STATE AID SCOREBOARD

State Aid Scoreboard for 2012 for the European Economic Area EFTA States

Published February 2014

EFTA SURVEILLANCE AUTHORITY

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Introduction

The State Aid Scoreboard ("the scoreboard") provides an overview of the volume and type of state aid granted by Iceland, Liechtenstein and Norway (the "EFTA States") over time.[1] This latest scoreboard contains information on state aid granted in the EFTA States over the seven-year period from 2006 to 2012.[2] The accuracy of the data referred to in previous scoreboards has also been reviewed and, where necessary, corrected.[3]

The scoreboard is a benchmarking tool for measuring trends in state aid expenditure across the EFTA States, as well as across the European Economic Area ("EEA") States more generally. It measures the extent to which overall spending on state aid increases or decreases over time, as well as the extent to which aid is granted to support certain horizontal objectives, such as environmental protection or regional development, which are viewed more positively than sectoral aid for certain industries.

Purpose, scope and content

The scoreboard provides a synopsis of the information which the EFTA States submitted in their annual reports in 2013 on state aid expenditure for the previous year. The scoreboard has been prepared in co-operation with the European Commission. The statistics have been calculated using a methodology similar to that applied by the European Commission. This should facilitate comparison between the two scoreboards and enable readers to obtain an overview of all aid granted across the EEA.

In addition, drawing on information published by the European Commission in its scoreboard in December 2013,[4] it has been possible to compare the amount of state aid granted by the EFTA States with aid granted by comparable EU Member States[5] and with the EU average more generally.

The scoreboard prepared by the EFTA Surveillance Authority ("the Authority") differs from that of the European Commission due to the more limited scope of the EEA Agreement. The agricultural and fishery policies of the European Union are not part of the EEA Agreement. Therefore, aid to these sectors is not included in the scoreboard.

The high volume of aid related to the financial crisis during 2008-2010 tends to distort the overall picture of the type of aid granted by the EFTA States over the period in question. To demonstrate

1 Switzerland is an EFTA State but it is not a Contracting Party to the EEA Agreement. However, for the purposes of this scoreboard, the term "EFTA States" refers to Iceland, Liechtenstein and Norway. This approach is in line with Article 2(b) of the EEA Agreement.

2 As for previous years, this scoreboard is being published in early 2014 since the deadline for submission of the EFTA States' annual reports for aid granted between 1 January 2012 and 31 December 2012 (including, where appropriate any revisions to information provided for previous scoreboards) was 30 June 2013 and the European Commission's scoreboard, which was required to perform the EEA-wide comparisons contained herein, was published in December 2013. See footnote 4 below.

3 For example, corrections were made where any material errors were identified. In the present scoreboard, Iceland's state aid figures were corrected to reflect errors for regional aid amounts in 2011. The corrections to the regional aid figures have had an impact on both the aggregate amount of state aid calculated for Iceland in 2011, as well on the relative proportions of all aid types as a percentage of total aid and as a percentage of GDP in 2011.

4 See: http://ec.europa.eu/competition/state_aid/scoreboard/index_en.html

5 Certain EU Member States have been chosen for specific comparisons with the EFTA States due to similarities in certain parameters such as GDP, public spending, employment and population.

how state aid expenditure has developed over the period under review, most tables and graphs in this scoreboard exclude financial crisis aid (also referred to herein as “crisis aid”). However, separate tables and graphs are provided where crisis aid is included and a further explanation of crisis aid is also provided in section 1.7 below.

Another important area of state aid control concerns compensation for the provision of public service obligations. In its judgment in the *Altmark* case, the European Court of Justice ruled that compensation to undertakings that perform public service obligations does not constitute state aid, provided that certain conditions are fulfilled. Compensation for public service obligations which fulfil the *Altmark* criteria is therefore excluded from the scoreboard. At the same time, aid to Services of General Economic Interest (“SGEI”) which fulfils the conditions for an SGEI measure is also excluded from the scoreboard due to a lack of comparable data. However, any aid amount beyond the SGEI-covered compensation is included.

The scoreboard covers existing aid, i.e. aid authorised by the Authority or aid based on measures introduced prior to the entry into force of the EEA Agreement. However, aid under pending cases is not included. The scoreboard does not take into account funding granted in line with the rules for *de minimis* support, which does not constitute state aid within the meaning of Article 61(1) of the EEA Agreement. The scoreboard covers both aid granted under schemes and *ad hoc* aid but does not include non-notified aid until a decision of the Authority has been adopted on the measure. This is particularly relevant for financial crisis aid granted in Iceland which was only formally notified to the Authority in 2010, i.e. two years after the outbreak of the financial crisis. Some of these measures were approved in 2012 and 2013 while others are still subject to investigation.

The scoreboard provides an overview of state aid reported by the EFTA States from the beginning of 2006 to the end of 2012. The scoreboard is divided into four main parts. **Chapter One** looks at the overall amount and type of state aid awarded by the EFTA States, both on an aggregate level as well as according to the objective of the aid. **Chapter Two** provides an overview of legislative and policy developments within the area of state aid. **Chapter Three** reports on progress in the recovery of unlawful and incompatible state aid and provides an overview of pending recovery cases. Finally, **Chapter Four** sets out the main information sources and the methodology used to compile the scoreboard.

Main findings

Norway increased its overall state aid expenditure in 2012 mainly due to an increase in aid for research and development and innovation (“R&D&I”) and for regional development. This outweighed a slight decrease in spending on environmental aid and employment aid. By contrast, total aid (excluding crisis aid) in Iceland in 2012 was slightly lower than in 2011. As regards Liechtenstein, the overall aid granted in 2012 (compared to 2011) decreased in CHF values. However, due to exchange rate developments, the aid increased slightly in EUR values.

In 2012, all three EFTA States granted all of their aid for horizontal purposes.[6] Norway granted most of its aid for the promotion of R&D&I, regional development and environmental objectives, while Liechtenstein granted aid exclusively for cultural objectives. Iceland granted most of its aid for the promotion of R&D&I and regional development objectives.

A comparison with the EU-27 average (excluding financial crisis aid) shows that, while Norway’s aid expenditure relative to GDP remained above the EU-27 average in 2012 (although the gap has

[6] With the exception of transport aid granted in Norway and crisis aid granted in Iceland which are both analysed separately below.

narrowed since 2011), Iceland's expenditure was well below the EU-27 average and Liechtenstein's aid expenditure was the lowest of all of the EEA States.

As regards the recovery of state aid which the Authority has previously deemed illegal under the EEA Agreement, progress was visible in the closure of older recovery cases (with five cases closed in 2012), as well as in the pace of the recovery process for pending cases (with a further two cases closed since 2012).

The scoreboard is available online at the homepage of the Authority:

http://www.eftasurv.int/press--publications/scoreboards/state-aid-scoreboards/

1. Overall state aid granted during 2006 - 2012

This chapter provides an overview of total state aid granted in the EFTA States from 2006 to 2012. It further provides an insight into trends in the different types of aid granted during that period.

1.1 State aid in absolute and relative terms

Norway increased its overall state aid expenditure (both including and excluding transport aid) in 2012. In absolute terms, it increased its total state aid expenditure from €2 786.88 million (2011) in current prices to €2 924.83 million (2012) including transport aid and from €2 557.99 million (2011) to €2 677.63 million (2012) excluding transport aid. Iceland also increased its total state aid expenditure in absolute terms from €30.54 million (2011) in current prices to €107.06 million (2012) due to an increase in its crisis aid expenditure from its low level in 2011. However, if crisis aid is excluded, it marginally decreased its state aid expenditure from €26.39 million (2011) to €26.18 million (2012). Liechtenstein decreased its aid in CHF values, but due to exchange rate developments, its aid expenditure increased marginally in EUR values from €1.49 million (2011) in current prices to €1.50 million (2012).

Tables 1(a) and 1(b) below present overall state aid expenditure by the EFTA States in absolute terms, while Graph A and Table 2 present total state aid expenditure by the EFTA States as a proportion of GDP.[7] In all three EFTA States, GDP rose (or was estimated to rise) between 2011 and 2012.[8] Consequently, even though total state aid or aid for certain objectives may have increased in absolute terms in 2012, it may still have decreased in relative terms (i.e. as a proportion of GDP).

