

# Procedure for awarding grants for trade fairs

Passed on 23 January 2014 No. 3

[RT IV, 31.01.2014, 1](#)

Entry into force 03.02.2014

[Amended by the following legal instruments: \(show\)](#)

The Regulation is established on the basis of § 6(3)(2) and § 22(1)(5) of the Local Government Organisation Act, § 30<sup>1</sup>(1) and § 33 of the Competition Act and § 6(3) and § 26(1)(5) of the Tallinn Statutes.

## Chapter 1 GENERAL PROVISIONS

### § 1. Scope of application

(1) The procedure for granting support for trade fairs (hereinafter referred to as *the Regulation*) regulates the awarding and use of grants for participation in trade fairs in Estonia through the Tallinn Strategic Management Office (hereinafter referred to as *the Centre*).

[\[RT IV, 29.12.2020, 43](#) - entry into force. 01.01.2021]

(2)

[Repealed – [RT IV, 08.11.2019, 38](#) - entry into force. 01.12.2019]

### § 1<sup>1</sup>. State grant

(1) This grant constitutes de minimis aid within the meaning of Commission Regulation (EU) No. 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (EUR-Lex 352, 24.12.2013, pp 1-8) (hereinafter *De Minimis Aid Regulation*), according to Article 3. The provisions of the De Minimis Aid Regulation and § 33 of the Competition Act apply to the grant.

(2) De minimis aid granted to one applicant may not exceed the de minimis ceiling of EUR 200,000 for three consecutive financial years, along with the aid applied for under this Regulation.

(3) The rules on the cumulation of de minimis aid set out in Article 5 (1) of the De Minimis Aid Regulation have to be taken into consideration when granting de minimis aid.

(4) The provisions of § 49<sup>2</sup> subsection (3) of the Competition Act apply to the grant.

(5) For the purpose of calculating de minimis aid, an enterprise must be linked in accordance with Article 2(2) of the De Minimis Aid Regulation.

(6) This does not apply in the cases provided for in Article 1(1) of the De Minimis Aid Regulation.

(7) The party to whom the grant is given is obliged to keep the documents related to the grant for ten years from the decision on the grant.

(8) The Centre must keep the documents related to the grant for ten years as of the last grant given.

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### § 2. Purpose of the grant

This grant aims to support Tallinn's small and medium-sized enterprises to participate in Estonian trade fairs that are aimed at establishing business contacts, finding new distribution channels and promoting sales, thereby fostering small business growth in Tallinn.

### § 3. Terms

Terms used in the Regulation include:

1) Enterprise – a natural person who offers goods or services for a fee under their name and for whom the sale of goods or the provision of services is a fixed activity or a company according the Commercial Code's definition.

2) Trade fair – an exhibition of goods or services of Estonian enterprises outside their own sales outlets, intended to expand the network of contacts and sales of enterprises and to find new partners for cooperation.

2<sup>1</sup>) Trade fair organiser – a company, non-profit organisation, foundation or a trade association whose area of activity, according to the last annual report submitted to the Commercial Register, is the organisation of trade fairs.

[\[RT IV, 01.02.2018, 31](#) - entry into force. 04.01.2018]

3) Exhibition stand – an environment designed and built to display an exhibition.

4) Self-financing – the financial contribution of a beneficiary to the eligible expenses. Other non-refundable grants provided by local government, state or European Union institutions or funds are not considered self-financing.

- 5) Stand – an area rented from the fair organiser for the presentation of the exposition.
- 6) Beneficiary – an applicant whose application has been declared compliant.  
[\[RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]
- 7) Grant applicant (hereinafter *applicant*) – an enterprise that has submitted an application to the Centre and that provides its goods or services at the trade fair.  
[\[RT IV, 29.12.2020, 43](#) - entry into force. 01.01.2021]
- 8) Application – a written and compliant application for the grant and the documents attached.
- 9) Prints – promotional and information material (excluding business cards) printed on paper and intended for distribution to customers at the fair.  
[\[RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]
- 10) Display equipment – an aid (roll-up, banner stand, etc.) with information printed on paper or fabric and a lightweight, foldable construction, intended for use at a trade fair.  
[\[RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]

## **Chapter 2 ELIGIBLE EXPENSES AND GRANT LIMITS**

### **§ 4. Eligible expenses**

(1) The Centre will award grants for participation in fairs whose organiser's primary activity is the organisation of fairs, as per the latest annual report submitted to the Commercial Register and as stated in the relevant decision of the Centre.

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(2) The following expenses related to participation in fairs are eligible for reimbursement:

- 1) The fair participation fee, provided that the quotation or invoice has been issued to the applicant by the fair organiser and the applicant has paid the fair organiser
- 2) The rental of the stand area, provided that the quotation or invoice has been issued to the applicant by the fair organiser and the applicant has paid the fair organiser
- 3) The cost of designing or constructing the stand or stand area
- 4) The cost of renting and setting up a card payment terminal
- 5) Costs related to the production of videos, prints and display equipment, provided that the invoice has been issued to the applicant by the fair organiser and the applicant has paid the fair organiser

[\[RT IV, 19.06.2020, 9](#) – entry into force. 22.06.2020]

(3) Expenditure as referred to in Article 2 is eligible provided that it results from a transaction between the applicant and the enterprise and that, according to the latter's annual reports submitted to the Commercial Register, the activity of the enterprise was the provision of the service concerned.

