



Ministry of Trade, Industries and Fisheries PO BOX 8090 Dep 0032 Oslo Norway

Subject: The Norwegian innovation and development scheme for news and current affairs media

# 1 Summary

- (1) The EFTA Surveillance Authority ("the Authority") wishes to inform Norway that, having assessed the notified scheme on innovation and development for news and current affairs media ("the notified scheme" or "the Media Innovation scheme"), it considers that the notified scheme constitutes State aid within the meaning of Article 61(1) of the EEA Agreement and decides not to raise objections to the notified scheme, as it is compatible with the functioning of the EEA Agreement, pursuant to its Article 61(3)(c).
- (2) The Authority has based its decision on the following considerations.

#### 2 Procedure

(3) The Norwegian authorities notified the Media Innovation scheme by letter of 8 May 2018.<sup>2</sup>

# 3 Description of the notified scheme

### 3.1 Background

(4) In September 2015, the Norwegian Government appointed a Media diversity commission, to review economic measures to promote media pluralism in Norway. In March 2017, the Media diversity commission delivered its recommendations. Based on the recommendations, the Norwegian Government proposed to introduce a new grant scheme for innovation and development of editorial content and processes in news and current affairs media in the State Budget for 2018. There are already several aid schemes in place in the field of news and current affairs media.<sup>3</sup> However, the Media Innovation scheme will especially promote editorial innovation and development in local news and current affairs

<sup>(1)</sup> Reference is made to Article 4(3) of the Part II of Protocol 3 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice.

<sup>&</sup>lt;sup>(2)</sup> Documents No 912651 (Notification form), 912657 (Cover letter), 912659 (Notification letter), and Annex I-II (Documents No 912653 and 912655).

<sup>(3)</sup> Such as: production grants for news and current affairs media (see EFTA Surveillance Authority Decision No 112/14/COL not to raise objections to a production grant scheme for news and current affairs media, OJ L 207, 3.7.2014, p. 44 and EEA Supplement No 39, 3.7.2014, p. 2); grant scheme for local broadcasters (awarded as *de minimis* aid, beneficiaries receiving aid under this scheme may thus not receive more than EUR 200 000 per undertaking over any period of 3 years), compensation to commercial public broadcaster (granted under the conditions set out in the SGEI Decision), zero rate of VAT for electronic news services (see EFTA Surveillance Authority Decision No 23/16/COL raising no objections to a zero VAT rate for electronic news services, OJ C 396, 27.10.2016, p. 6, and EEA Supplement No 59, 27.10.2016, p. 37) and *Skattefunn* for R&D projects (GBER 44/2014/R&D&I).



media and will be complimentary to the existing aid schemes. Moreover, as a general rule, a beneficiary may not receive grants under more than one grant scheme.<sup>4</sup>

#### 3.2 **Objective**

- (5) The objective of the notified scheme is to support media pluralism and an enlightened open discourse through promoting innovation and development of editorial content and processes (such as new technical solutions) in news and current affairs media.
- The notified scheme aims at promoting both development of editorial content and (6) development or implementation of new solutions for production, publishing or dissemination of editorial content, including projects with the aim to increase the consumption of such content in the population in general or for specific population groups. The main objectives of the notified scheme is thus directly linked to the Norwegian media policy objectives, grounded on the so-called "infrastructure requirement" of the Norwegian Constitution, which establishes that it is incumbent upon the State to create conditions that facilitate an open and enlightened public discourse.<sup>5</sup>

#### 3.3 National legal basis

**(7)** The Norwegian authorities intend to adopt a regulation which will provide the national legal basis for the notified scheme.<sup>6</sup>

# Name of aid granting authority

- The granting authority under the notified scheme is the Norwegian Media Authority ("the (8) Media Authority"). The Media Authority will determine which projects receive grants under the notified scheme and will set the grant amounts based on a discretionary advice from a committee comprising of external experts appointed for this particular grant scheme ("the expert committee"). The expert committee will have technical and digital expertise in the areas of media, media economy and local media.
- (9) The Media Authority will also have the competence to regulate the evaluation criteria in more detail. Individual decisions adopted by the Media Authority pursuant to the draft regulation may be appealed to the Media Appeals Board.