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[7] GDP figures used for the purposes of the scoreboard were obtained from Eurostat's statistical database in 2013. The Eurostat table on GDP at current market prices in millions of euro (code: tec00001) is available from the following link. Please note that this table has since been updated in 2014. http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=0&pcode=tec00001&language=en

[8] Iceland's GDP rose from €10 098.60 million (2011) to €10 567.1 million (2012). Norway's GDP also rose from €349 077.30 million (2011) to €388 866.20 million (2012), while Liechtenstein's GDP was estimated to rise from €4 382.6 million (2011) to approximately €4 426.43 million (2012). Liechtenstein's 2012 GDP figure was estimated using Eurostat's GDP figure for 2011 (see footnote 7 above) and Eurostat's figure on the real GDP growth rate for Switzerland in 2012, since actual figures were not available at the time of publication of the scoreboard. The Eurostat table on the real GDP growth rate (code: tec 00115) is available here: http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tec00115

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Table 1(a): Total state aid in the EFTA States from 2006 to 2012, both including and excluding crisis and transport aid
Current prices in millions of Euro, using annual average exchange rates[9]

EFTA States	2006	2007	2008	2009	2010	2011	2012
Iceland	24.10	17.24	594.55	1,702.70	312.48	30.54	107.06
Liechtenstein	0.84	0.86	1.07	1.19	1.34	1.49	1.50
Norway	1,232.84	1,900.11	2,202.22	2,842.51	2,596.06	2,786.88	2,924.83
Total state aid granted by EFTA States	1,257.79	1,918.22	2,797.84	4,546.40	2,909.87	2,818.90	3,033.39
Crisis aid Iceland	0.00	0.00	580.37	1,680.98	289.12	4.15	80.88
Iceland less crisis aid*	24.10	17.24	14.18	21.72	23.37	26.39	26.18
Transport aid Norway	283.97	532.11	511.32	460.72	220.23	228.89	247.20
Norway - less Transport**	948.88	1,368.00	1,690.90	2,381.79	2,375.83	2,557.99	2,677.63

* Liechtenstein did not grant crisis aid during the period 2006-2012. Norway granted crisis aid in 2009 under an aid scheme for the temporary recapitalisation of fundamentally-sound banks[10] (see section 1.7 for further details).

**Neither Iceland nor Liechtenstein granted aid for transport purposes during the period 2006-2012.

Table 1(a) above shows the amounts of aid reported by the EFTA States to the Authority each year, both including and excluding transport and crisis aid. The Authority notes that the figures for financial crisis aid included in the scoreboard represent the gross commitments of the EFTA States but not the grant equivalents of those measures, which have not been reported.[11] For further clarification regarding financial crisis aid, see section 1.7 below.[12] In any case, the overall aid granted by Iceland (including crisis aid) in 2011 and 2012 was considerably lower than during the period 2008 to 2010 due to a decrease in such crisis aid. Norway has not granted crisis aid since 2009.

As regards Liechtenstein, it is worth noting that the overall aid amount decreased in local currency (CHF) values but, due to exchange rate developments, the aid granted by Liechtenstein slightly increased in EUR terms.

[9] The annual average exchange rates are published by Eurostat.
[10] Decision 205/09/COL of 8.5.2009.
[11] The Icelandic authorities also provided additional backing of deposits, not in the form of an explicit guarantee, but by way of an announcement by the Prime Minister in 2008 that deposits in domestic commercial and savings banks would be fully covered. The scoreboard does not include any quantification of this measure.
[12] Figures on financial crisis aid were not formally included in the Authority's scoreboards prior to the State Aid Scoreboard for 2009, because the measures were not yet approved at that time. In 2012, the Authority approved restructuring aid awarded by Iceland to various financial institutions during 2008-2010. Figures for those years have therefore been corrected to include aid under the recently-approved financial crisis measures.

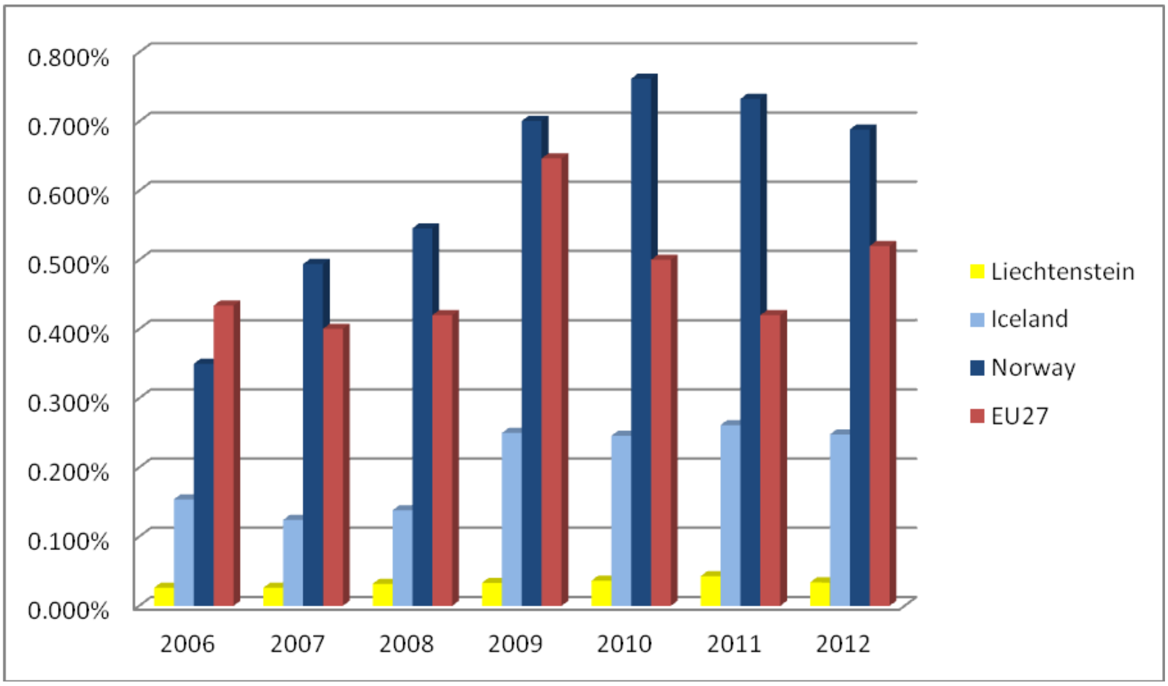
Table 1(b): Total state aid in the EFTA States from 2006 to 2012 including crisis aid
Constant 2012 prices in millions of Euro using annual average exchange rates[13]

EFTA States	2006	2007	2008	2009	2010	2011	2012
Iceland	16.27	13.84	654.59	2,077.54	334.41	31.55	107.06
Liechtenstein	1.15	1.19	1.47	1.51	1.54	1.52	1.50
Norway	1,654.61	2,556.19	2,670.11	3,865.90	3,046.50	2,986.14	2,924.83
Total state aid EFTA States	**1,672.02**	**2,571.22**	**3,326.16**	**5,944.95**	**3,382.44**	**3,019.21**	**3,033.39**
Transport	381.11	715.84	619.96	626.60	258.44	(678.00)	33.07
Norway - less Transport*	1,273.49	1,840.35	2,050.14	3,239.30	2,788.05	3,664.14	2,891.76

Table 1(b) shows state aid granted in constant prices in the EFTA States. In other words, while Table 1(a) shows the amounts of aid as they were reported by the EFTA States to the Authority each year, Table 1(b) shows the aid volumes after they have been adjusted to take into account general price changes. This enables a comparison of the aid amounts granted by the individual EFTA States in each year in real terms. Table 1(b) notably shows that, when expressed in constant prices, there was little change in total state aid expenditure across all of the EFTA States between 2011 and 2012. The amount of aid granted by Norway in constant prices increased notably between 2006 and 2009, but followed a downward trend in 2010 and 2011 and remained stable at that level in 2012. The amount of aid granted by Iceland in constant prices also increased significantly between 2006 and 2009, largely due to expenditure on financial crisis aid. Iceland's state aid expenditure decreased in 2010 and 2011 and then increased again in 2012, although it remained far below the peak reached in 2009. Liechtenstein's aid expenditure has remained broadly stable in constant prices throughout the period 2006 to 2012.