[\[RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]

(3<sup>1</sup>)

[Repealed - [RT IV, 19.06.2020, 9](#) - entry into force. 22.06.2020]

(4) Expenses are accounted for on an accrual basis.

(5) Expenditure paid in cash is not eligible.

(6) The expenses incurred as of registration of the applicant to the trade fair until the submission of the final report are eligible.

[\[RT IV, 19.06.2020, 9](#) – entry into force. 22.06.2020]

(7) VAT is eligible if it can be shown that, in accordance with the legislation, there is no right to deduct or reclaim input VAT paid under the project and VAT is not otherwise refundable.

(8) If the Centre decides to declare the application non-compliant, the expenses incurred and planned must be borne by the applicant.

[\[RT IV, 29.12.2020, 43](#) - entry into force. 01.01.2021]

(9) Expenditure incurred on the basis of transactions between related parties as provided for in § 8(1) of the Income Tax Act is not eligible.

[\[RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]

### **§ 5. Aid ceiling**

(1) The grant covers up to EUR 1000 per applicant per calendar year.

(2) The grant will cover up to 50% of the eligible expenses actually incurred.

(3) One applicant is given support for participating in two trade fairs maximum in a calendar year.

## **Chapter 3 APPLYING FOR A GRANT AND REQUIREMENTS FOR THE APPLICANT**

### **§ 6. Applying**

(1) The Centre announces the admission of applications. Information on the admission of applications is published on the Tallinn website and in the newspaper in which the City of Tallinn publishes official notices.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

(2)

[Repealed - [RT IV, 19.06.2020, 9](#) - entry into force. 22.06.2020]

(3) The application is submitted to the Centre at least 21 calendar days before the start of the trade fair. Applications submitted later will not be reviewed.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

(4) Applications are submitted via the self-service environment of the Tallinn Project and Operating Support Information System (hereinafter *the TTR*). If the applicant is unable to use the TTR, they must submit the application to the Centre as a paper document signed by the representative.

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(5) The grant application form is established by the city administration.

(6) The Centre will suspend the application process when the total amount for accepted grants in a calendar year is equal to the amount provided for the grants to the Centre in the city budget of the current year. Applications submitted after the amount provided for the grants runs out will be rejected and returned to the applicant.

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(7) After the suspension of the applications specified in subsection (4) of this Article, the acceptance of applications is continued if additional funds are provided in the city budget for the allocation of the grant.

#### **§ 7. Requirements for the applicant**

(1) The grant can be applied for by a company or a self-employed person.

(2) The applicant must meet the following requirements:

1) The applicant is registered in Tallinn according to the Commercial Register.

2) The applicant has been operating for at least one financial year and submitted at least one annual report to the Commercial Register.

3) The average number of the applicant's full-time equivalent employees, based on the most recent annual report submitted to the Commercial Register, is no more than 20, and in the case of an applicant operating in the field of the manufacturing industry (according to the Estonian Classification of Economic Activities (hereinafter referred to as *EMTAK*) 2008, Section C), no more than 100. The applicant's turnover, based on the most recent annual report submitted to the Commercial Register, is EUR 400,000 or less. If the applicant has operated for more than two financial years and submitted at least two annual reports to the Commercial Register, the number of the applicant's full-time employees in the last six months must be at least one.

[\[RT IV, 01.02.2018, 31\]](#) - entry into force. 04.01.2018]

4) The applicant has paid all national and local taxes and they have no other debts to the City of Tallinn. If the aforementioned debts have been rescheduled, the payments must have been made according to the payment schedule. The applicant must have performed the obligation to file the tax returns stipulated in the Taxation Act and tax acts appropriately.

5) No liquidation, rehabilitation or bankruptcy proceedings have been initiated against the applicant and no bankruptcy decision has been made about them.

6) At least 51% of the shareholders of an applicant that is a company are natural persons.

(3) The following areas of activity do not comprise more than 50% of the sales revenue indicated in the applicant's last annual report submitted to the Commercial Register:

1) agriculture, forestry and fishery (EMTAK 2008, Division A)

2) production of beverages, excluding production of alcohol-free beverages, mineral water and other bottled water (EMTAK 2008, Division C, Subdivision 11, excluding Subdivision 1107)

3) production of tobacco products (EMTAK 2008, Division C, Subdivision 12)

4) wholesale and retail sale (EMTAK 2008, Division G)

5) financing and insurance activities (EMTAK 2008, Division K)

6) real estate activities (EMTAK 2008, Division L)

7) legal operations and accounting (EMTAK 2008, Division M, Subdivision 69); head office activities; management consultancy (EMTAK 2008, Division M, Subdivision 70); market research

and public opinion polls (EMTAK 2008, Division M, Subdivision 732)

8) organisation of gambling and betting (EMTAK 2008, Division R, Subdivision 92)

## **Chapter 4 PROCESSING OF APPLICATIONS**

### **§ 8. Reviewing the applications**

(1) If there are remediable deficiencies in the application, the Centre will promptly set a deadline for the applicant to remedy the deficiencies. The Centre will inform the applicant of any aspects that need clarification or completion. If the deficiency is remedied within the time limit, the application is deemed to have been submitted by the deadline. If the deficiencies are not remedied by the deadline, the Centre may reject the application.