#### *3.5* Aid beneficiaries

- (10) The notified scheme is applicable to all media businesses fulfilling the eligibility criteria of the scheme, but should especially, according to Section 1 of the draft regulation, promote editorial innovation and development in small, local news and current affairs media. The eligibility criteria, set out in Section 2 of the draft regulation, state that grants may only be awarded to news and current affairs media that:
  - (i) Have the primary objective of engaging in journalistic production and distribution of news, current affairs and social debate to the general public. Grants are not given to media with the main purpose of advertising and marketing. Nor are grants provided to media that are aimed primarily at members or employees of specific organizations, associations or companies.

<sup>(4)</sup> There are two exceptions to this rule. The first exception is the zero VAT regime on newspapers and electronic news services, targeting all news and current affairs media fulfilling the eligibility criteria for the aid scheme. The second exception is the distribution aid for newspapers in Finnmark, which benefits publications that may also receive the general production grant for newspapers.

<sup>(5)</sup> Section 100 of the Norwegian Constitution.

<sup>(6)</sup> Forskrift om innovasjons- og utviklingstilskudd til nyhets- og aktualitetsmedier (Document No 898735).



- (ii) Have a broad range of news, current affairs and debate content from different areas of society ("broad media"). Grants are not given to media that primarily contain material from just one or a few areas of society, or which primarily contain material aimed at a specific professional, political, ideological, religious or ethnic background.
- (iii) Have an editor in chief, as defined in the provisions of the declaration "Rights and Duties of the Editor".
- (11) The notified scheme does not require genuine user-payment, a certain subscription rate or that the media must have fulfilled criteria in a given period of time, meaning that media free of charge, single-copy media and new media establishments can apply. Moreover, applicants may co-operate with individuals or businesses outside the media sector, in order to realize the project, and media companies can apply together for grants for cooperative projects.
- (12) In accordance with Section 3 of the draft regulation, grants may only be given to innovation and development projects aimed at (i) developing editorial content, or, (ii) developing or implementing new solutions for production, publishing, distribution or consumption of editorial content. Grants may also be given to initial projects for the development of such innovation and development projects.
- (13) Pursuant to Section 5 of the draft regulation, the prioritisation between eligible projects is to be based on a comprehensive assessment, taking account of the main objectives of the notified scheme (i.e. promoting media pluralism and an enlightened public discourse) and the relevant priority areas. Furthermore, the Media Authority and the expert committee have to consider whether the projects individually or collectively are considered to promote innovation and development of editorial content in small, local news and current affairs media. They will thus assess whether small, local media have direct positive gains from the project, e.g. by owning or participating in the project, and whether the project will have considerable transfer values for such media in the long run.
- (14) According to the Norwegian authorities, innovation and development in the media sector is about using media technology and publication platforms in new ways, in all processes from production to publication and consumption. Targeting the grant scheme towards media operating on certain platforms would limit the desired impact of the notified scheme. The notified scheme is thus designed to be platform-neutral.

# 3.6 Aid instrument, intensity, eligible costs, overlap with other schemes

(15) The aid takes the form of direct grants. The maximum state aid intensity is set at 40% of the costs of the project and can be raised to up to 50% of the project cost, if the project targets small, local news and current affairs media, where the beneficiary is a small enterprise within the Authority's State Aid Guidelines on the definition of micro, small and medium-sized enterprises. According to the Norwegian authorities, this will ensure that the beneficiaries will have to bear the major part of the financial risk involved in the projects. Project aid from other public sources and aid schemes must be deducted in the calculation

<sup>&</sup>lt;sup>(7)</sup> The rights and duties of the editors in Norway are set out in the "Editor declaration" (*Redaktørplakaten*), which is a joint statement from the Norwegian Association of National Newspapers and the Norwegian Editor's Association adopted on 22 October 1953, revised in 1973 and in 2004.

<sup>(8)</sup> OJ L 36, 5.2.2009, p. 62–68, and EEA Supplement No 6, 5.2.2009, p. 1.



of the maximum grant under the notified scheme. This will ensure that the maximum state aid intensity of 40% to 50% per project is respected.