[13] The figures in Table 1(b) are converted into constant prices at the 2012 price level by applying GDP price indices in national currencies to the reported figures on state aid and then multiplying the outcome by the average 2012 exchange rate for the national currencies to the Euro. For this purpose, the Authority has relied on Eurostat data in relation to GDP price indices and exchange rates.

Graph A: Total state aid (excluding transport and crisis aid) as a proportion of GDP from 2006 to 2012: EFTA States and EU-27 average



Graph A shows the total state aid (excluding transport and crisis aid) awarded in each of the EFTA States, together with the average of the EU Member States, as a proportion of GDP.

Graph A shows that, if crisis aid is excluded, Iceland pays less aid as a percentage of GDP than the average of the EU Member States. Liechtenstein grants significantly less aid than the average of the EU Member States, while Norway grants more aid than the average of the EU Member States, although the gap has narrowed notably between 2011 and 2012.

Table 2: State aid (excluding transport and crisis aid) as a percentage of GDP in 2012: EFTA States and EU Member States[14]

EEA States	Aid as % of GDP
Latvia	1.56%
Malta	1.54%
Finland	1.36%
Slovenia	1.27%
Hungary	1.10%
Denmark	1.06%
Czech Republic	1.01%
Greece	0.99%
Sweden	0.79%

[14] Aid for agriculture and fisheries is not included in the data for the EU Member States presented above and, as mentioned above, it is also not included for the EFTA States.

EEA States	Aid as % of GDP
France	0.74%
Poland	0.72%
Lithuania	0.71%
Norway	**0.69%**
Cyprus	0.66%
Romania	0.63%
Austria	0.60%
Portugal	0.56%
Ireland	0.53%
EU 27	**0.52%**
Germany	0.45%
Netherlands	0.40%
Belgium	0.39%
Spain	0.38%
Italy	0.37%
Estonia	0.34%
United Kingdom	0.26%
Iceland	**0.25%**
Luxembourg	0.22%
Bulgaria	0.19%
Slovakia	0.18%
Liechtenstein	**0.03%**

Table 2 provides a more detailed overview of the total amount of aid granted by each of the EU Member States and the EFTA States (i.e. the EEA States) as a proportion of their GDP. It confirms that, excluding transport and crisis aid, the state aid expenditure of Norway is the 13th highest in the EEA relative to GDP, while Iceland's aid expenditure is below average and Liechtenstein grants the lowest amount of aid of all of the EEA States in relation to its GDP.

1.2 Sectoral aid

State aid may be earmarked for one or more specific industrial sectors (e.g. for the maritime sector or for the manufacturing sector). The sectors analysed in the scoreboard are: the manufacturing industry, other industries, transport services and other services. Aid which also pursues horizontal objectives, such as those listed in section 1.3 below, is not considered sectoral aid even if a certain sector might benefit from the aid more than other sectors.

If transport and crisis aid are excluded, none of the EFTA States granted aid which was purely sectoral in 2012.[15] Aid granted for transport services in Norway accounted for €247.20 million in

[15] In 2011, Iceland granted €4.76 million of its total aid in the form of state guarantees to electricity utilities. However, following a proposal from the Authority (Decision 302/09/COL of 8.7.2009), the Icelandic authorities

2012 (a slight increase from its 2011 level at €228.89 million). Financial crisis aid granted by Iceland in 2012 is reported on separately in section 1.7 below.

1.3 State aid for horizontal objectives

State aid granted for horizontal objectives, such as aid for the purposes of promoting R&D&I, protecting the environment, supporting small and medium-sized enterprises ("SMEs"), as well as employment and training, is usually considered to target market failures or other beneficial objectives. Horizontal aid is, therefore, generally considered to be less distortive of competition than sectoral aid or *ad-hoc* aid.[16] As indicated above, horizontal aid which also pursues sectoral objectives is still considered horizontal aid even if a certain sector might benefit from the aid more than other sectors.

Table 3: Horizontal and sectoral aid as a percentage of total aid in 2012 (excluding transport and crisis aid)

Aid with HORIZONTAL objectives	EFTA States	Norway	Iceland	Liechtenstein
R&D&I	16.7%	16.32%	56.73%	0%
Environment and energy saving	36.45%	36.83%	0.00%	0%
SME	0.72%	0.73%	0.00%	0%
Employment	2.25%	2.26%	1.64%	0%
Regional development	36.92%	37.03%	27.54%	0%
Other horizontal objectives*	6.96%	6.84%	14.09%	100%
Total aid with horizontal objectives	100.00%	100.00%	100.00%	100%
Total aid with sectoral objectives	0.00%	0.00%	0.00%	0.00%
Total aid (excl. transport and crisis aid) in mill. Euro	2705.31	2677.63	26.18	1.50

* Other horizontal aid covers cultural and heritage objectives and natural disasters.

Table 3 above provides an overview of horizontal aid on an individual EFTA State basis. It shows that (excluding transport and crisis aid) all three EFTA States only granted aid for horizontal purposes in 2012. Iceland granted the majority of its aid for R&D&I projects (56.73%), while regional aid also continued to account for a notable proportion of its overall horizontal aid expenditure (27.54%).[17] Liechtenstein granted all of its aid for cultural and heritage objectives. Norway granted most of its aid for regional development (37.03%) and for environmental protection and energy-saving purposes (36.83%).

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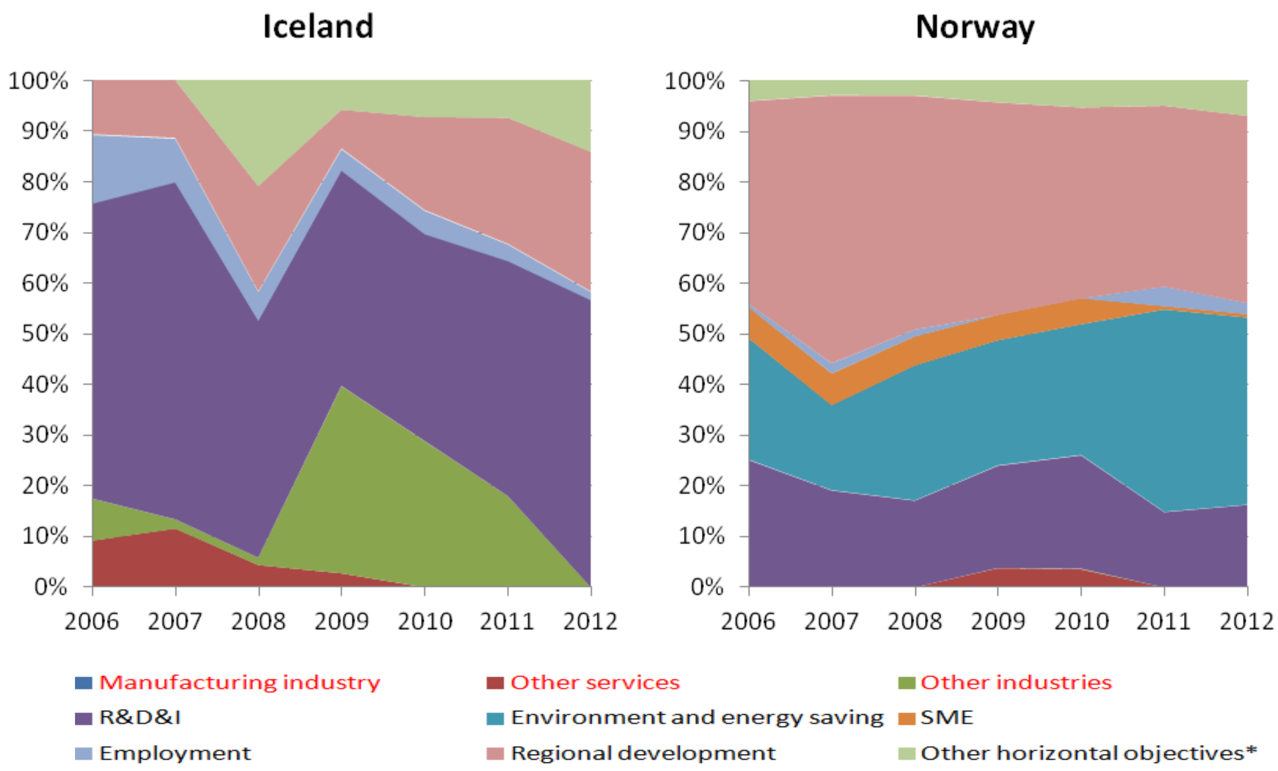
subsequently changed their rules on state guarantees for publicly-owned electricity utilities. As set out in Decision 159/13/COL of 24.4.2013 neither Landsvirkjun nor Orkuveita Reykjavíkur have unlimited state guarantees today. Both companies now pay a state guarantee premium which covers the benefits they enjoy due to the state guarantee.