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(2) The Centre will decide on the compliance of the applicant and the application with regard to the requirements set out in the Regulation within 10 working days of the submission of a valid application.

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(3)

[Repealed - [RT IV, 16.10.2015, 1](#) - entry into force. 01.11.2015]

(4) If the amount to be paid out on the basis of eligible applications exceeds the total amount of the funding allocated to the Centre for the financial year concerned, the Centre suspends the admission of applications in accordance with § 6(6). Applications received before the suspension will be eligible for the amount provided in the city budget in the order the applications were received. Applications received after the suspension of the admission of applications for which the budget is insufficient will be rejected and returned to the applicant.

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(5) The Centre will forward the decision to declare the application compliant or non-compliant to the applicant via TTR within five working days as of making the decision. The decision will be deemed delivered one working day after it was sent.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

## **Chapter 5 DISBURSEMENT OF THE GRANT**

### **§ 9. Disbursement of the grant**

(1) The beneficiary submits a report via TTR on participation in the fair (expenses report) within 21 calendar days after the fair. The application form is approved by the Centre. If the applicant is unable to use TTR, they must submit the expense report to the Centre as a paper document signed by the representative. The following documents must be submitted along with the expenses report:

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1) documents evidencing that the eligible expenses were incurred and paid or copies of such documents (invoices and payment orders)

2) photos that prove participation in the trade fair

3) samples of informative and promotional prints (if printed material has been produced for the fair)

(2) The report on participation in the fair is approved by the Centre.

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(3) The review of the report and the determination of the grant will be based on the application, the decision declaring conformity of the application and the documents enclosed with the expense report that prove eligible expenses were incurred. The grant will be transferred to the beneficiary's bank account for the certified eligible costs within 21 calendar days of the date of verification and approval of the report and its compulsory annexes.

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(4) If the beneficiary fails to submit the report and its annexes by the deadline or if, after the application is declared compliant, it becomes apparent that the beneficiary does not meet the requirements, the Centre will revoke the decision to declare the application compliant and notify the applicant immediately.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

### **§ 9<sup>1</sup>. Payment of the grant in the case of cancellation of the fair due to force majeure**

(1) If the trade fair in the application is cancelled due to force majeure, the grant will be paid to the applicant if the following conditions are met:

1) The application has been declared compliant by the Centre

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2) The eligible expenses have been incurred by the applicant prior to the official cancellation notice of the fair from the trade fair organiser

3) The organiser of the trade fair or the enterprise referred to in Article 4(3) will not reimburse the eligible expenses incurred by the applicant and the applicant submits written confirmation thereof to the Centre

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(2) Within 21 calendar days of the official notice from the organiser of the cancellation of the fair, the beneficiary submits a report (expense report) via TTR. The application form is approved by the Centre. If the applicant is unable to use TTR, they must submit the expense report to the Centre as a paper document signed by the representative.

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(3) The obligatory annexes to the expense report in the case of cancellation of the fair are:

1) documents evidencing that the eligible expenses were incurred and paid or copies of such documents (invoices and payment orders)

2) samples of videos and informational and promotional prints produced directly for the fair

3) written confirmation that the organiser of the trade fair or the enterprise referred to in § 4(3) will not reimburse the eligible expenses incurred by the applicant

(4) The requirements set out in § 4 will be followed in determining the eligibility of expenses, taking into consideration the specifications provided for in this section.

(5) The grant will be paid on the basis of § 9, taking into consideration the specifications provided for in this section.

[\[RT IV, 19.06.2020, 9\]](#) – entry into force. 22.06.2020]

#### **§ 10. Reporting and monitoring**

(1) The Centre monitors the use of the grant.

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(2) In order to ensure that the grant has been used for the intended purpose, the Centre will base its examination on the application, the report and, where appropriate, the results of an on-the-spot inspection.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

(3) If the beneficiary has submitted false information or violated the conditions provided for in the Regulation, the Centre has the right to submit a claim to the beneficiary to return the grant in full within three years of making the decision.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

(4) If the applicant has submitted false information to the Centre, they will not be able to apply for the grant for three years after the submission of the false information.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

(5) After payment of the grant, the Centre has the right to publish the name of the beneficiary, the field of activity, the name of the fair in which the beneficiary participated and the amount of the grant on the Tallinn website.

[\[RT IV, 29.12.2020, 43\]](#) - entry into force. 01.01.2021]

## **Chapter 6 IMPLEMENTATION PROVISIONS**

### **§ 11. Repeal of regulations**

[Excluded from this document.]