# 3.7 Budget and duration

- (16) The notified scheme will be limited to NOK 30 million per year, irrespective of the number and size of eligible applications received. The budget frame is set annually in the state budget. For 2018 the budget for the notified scheme is set to NOK 7 million.
- (17) The scheme is scheduled to enter into force on 1 July 2018, subject to the Authority's approval. The duration of the scheme is until 31 December 2022.
- (18) The Norwegian authorities have committed to notifying any significant increase (over 20%) in the annual budget of the scheme to the Authority. Any future extension of the scheme, beyond 2022, will also be subject to a new notification to the Authority.<sup>9</sup>

### 4 Presence of state aid

(19) Article 61(1) of the EEA Agreement reads as follows:

"Save as otherwise provided in this Agreement, any aid granted by EC Member States, EFTA States or through state resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Contracting Parties, be incompatible with the functioning of this Agreement".

(20) The qualification of a measure as aid within the meaning of this provision requires that the measure must (i) be granted by the state or through state resources; (ii) confer an advantage on an undertaking; (iii) favour certain undertakings (selectivity); and (iv) be liable to distort competition and affect trade.

### 4.1 Presence of state resources

- (21) The measure must be granted by the state or through state resources.
- (22) The funds used for the notified scheme constitute state resources within the meaning of Article 61(1) of the EEA Agreement and are imputable to the state because the funds derive from the Norwegian state budget and will be distributed according to the draft regulation. The state, therefore, exercises control over the funds.

# 4.2 Confer an advantage on an undertaking

- (23) The notified scheme must confer on the beneficiaries an advantage that relieves them of charges that are normally borne from their budgets.
- (24) The notified scheme will provide an economic advantage to the beneficiaries in the form of direct grants, which compensate part of their production costs. The beneficiaries will, therefore, be relieved from costs which they would otherwise have to bear in carrying out their activities.

### 4.3 Selectivity

(25) The measure must be selective in that it favours "certain undertakings or the production of certain goods".

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<sup>(9)</sup> Document No 910682.



(26) The notified scheme is selective because it concerns a specific economic sector, namely the media sector. Furthermore, it is not addressed to all undertakings involved in the production of media services, but only to those that fulfil the specific criteria set out in Section 3.5 above. <sup>10</sup> Finally, the finding of selectivity is further reinforced by the discretionary nature of the selection process and the broadly defined eligibility criteria of the notified scheme. <sup>11</sup>

# 4.4 Effect on trade and distortion of competition

- (27) The measure must be liable to distort competition and to affect trade between the Contracting Parties to the EEA Agreement.
- (28) The mere fact that a measure strengthens the position of an undertaking compared to other undertakings competing in intra-EEA trade is considered sufficient in order to conclude that the measure is liable to effect intra-EEA trade.<sup>12</sup>
- (29) The beneficiaries of the grants under the notified scheme may compete with other undertakings involved in the production of media services. The grants will strengthen the beneficiaries' position compared to other undertakings which are located in Norway or in other EEA States and compete in the same sector. Even though undertakings in the Norwegian media sector mainly focus their activities on the Norwegian market, trade between EEA States does take place. <sup>13</sup> Furthermore, many of the eligible undertakings may be active in other markets, for instance for advertising space, which are also subject to trade and competition.
- (30) The Authority therefore considers that the grants to undertakings operating in the abovementioned sectors may distort competition and affect trade between the Contracting Parties to the EEA Agreement.

## 4.5 Conclusion

(31) In light of the above assessment, the Authority concludes that the notified scheme constitutes state aid within the meaning of Article 61(1) of the EEA Agreement.

# 5 Procedural requirements

(32) The Norwegian authorities have submitted a notification of the aid measure and have not let the scheme enter into force. They have therefore complied with the obligations under Article 1(3) of Part I of Protocol 3.

# 6 Compatibility of the aid measure

(33) Pursuant to Article 61(3)(c) of the EEA Agreement, aid to facilitate the development of certain economic activities or of certain economic areas may be considered compatible with the functioning of the EEA Agreement, where such aid does not adversely affect trading conditions to an extent contrary to the common interest.

<sup>(10)</sup> Commission Decision SA.36366 (Denmark), *Production and innovation aid to written media* (OJ C 371, 18.12.2013, p. 6), p. 9, and Commission Decision SA.43271 (Sweden), *Development aid for written news media* (OJ C 129, 12.4.2016, p. 1), p. 4.

<sup>&</sup>lt;sup>(11)</sup> Judgment in *French Republic* v *Commission*, C-241/94, ECLI:EU:C:1996:353, paragraphs 23 and 24; judgment in *Ecotrade*, C-200/97, ECLI:EU:C:1998:579, paragraph 40; and, judgment in *Oy*, C-6/12 P, ECLI:EU:C:2013:525, paragraph 27.