[16] The "Europe 2020 Strategy" objectives of growth and competitiveness are cornerstones of the European Commission's State Aid Modernisation Programme which recognises that "*[s]tronger and better-targeted State aid control can encourage the design of more effective growth-enhancing policies and it can ensure that competition distortions remain limited so that the internal market remains open and contestable*". See European Commission Communication on State Aid Modernisation referenced in chapter 2 and footnote 40 below.

[17] Strictly speaking, regional aid is a category of its own. However, regional aid also implies a general (non-sector-specific) aspect (i.e. it is directed towards general economic development) and it is therefore classified under horizontal objectives in Table 3.

Graphs B(1) and B(2): Types of horizontal and sectoral aid as a percentage of total aid (excluding transport and crisis aid) from 2006 to 2012



** Other horizontal aid covers cultural and heritage objectives and natural disasters.*

Graphs B(1) and B(2) show the trends in the distribution of horizontal and sectoral aid granted by Iceland and Norway as a percentage of total aid expenditure over the seven-year period under review. The graphs show that Iceland phased out sectoral aid in 2012 focussing instead on "better-targeted" horizontal aid. Aid for R&D&I accounted for an increasing majority of the aid granted in Iceland in 2012 with a notable increase from 46% of its total aid expenditure in 2011 to 57% in 2012. Regional aid also still accounted for a significant proportion of Iceland's overall aid expenditure in 2012, increasing slightly from 25% in 2011 to 28% in 2012. The phasing out of sectoral aid is mainly due to a change in the rules on state guarantees in respect of publicly-owned electricity utilities in Iceland.[18]

As regards Norway, while regional aid accounted for the majority of its total aid expenditure in recent years, its share of the overall aid granted by Norway gradually decreased from 2007 to 2011. In 2011, aid for environmental protection and energy-saving purposes accounted, for the first time, for the highest proportion of the aid granted by Norway (40%) for that year. However, in 2012, the share of overall aid represented by regional development increased slightly again (from 36% to 37%) while the share of aid accounted for by environmental protection and energy-saving purposes slightly decreased (from 40% to 37%). Norway completely phased out the granting of sectoral aid (excluding transport aid) from 2011 following changes in its financing of student welfare organisations.[19]

As in previous years, Liechtenstein continued to grant aid only for horizontal objectives in 2012.

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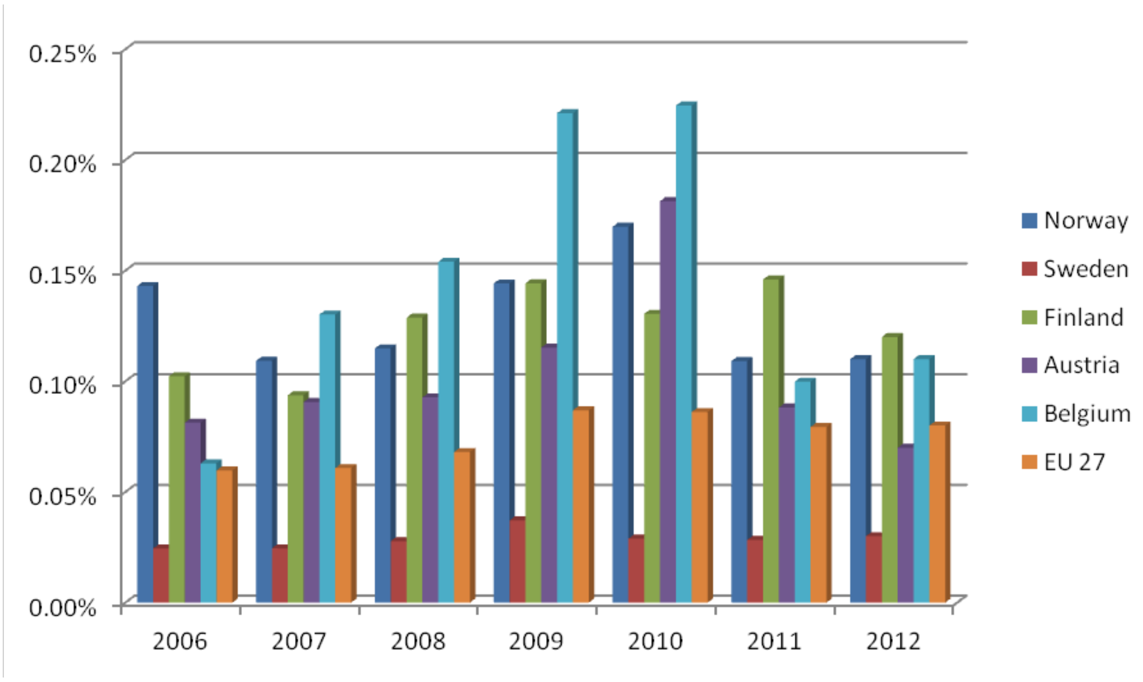
[18] Decision 159/13/COL of 24.4.2013. See footnote 15 above.

[19] This was mainly due to the introduction of changes to the financing system for fitness activities organised by student welfare organisations. See Decision No. 378/09/COL of 30.9.2009.

1.4 State aid for research and development and innovation ("R&D&I")

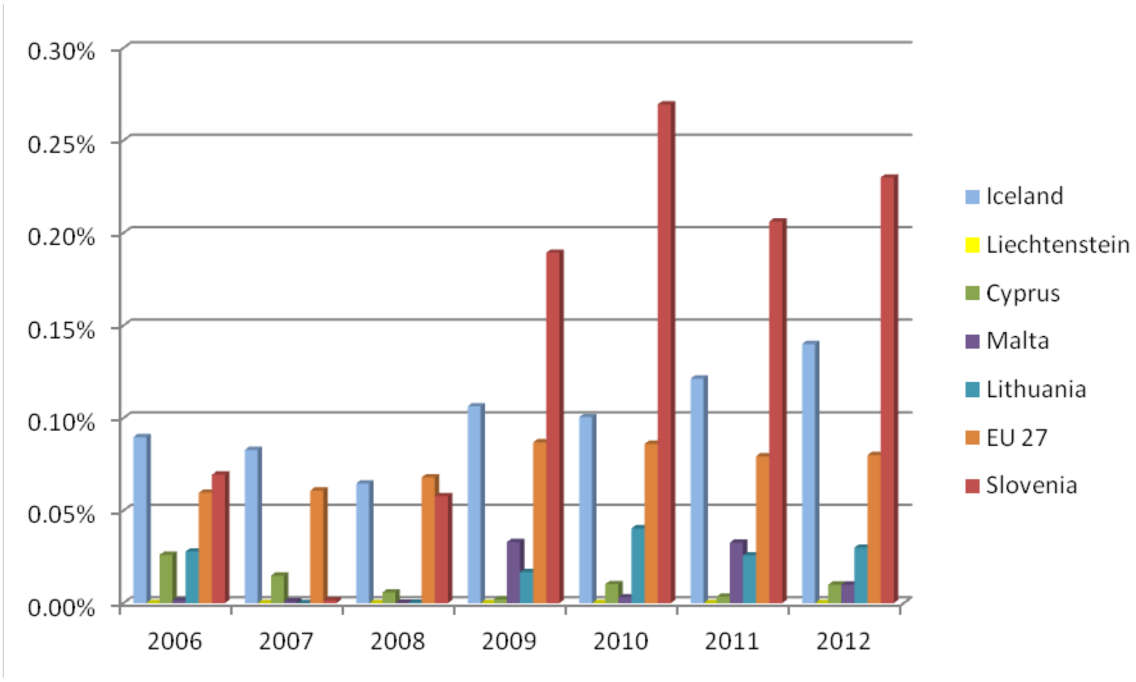
Graphs C(1) and C(2) provide an overview of aid granted by the EFTA States for R&D&I purposes as a percentage of GDP compared to a group of comparable EU Member States.

