on previous aid measures (dates, amount of aid, categories and number of workers affected, and the duration of wage subsidies).

23. Specify the recipient labor costs (labor costs, labor costs of disabled and disadvantaged workers, the proportion of labor costs relative to total costs) and explain how the aid affects the beneficiary's (ie the percentage of costs labor and total costs covered by the aid).

24. Specify the relevant product and geographic markets in which the beneficiary is active and it is likely that the aid has an impact.

25. For each of these markets please provide:

- 1) The coefficients of market concentration;
- 2) The market share of the beneficiary;
- 3) The market shares of other companies present in these markets.

26. Describe the structure and competitive situation on the relevant markets and provide legitimate documents (eg barriers to entry and exit, product differentiation, the character of competition among market participants, etc.).

27. Describe the characteristics of the recipient is present (eg the importance of labor costs for the sector, the existence of overcapacity, etc.).

28. Describe the situation on the labor market at national / regional level (eg unemployment rates and employment, wage levels, labor law, etc.).

Cumulation

29. Aid granted under the notified measure combined with other aid? (please tick)

	YES		NO	

30. If yes, describe the cumulation rules applicable to notified aid measure:

Other information

31. Indicate any other information, which you consider relevant to the assessment of measure(s) in question.