<sup>(12)</sup> Case E-6/98 Norway v ESA [1999] EFTA Ct. Rep. 74, paragraph 59.

<sup>(13)</sup> EFTA Surveillance Authority Decision No 112/14/COL not to raise objections to a production grant scheme for news and current affairs media (OJ L 207, 3.7.2014, p. 44 and EEA Supplement No 39, 3.7.2014, p. 2), paragraph 39.



- (34) The Authority's assessment is based on the following common assessment principles:
  - contribution to a well-defined objective of common interest;
  - need for state intervention;
  - appropriateness of state aid as a policy instrument;
  - existence of an incentive effect;
  - proportionality of the aid amount (aid limited to minimum necessary);
  - avoidance of undue negative effects on competition and trade; and
  - transparency.

# 6.1 Objective of common interest

- (35) State aid must aim at a well-defined objective of common interest that has been recognised by the Contracting Parties.
- (36) The Norwegian authorities submit that the objective of the notified scheme is the promotion of media pluralism and media diversity. The importance of these objectives was confirmed in the Authority's State Aid Guidelines on public service broadcasting, <sup>14</sup> which refer *inter alia* to the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. <sup>15</sup> The Convention states that each party may adopt "measures aimed at protecting and promoting the diversity of cultural expressions within its territory". Such measures may include, among others, "measures aimed at enhancing diversity of the media [...]". <sup>16</sup>
- (37) Furthermore, the European Union also recognises pluralism as one of its fundamental values in the Treaty of Lisbon,<sup>17</sup> and its Charter of Fundamental Rights sets out that the freedom and pluralism of the media shall be respected.<sup>18</sup> The EFTA Court has confirmed that provisions of the EEA Agreement are to be interpreted in the light of fundamental rights.<sup>19</sup>
- (38) In view of the above, the Authority concludes that the promotion of media pluralism and media diversity, including promoting innovation and development of editorial content and processes (such as new technical solutions) in news and current affairs media, contributes to a well-defined objective of common interest.

# 6.2 Need for state intervention

(39) In order to assess whether state aid is effective to achieve the identified objective of common interest, it is necessary first to identify the problem that needs to be addressed. State aid should be targeted towards situations where aid can bring a material improvement that the

<sup>(14)</sup> OJ L 124, 11.5.2012, p. 40 and EEA Supplement No 26, 11.5.2012 p. 1.

<sup>&</sup>lt;sup>(15)</sup>UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions was signed in Paris on 20 October 2005. It was ratified by Norway and accepted by Iceland. The European Union also acceded to the convention.

<sup>(16)</sup> Article 6(1) and 6(2)(h) of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

<sup>&</sup>lt;sup>(17)</sup> OJ C 306, 17.12.2007, p. 1, Article 1(a).

<sup>(18)</sup> OJ C 364, 18.12.2000, p. 1.

<sup>(19)</sup> Case E-02/03 *Ásgeirsson* [2003] EFTA Ct. Rep. 18, paragraph 23; Case E-04/11 *Arnulf Clauder* [2011] EFTA Ct. Rep. 216, paragraph 49.