Graph C(1): Overview of aid for R&D&I as a percentage of GDP from 2006 to 2012: Norway and selected EU Member States



Graph C(1) shows that, while Norway's share of aid granted to R&D&I projects increased gradually as a percentage of GDP from 2008 to 2010, this share dropped considerably in 2011 to the level previously observed in 2007/2008 and remained stable at that level in 2012. However, the proportion of aid granted to R&D&I projects in Norway in 2012 relative to its GDP (0.11%) remained comparatively higher than the EU-27 average (0.08%). Furthermore, as a proportion of its total state aid expenditure (excluding transport aid), as well as in absolute terms, Norway increased its spending on R&D&I projects from 14.89% (€380.86 million in current prices) in 2011 to 16.32% (€436.90 million) in 2012, cf. Table 3 above.

Graph C(2): Overview of aid for R&D&I as a percentage of GDP from 2006 to 2012: Iceland and Liechtenstein and selected EU Member States



Graph C(2) shows that Liechtenstein did not grant any aid for R&D&I projects during the period under review (i.e. 2006 to 2012). Furthermore, Graph C(2) shows that Iceland has gradually increased its spending on R&D&I projects from 0.12% of GDP in 2011 to 0.14% of GDP in 2012, also comparatively higher than the EU-27 average. In absolute terms, Iceland increased its spending on R&D&I from €12.25 million in current prices (2011) to €14.85 million (2012). As a percentage of total aid (excluding financial crisis aid), Iceland substantially increased aid for R&D&I in relative terms from 46% (2011) to 57% (2012).

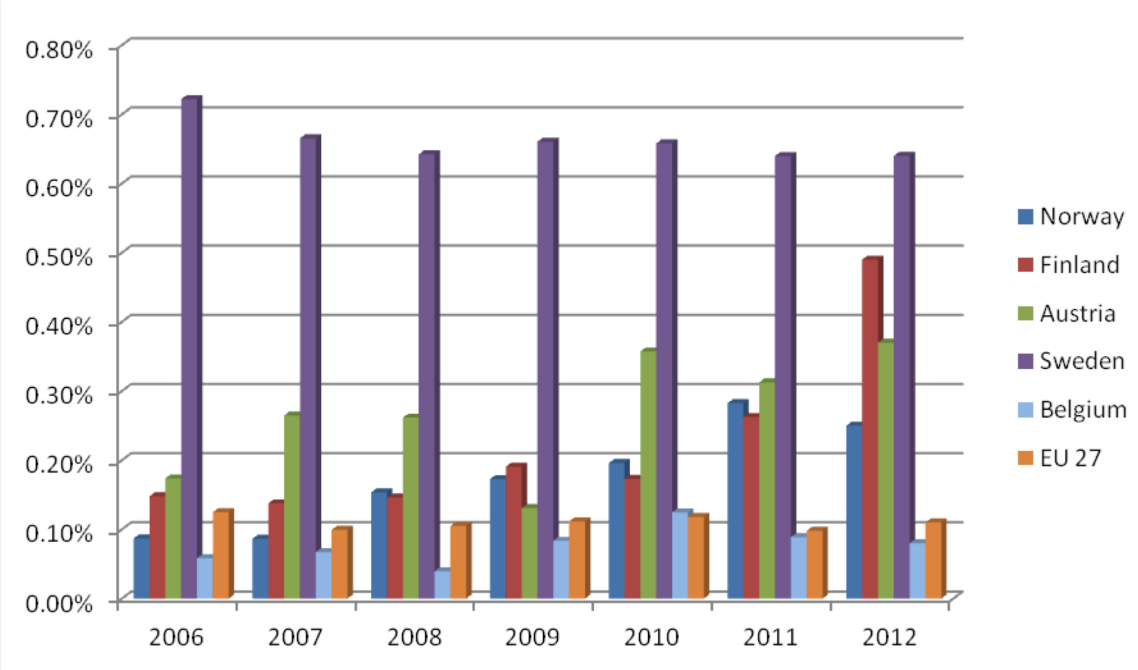
It should be noted that Graphs C(1) and C(2) do not fully reflect the total level of public funding for R&D&I in these countries. Other forms of public funding for R&D&I, such as aid to universities, may not involve state aid within the meaning of the EEA Agreement or the Treaty on the Functioning of the European Union ("TFEU") if the recipients are not undertakings.[20]

1.5 State aid for environmental protection and energy-saving purposes

Graphs D(1) and D(2) provide an overview of aid granted by the EFTA States for environmental protection and energy-saving purposes as a percentage of GDP compared to a group of comparable EU Member States.

[20] See also the European Commission Staff Working Document, Facts and Figures on State Aid in the Member States, accompanying the Report from the Commission – State Aid Scoreboard, Autumn 2010 Update, (SEC (2010) 1462 final, Brussels, 1.12.2010, Section 2.2.4) which observed that state aid expenditure on R&D&I in 2009 (which accounted for 0.09% of GDP) represented a relatively small share of overall public R&D&I funding for that year (which accounted for 0.64% of GDP).

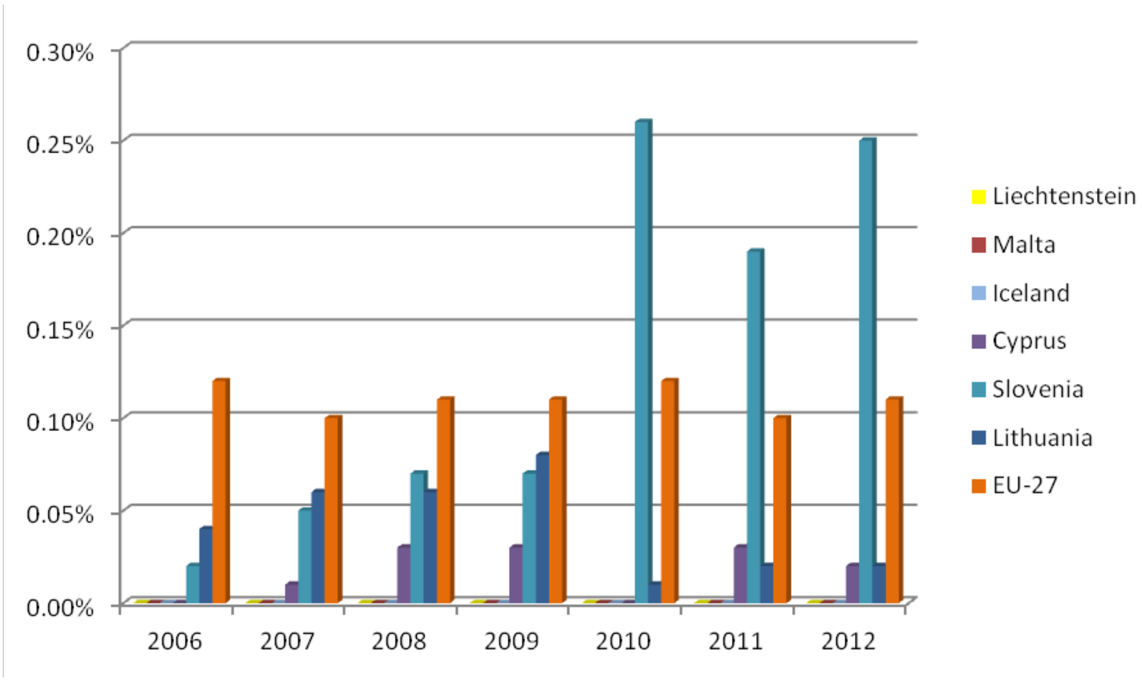
Graph D(1): Overview of aid for environmental protection and energy-saving purposes as a percentage of GDP from 2006 to 2012:
Norway and selected EU Member States[21]



Graph D(1) reveals that Norway slightly reduced its spending on state aid for environmental protection and energy-saving purposes from 0.28% of its GDP (€1 019.19 million in current prices) in 2011 to 0.25% of its GDP (€986.12 million) in 2012. As a percentage of total state aid expenditure (less transport aid) in Norway, the share of aid for environmental protection and energy-saving purposes rose from 25% (2009) to 40% (2011) and then decreased slightly to 37% (2012), thus accounting for the same share as regional development aid in 2012 (37%).

