

**Question for written answer E-005838/2016  
to the Commission**  
Rule 130  
**Barbara Kappel (ENF)**

Subject: Seal of Excellence

High-quality proposals from innovative SMEs not funded by the Horizon 2020 SME instrument are supposed to be able to benefit from alternative funding under the Seal of Excellence. However, implementation of the seal of excellence initiative is presenting the Member States with a range of problems.

1. Discrepancies in terms of state aid: EU measures are not subject to rules on state aid. It is not difficult for measures which are not block-exempted to be funded by the EU, but problems can be encountered when various activities are funded at national or regional level (e.g. market research). How does the Commission intend to rectify this situation concerning the Seal of Excellence?
2. There are also differences in the admissible funding rates. Does the Commission plan to make adjustments to remove these differences?
3. Integrating projects into suitable national programmes can also be fraught with problems, such as when a project proposal is re-dimensioned or other funding quotas are introduced. The more extensively an original proposal is adjusted, the more the benefits of the Seal of Excellence need to be questioned. How will the Commission improve this situation?