- market alone cannot deliver, for example by remedying a market failure or addressing an equity or cohesion concern.
- (40) The Norwegian authorities note that media companies face new challenges following the rapid digitisation of news media. The findings from the Media diversity commission suggest that in an increasingly digitalised world there is a negative trend in the extent to which news and current affairs media, and especially broad media, are produced and consumed. The tendency of a small, but increasing, segment of the population, to rarely or never seek out news, and the increased use of automated algorithm-driven media (i.e. where news articles are generated by computer programs), might increase the difference between optimal social welfare and the consumers' perceived utility of using broad and current affairs media. Furthermore, the increased use of social media platforms and search engines free of charge, increases the positive externalities of the production of news and current affairs content. These platforms and search engines (such as Facebook and Google) are owned by large multinational corporations with limited investments in new editorial and original news and current affairs content.
- (41) According to the Norwegian authorities, the characteristics of the digital market favour large businesses, and in particular multinational corporations, due to increased economies of scale and the need of investments in innovation and development. The digital market thus distorts the competition between multinational and national media businesses as well as local media businesses.
- (42) The Norwegian authorities note that small, local news and current affairs media are especially vulnerable in the transition to the digital market. These media are often the leading and sole media in their geographical markets. Closure or reduction of such media businesses, will have a negative impact on the provision of local news to inhabitants in the related geographical area. The digital market might therefore cause increased inequalities between inhabitants in different geographical areas when it comes to the provision of local news.
- (43) The negative trend in the production and consumption of news and current affairs content is reinforced in the transition to the digital market, posing a risk to media pluralism and professional journalism, and hence also to the public debate and the functioning of the democratic society in Norway. While national and local news and current affairs media traditionally competed in a limited geographical market, they now compete against some of the largest media companies in the world.
- (44) Although existing aid measures for the media sector reduce the impact of the aforementioned negative market developments, they are not considered sufficient to address the problem of underinvestment in innovation and development in news and current affairs media. The Norwegian authorities therefore maintain that there is a need for an aid measure to address the increasing failures of the market in the transition to the digital market, and increase the possibility of achieving the objectives of common interest.
- (45) The Authority considers that the notified scheme, being both of a limited duration and targeted at remedying the increased risk of reduced editorial content and potentially in the long term, reduced quality, can be considered necessary. Based on the above, the Authority concludes that there is a need for state intervention to achieve the identified objective of common interest.



# 6.3 Appropriateness of state aid

- (46) State aid must be an appropriate instrument to address the identified objective of common interest. An aid measure is not compatible with the functioning of the EEA Agreement if the same positive contribution to the common objective is achievable through other less distortive policy instruments or other less distortive types of aid instruments.
- (47) An alternative measure to fulfil the objectives concerned may be grants for education of media businesses and journalists, with the aim to increase the knowledge and skills among those with the potential to initiate innovation and development projects in the media sector. Although this can lead to a somewhat increased level of innovation and development, the lack of financial resources to develop and invest in new technology solutions is considered by the Norwegian authorities to be a significant part of the identified problem.
- (48) According to the Norwegian authorities, the purpose of the notified scheme is to support editorial innovation and development in the media sector not supported by the existing aid scheme for research and development projects in all sectors, *Skattefunn*. Skattefunn is a tax-credit scheme, for research and development projects, where qualified projects can achieve a tax-credit of up to 20% of project costs. However, in order to receive aid from *Skattefunn*, the business must be able to use the gained knowledge or the result of the project commercially. It is also required that the project must gain new knowledge or skills that are not already known to a normally updated professional in the field. Even though *Skattefunn* could be relevant for some innovation projects in the media sector, it is not, according to the Norwegian authorities, sufficient to tackle the problems identified for promoting media pluralism and an enlightened public discourse in the future.
- (49) The Authority considers that the notified scheme is appropriate in order to promote investment in new technological solutions and support projects which are not covered by existing schemes, such as the *Skattefunn* and the various media support schemes.\*
- (50) Based on the above, the Authority concludes that the direct grants are appropriate instruments to address the identified objective of common interest.

# 6.4 Incentive effect

- (51) State aid is only compatible with the functioning of the EEA Agreement if it has an incentive effect. An incentive effect occurs when the aid induces the beneficiary to change its behaviour to further the identified objective of common interest, a change in behaviour which it would not undertake without the aid.
- (52) The notified scheme has been designed to subsidise activities that would not have been carried out at all, or to the same extent, without the grant. The notified scheme will reward innovation and development projects fulfilling the objectives of the scheme, and is thus expected to increase media businesses incentives to initiate and implement such projects. The scheme is especially directed towards projects benefitting small, local media with limited resources to finance innovation and development projects without support. The Norwegian authorities expect that the notified scheme will improve the outcome of the market and increase the achievement of the main objectives of the scheme.

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<sup>(20)</sup> GBER 44/2014/R&D&I.

<sup>\*</sup> This paragraph was amended on 21 June 2018 to correct a clerical error.



- (53) The investments in the innovation and development projects, supported by the notified scheme, would, as confirmed by the Norwegian authorities, either not occur or not materialise to the same extent without the support measures, due to the limited commercial potential and limited available resources. The direct grants will enable investments in the development of editorial content and development or implementation of new solutions for production, publishing or dissemination of editorial content by reducing the investment costs involved.
- (54) Against this background, the Authority considers that the notified scheme provides a sufficient incentive to induce innovation and development projects, which would otherwise not have been carried out, thus contributing to the objective of ensuring media plurality and diversity.