[21] Prior to 2012, Graphs D(1) and D(2) reflected all aid directed towards the environment, irrespective of whether environmental protection was the primary or secondary objective of the aid measure in question. However, since 2012, the EFTA States now only report on the primary objective of the aid measure in question.

Graph D(2): Overview of aid for environmental protection and energy-saving purposes as a percentage of GDP from 2006 to 2012: Iceland and Liechtenstein and selected EU Member States



Graph D(2) shows that Iceland and Liechtenstein did not grant any aid for environmental and energy-saving purposes during the period under review.

1.6 State aid supporting regional development and cohesion

Regional aid is of little importance for Liechtenstein which did not grant any regional aid during the period 2006 to 2012.

As regards Iceland, its spending on aid for regional development increased from €6.56 million in current prices (2011) to €7.21 million (2012). As a percentage of total aid (less crisis aid), Iceland's spending on regional aid increased from 25% (2011) to 28% (2012) and, as a percentage of GDP, its regional aid expenditure increased from 0.06% (2011) to almost 0.07% (2012).

Regional development aid remains a prominent feature in Norwegian state aid policy. The amount of aid granted for regional development increased from €915.40 million in current prices (2011) to €991.50 million (2012). However, as a proportion of Norway's GDP, regional aid decreased slightly, from 0.26% (2011) to 0.25% (2012). As a proportion of total aid (less transport aid) in Norway, regional aid increased slightly from 36% (2011) to 37% (2012).

1.7 Financial crisis aid

In 2008 and 2009, Iceland granted aid for the restructuring of its three main commercial banks (Islandsbanki, Arion Bank and Landsbankinn) but only notified these measures in 2010. The Authority opened the formal investigative procedure in each of these cases in December 2010 and subsequently approved the measures in June and July 2012.[22] The measures consisted of equity investments by the Icelandic State in all three banks, and Tier II capital contributions in the form of subordinated loans as well as special liquidity facilities in the case of Arion Bank and Islandsbanki. These figures are included in chapter 1 of the scoreboard. The Icelandic State also provided aid in the form of an unlimited state guarantee in respect of deposits in domestic

[22] Decision 244/12/COL of 27.6.2012 (Íslandsbanki), Decision 290/12/COL of 11.7.2012 (Landsbankinn) and Decision 291/12/COL of 11.7.2012 (Arion Bank).

commercial and savings banks.[23] The scoreboard does not include any quantification of this latter measure.

In 2008, Iceland also granted aid to several investment funds through acquisition of their impaired bond portfolios by the three newly-formed State-owned banks. Following a complaint, the Authority opened a formal investigation in September 2010, but approved the aid in July 2012 on the basis that it was necessary to remedy a serious disturbance in the economy.[24] This figure is included in chapter 1 of the scoreboard.

In 2010, Iceland granted rescue aid in support of five small savings bank. The measures, involving the settlement of claims owned by the Central Bank of Iceland on savings banks, were notified and temporarily approved in June 2010 and April 2011.[25] Following the decision authorising the granting of the rescue aid, the Icelandic authorities were bound to submit restructuring plans within six months. However, restructuring plans were not submitted until 2012 and restructuring aid to two of the small savings banks, Nordfjordur Savings Bank and Vestmannaeyjar Savings Bank,[26] was approved by the Authority in December 2013. The approved rescue aid is included in chapter 1 of the scoreboard.

In 2009, the Authority opened an investigation into a Mortgage Loan Scheme in Iceland which authorised the state-owned Housing Financing Fund ("HFF") to acquire mortgage loans from certain financial institutions in Iceland in exchange for HFF bonds, a form of permanent asset swap. The case was concluded in June 2011 with a negative decision, according to which the Authority required the Icelandic authorities to abolish the Mortgage Loan Scheme and to recover any incompatible aid.[27] The incompatible aid is not included in chapter 1 of the scoreboard.[28]

In March 2011, the Authority temporarily approved rescue aid in support of the Icelandic HFF subject to a detailed restructuring plan being submitted.[29] The aid, in the form of a capital injection of ISK33 billion, is included in chapter 1 of the scoreboard.

In April 2011, the Authority temporarily approved state aid (involving a share capital contribution and subordinated loan facility agreement) in support of Byr hf., the fourth-largest commercial bank in Iceland, subject to the submission of a restructuring or liquidation plan for the bank within six months.[30] In October 2011, the Authority further authorised Islandsbanki to proceed with the acquisition of Byr, although the bank had previously received state aid, and approved a prolongation of the government loan facility for Byr until that merger became effective.[31] The aid figure is included in chapter 1 of the scoreboard.

In November 2011, the Authority opened a formal investigation into loans (amounting to ISK52 billion in total) granted on favourable terms by the Icelandic Treasury in March 2009 to three investment banks in Iceland to reschedule short-term collateral and securities loans from the Central Bank of Iceland into long-term loans. Since the three investment banks are in liquidation

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23 In the decisions referenced above, the Authority noted that its approval of the unlimited state guarantee of deposits in domestic commercial and savings banks under the state aid rules was temporary and would expire at the end of 2014.

24 Decision 292/12/COL of 11.7.2012.

25 Decision 253/10/COL of 21.6.2010 and Decision 127/11/COL of 13.4.2011.

26 Decision 539/13/COL of 18.12.2013 (Nordfjordur Savings Bank) and Decision 540/13/COL of 18.12.2013 (Vestmannaeyjar Savings Bank).

27 Decision 206/11/COL of 29.6.2011.

28 See chapter 3 below for the status of this recovery case.

29 Decision 69/11/COL of 16.3.2011.

30 Decision 126/11/COL of 13.04.2011.

31 Decision 325/11/COL of 19.10.2011.

and have ceased all regular economic activity, the Authority decided to close the investigation in December 2012 and the loans are not included in the scoreboard.[32]

As is clear from the above summary, Iceland has relied upon different forms of aid instruments in support of financial undertakings (e.g. equity investments by the State, subordinated loans, liquidity facilities and acquisition of impaired assets), some of which involved remuneration. It should be noted that the figures appearing in the scoreboard are the gross commitments of the Icelandic State involving state aid, but not the grant equivalents of those measures, which have not been reported. In its latest scoreboard, the European Commission has also not provided information on the actual aid element of relevant measures for crisis aid.[33]

As regards Liechtenstein, the country has not, to date, notified any aid measures linked to the financial crisis.

As regards Norway, the Authority approved an aid scheme for the temporary recapitalisation of fundamentally-sound banks in 2009, but only 8% of the fund was actually used under the scheme.[34] Norway has not granted crisis aid since 2009.

In 2013, the Authority adapted its temporary state aid rules for assessing public support to financial institutions to introduce more discipline with respect to the granting of state aid to banks, as temporary rescue aid will in principle no longer be authorised.[35]

1.8 Aid awarded under the block exemption regulations

The five previous block exemptions[36] were consolidated and harmonised into one General Block Exemption Regulation ("the GBER")[37] which entered into force in 2008. The GBER consolidated and harmonised the rules which previously existed in the five separate block exemption regulations. It also increased the number of categories eligible for exemption without prior notification to the Authority. For example, the GBER provides for exemption of aid in favour of, *inter alia*, SMEs (for investment, employment, consultancy services and trade fairs), R&D&I, regional development, employment and training, risk capital investments, environmental protection, and for the creation of enterprises by female entrepreneurs. As a part of the ongoing

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32 Decision 521/12/COL of 19.12.2012.

33 In other words, information is not provided on the precise cost that the public finances bear as a result of the support provided to financial institutions. For example, in respect of guarantees on liabilities, governments will only bear a cost in case that they are called upon. According to the European Commission, between October 2008 and 31 December 2012, EU Member States provided €591.9 billion (4.6% of EU 2012 GDP) of capital support (recapitalisation and asset relief measures) to the financial sector. However, since assisted banks and other financial institutions have started repaying aid received and have started paying fees and remuneration in return for the support received, and some of the assets nationalised during the crisis have generated benefits, EU Member States estimated a total revenue of €125 billion (0.97% of EU 2012 GDP) at the end of 2012 in exchange for their support to the banks. See: http://europa.eu/rapid/press-release_IP-13-1301_en.htm

34 Decision 205/09/COL of 8.5.2009, see footnote 10 above.

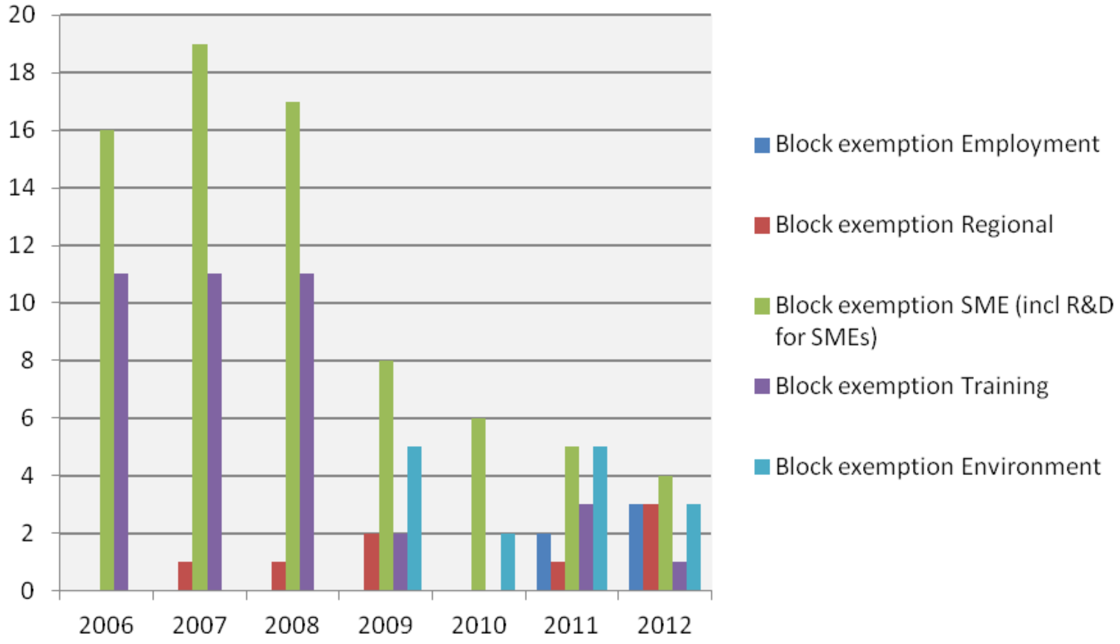
35 According to the new guidelines, before it can receive state aid a bank needs to work out a restructuring plan, including a capital-raising plan, which demonstrates convincingly how it will become profitable in the long term. If the viability of the bank cannot be restored, an orderly winding-down plan needs to be submitted instead. The decision has not yet been published in the Official Journal or the EEA Supplement. The guidelines may be accessed from the Authority's website at: http://www.eftasurv.int/media/state-aid-guidelines/Part-VIII-%E2%80%93-2013-Banking-guidelines.pdf. These guidelines correspond to the Communication from the European Commission on the application, from 1 August 2013, of state aid rules to support measures in favour of banks in the context of the financial crisis ("2013 Banking Communication"), OJ C 216, 30.07.2013, p.1-15.

36 These 5 previous exemptions concerned: (i) aid to SMEs; (ii) R&D aid in favour of SMEs; (iii) aid for employment; (iv) training aid; and (v) regional aid.

37 The Regulation was incorporated into the EEA Agreement by Joint Committee Decision No. 120/2008, OJ No L 339, 18.12.2008, p. 111 and EEA Supplement No 79, 18.12.2008, p.20.

State Aid Modernisation programme, cf. chapter 2 below, proposals are underway for a further significant extension of the scope of the GBER.

Graph E: Number of block exemptions used from 2006 to 2012 in Norway



Norway is the only EFTA State that has so far made use of the possibility to grant aid under block exemptions.[38] Graph E above illustrates how many schemes were active in the years where block exemptions were used either under the previous block exemption regulations or under the GBER. The graph shows that between 2006 and 2008, block exemptions were used by Norway almost exclusively for schemes promoting SMEs and vocational training. Since 2009, Norway started using the GBER on a wider scale and, in 2012, Norway operated a number of block-exempted schemes including one training scheme, three employment aid schemes, three regional aid schemes, and three schemes for environmental protection, as well as four schemes for SMEs.

38 Iceland reported a block exemption for 2010, although no aid appears to have been disbursed under this instrument to date.

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1.9 State aid instruments

Graph F: Aid instruments as a percentage of total aid (including transport aid and excluding crisis aid) in 2012 in the EFTA States

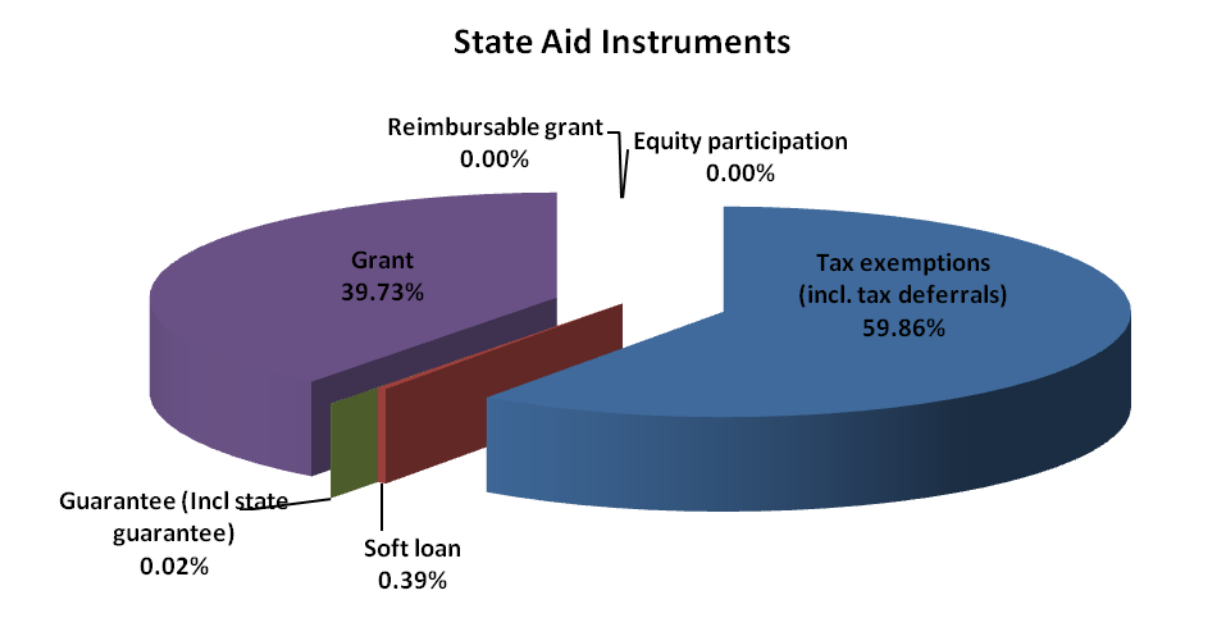

Table 4: Usage of aid instruments as a percentage of total aid (including transport aid and excluding financial crisis aid) during 2006-2012 in the EFTA States

	2006	2007	2008	2009	2010	2011	2012
Tax concessions	56.08%	67.10%	68.65%	63.78%	60.26%	58.01%	59.86%
Soft loan	0.75%	0.38%	0.69%	0.67%	0.44%	0.38%	0.39%
Guarantee	0.04%	0.02%	0.00%	0.33%	0.24%	0.18%	0.02%
Grant	42.95%	32.39%	30.74%	35.14%	37.35%	41.21%	39.73%
Equity participation	0.00%	0.01%	0.00%	0.01%	1.67%	0.15%	0.00%
Reimbursable grant	0.18%	0.11%	0.04%	0.05%	0.04%	0.07%	0.00%
Total aid (mill EUR)	1251.113	1836.839	2316.073	2395.65	2921.95	2824.58	2952.52

Graph F and Table 4 above show the extent to which the EFTA States have made use of different state aid instruments (excluding crisis aid measures) during the period 2006 to 2012. It shows that, in 2012, the EFTA States awarded almost 60% of total aid in the form of derogations from obligations to pay taxes and around 40% in the form of grants. On the whole, less than 1% of total aid awarded by the three EFTA States in 2012 was awarded by means of other aid instruments (e.g. guarantees or soft loans).