# 6.5 Proportionality

- (55) State aid is proportionate if the aid amount per beneficiary is limited to the minimum needed to achieve the identified objective of common interest.
- (56) As concerns state aid to the media, the Authority has not adopted guidelines which define the maximum aid intensities. However, the European Commission has recently approved schemes concerning development and innovation aid for written media in Sweden and Denmark, which allowed for an aid intensity of 40% maximum for development projects, and 75% for newspapers or projects targeting specific groups.<sup>21</sup>
- (57) The Norwegian authorities have demonstrated that the notified scheme is comparable to the aforementioned Swedish and Danish schemes, both in terms of objectives and design. Unlike those schemes, the maximum aid intensity under the notified scheme is set at 40% for all projects except those that specifically target small, local news and current affairs media where the beneficiary is a small enterprise, where the maximum aid intensity can be up to 50%. Moreover, the budget frame for the notified scheme, NOK 7 million for 2018 and a maximum of up to NOK 30 million annually for 2019 to 2022, is relatively low, both in general terms and when compared to other media economic measures.
- (58) Based on the above, the Authority concludes that the notified scheme is proportionate.

# 6.6 Avoidance of undue negative effects on competition and trade

- (59) For state aid to be compatible with the functioning of the EEA Agreement, the negative effects of the aid measure in terms of distortions of competition and impact on trade between Contracting Parties must be limited and outweighed by the positive effects in terms of contribution to the objective of common interest.
- (60) The notified scheme may potentially distort competition between broad news and current affairs media, as media receiving grants for their projects will gain a benefit compared to others. However, that distortion will be rather limited due to the relatively small budget of the scheme, the maximum state aid intensity of 40% to 50%, and the objective of supporting editorial innovation and development in particularly in small and local media. Moreover, the Authority considers that the overall effect on EEA trade is also limited, given the relative size of the media concerned as well as their limited potential readership outside Norway.

<sup>&</sup>lt;sup>(21)</sup> Commission Decision SA.36366 (Denmark), *Production and innovation aid to written media* (OJ C 371, 18.12.2013, p. 6), and Commission Decision SA.43271 (Sweden), *Development aid for written news media* (OJ C 129, 12.4.2016, p. 1).



- (61) The Norwegian authorities have also highlighted that the media sector faces substantial structural changes due to the digitisation and globalisation of society. News and current affairs media are dependent upon developing new sustainable business models in the digital market. New solutions for production, publishing and dissemination of editorial content are likely to be copied and adopted by other media businesses if they are considered to be profitable or important for the strategic development of the company. Media companies not receiving grants from the notified scheme would thus also indirectly benefit from the projects receiving grants. The scheme is also likely to increase the knowledge, skills and the experiences of developing and implementing new solutions and/or developing editorial content in the media sector as a whole. Therefore, an increased level of innovation and development is likely to benefit the media sector as a whole and by increasing the changes of establishing sustainable business models in the digital market, the notified scheme will have an overall positive impact on competition.
- (62) In light of the above considerations, the Authority concludes that the limited negative effects in terms of distortions of competition and impact on trade between Contracting Parties potentially resulting from the notified scheme are outweighed by the positive effects of the scheme in terms of its contribution to the objective of common interest.

# 6.7 Transparency

(63) The Norwegian authorities will publish the full text of the notified scheme and any individual aid award exceeding EUR 500 000 in the Norwegian state aid register: <a href="https://data.brreg.no/rofs/eng">https://data.brreg.no/rofs/eng</a>. The transparency requirement is thus fulfilled.

# 7 Conclusion

(64) On the basis of the foregoing assessment, the Authority considers that the notified scheme on innovation and development for news and current affairs media constitutes state aid within the meaning of Article 61(1) of the EEA Agreement. Since no doubts are raised as to its compatibility with the functioning of the EEA Agreement pursuant to its Article 61(3)(c), the Authority has no objections to the implementation of the notified scheme.

For the EFTA Surveillance Authority, acting under <u>Delegation Decision No 068/17/COL</u>,

Yours faithfully,

Bente Angell-Hansen President Responsible College Member Carsten Zatschler Countersigning as Director, Legal and Executive Affairs

This document has been electronically authenticated by Bente Angell-Hansen, Carsten Zatschler.