2. Legislative and policy developments

The State Aid Action Plan initially outlined guiding principles for a comprehensive reform of the state aid rules through a variety of legislative measures over a five-year period.[39] In 2012, the European Commission further launched a comprehensive plan for reform of the state aid rules called the State Aid Modernisation Programme.[40]

The ambitious reform plan pursues three closely-linked objectives. First, it should contribute to growth in Europe. Second, it should focus state aid enforcement on cases with the biggest impact on the Internal Market. Third, it should streamline rules and ensure faster decisions. Although the State Aid Modernisation Programme is mainly a strategy set for the European Union, the EFTA States in the EEA Joint Committee and the Authority adopt measures for implementing the state aid rules which are similar to those applied in the European Union.[41] In this regard, a number of state aid guidelines are being revised at EU level and the Authority is participating actively in these revision procedures and adopting similar guidelines to ensure consistency across the EEA market.

In 2012, the Authority adopted new guidelines on the application of state aid rules to public service compensation, ship-building and greenhouse gas emission allowance trading schemes. The Authority also decided to prolong the chapter in its guidelines on state aid for rescuing and restructuring firms in difficulty, which was due to expire on 30 November 2012.

Table 5: Guidelines adopted in 2012

Area	Validity	Reference
Public service compensation	From 31.01.2012	Decision No 12/12/COL of 25.1.2012 amending, for the eighty-fourth time, the procedural and substantive rules in the field of state aid by introducing new chapters on the application of state aid rules to compensation granted for the provision of services of general economic interest and on the framework for state aid in the form of public service compensation[42]
Ship-building	From 1.2.2012 for notified aid and from 31.12.2011 for non-notified aid	Decision No 31/12/COL of 1.2.2012 amending, for the eighty-fifth time, the procedural and substantive rules in the field of state aid by introducing a new chapter on the application, from 1 February 2012, of revised rules for assessing state aid for shipbuilding[43]
Rescue and restructuring	From 30.11.2012	Decision No 438/12/COL amending for the eighty-sixth time the procedural and substantive rules in the field of state aid – prolongation

39 European Commission, State Aid Action Plan - Less and better targeted state aid: a roadmap for state aid reform 2005–2009, 7.6.2005, COM(2005) 107 final.

40 European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU State Aid Modernisation (SAM), 8.5.2012, COM(2012) 209 final, ("Communication on EU State Aid Modernisation").

41 The EEA Joint Committee ensures the effective implementation and operation of the EEA Agreement and is composed of representatives of the EEA States and the European Commission. The EEA Joint Committee is therefore responsible for the incorporation into the EEA legal framework of relevant EU legislation, such as block exemptions.

42 The decision is available from the Official Journal (OJ L161, 13.6.2013, p.12), the EEA Supplement at 2013/EES/34/01 and from the Authority's website. The new chapter corresponds to the Commission's Communication on the application of the European Union State aid rules to compensation granted for the provision of services of general economic interest, OJ C 8, 11.1.2012, p.4.

43 The decision is available from the Official Journal (OJ L 31, 31.1.2013, p. 77), the EEA Supplement at 2013/EES/7/01, and from the Authority's website. The new chapter corresponds to the Commission's Framework on State Aid to Shipbuilding, OJ C 364, 14.12.2011, p.9.

Area	Validity	Reference
		of the guidelines on state aid for rescuing and restructuring firms in difficulty[44]
Greenhouse gas emission	From publication in the OJ and the EEA Supplement	Decision No 522/12/COL of 19.12.2012 amending for the eighty-seventh time the procedural and substantive rules in the field of state aid by introducing a new chapter on state aid measures in the context of the greenhouse gas emission allowance trading scheme post-2012[45]

3. Recovery

3.1 The rules on recovery of unlawful and incompatible state aid

Article 14 of Part II of Protocol 3 to the Surveillance and Court Agreement provides that "*[w]here negative decisions are taken in cases of unlawful aid, [the Authority] shall decide that the EFTA State concerned shall take all necessary measures to recover the aid from the beneficiary*."[46]

The purpose of mandating the recovery of unlawful state aid is to remove the undue advantage granted to a company (or companies) through such illegal aid and to restore the market to the situation that prevailed before the aforementioned aid was granted. In such circumstances, the recovered aid is reimbursed to the relevant public authority which originally granted the incompatible support.

The Authority has issued guidance on the recovery of unlawful and incompatible state aid which sets out detailed rules applicable to recovery cases.[47] Recovery of illegal and incompatible state aid has been a lengthy process for a number of cases in the EFTA States and frequently the cases were not completed within the time limits set out in the relevant legislation and the recovery decisions. This situation arises even though Article 14(3) of Protocol 3 to the Surveillance and Court Agreement provides that *"recovery shall be effected without delay and in accordance with the procedures under the national law of the EFTA State concerned, provided that they allow the immediate and effective execution of the EFTA Surveillance Authority's decision."* [48]

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44 The guidelines are available from the Official Journal (OJ L 107, 28.4.2005, p. 28), the EEA Supplement (No 21, 28.4.2005, p. 1) and from the Authority's website. Those guidelines correspond to the Community Guidelines on State aid for Rescuing and Restructuring Firms in Difficulty, OJ C 244, 1.10.2004, p. 2-17. The Authority's rescue and restructuring guidelines have been prolonged until they are replaced by new rules (Decision No. 438/12/COL as reported in the Official Journal - OJ L 190, 11.7.2013, p. 91).

45 The decision is available from the Official Journal (OJ L 296, 7.11.2013, p. 25), the EEA Supplement at 2013/EES/62/01, and from the Authority's website. The new chapter corresponds to the Commission's guidelines on certain state aid measures in the context of the greenhouse gas emission allowance trading scheme post-2012, OJ C 158, 5.6.2012, p.4.

46 Protocol 3 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice.

47 Decision No 788/08/COL of 17 December 2008 amending, for the sixty-seventh time, the procedural and substantive rules in the field of State aid [...] by introducing a new chapter on recovery of unlawful and incompatible State aid [...], available from the Official Journal (OJ L 105, 21.4.2011, p. 65), the EEA Supplement at 2011/EES/23/01 and from the Authority's website. This chapter also corresponds to the Commission's Notice entitled "Towards an effective implementation of Commission decisions ordering Member States to recover unlawful and incompatible State aid", OJ 2007 C 272, 15.11.2007, p. 4.

48 This rule corresponds to Article 14(3) of Council Regulation No. 659/1999 of 22.3.1999 laying down detailed rules for the application of Article 93 (now Art. 108 TFEU) of the EC Treaty, OJ L 83/1, 27.03.1999, p.1.

3.2 State of play of pending recovery cases

During the period from 2004 to the end of 2012, the Authority adopted 15 recovery decisions concerning the EFTA States of which three cases (which were opened in 2011 or 2012) remained pending as of 31 December 2012 (cf. Tables 8 and 9) and two of which have been closed since 2012. Therefore, progress is visible in the closure of older recovery cases, as well as in the pace of the recovery process for pending cases.

Table 6: Recovery cases by EFTA State, up to December 2006

	Iceland		Liechtenstein		Norway		Total	
	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed
2004	1[a]	0	0	0	1[b]	0	2	0
2005	0	0	0	0	1[c]	0	1	0
2006	0	0	0	0	1[d]	1[c]	1	1
Cases pending 31/12/06	1		0		2		3	

Table 7: Recovery cases by EFTA State, up to December 2009

	Iceland		Liechtenstein		Norway		Total	
	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed
2007	0	0	0	0	1[e]	0	1	0
2008	0	0	0	0	1[f]	1[e]	1	1
2009	0	0	0	0	2[g, h]	2[b, g]	2	2
Cases pending 31/12/09	1		0		3		4	

Table 8: Recovery cases by EFTA State, up to December 2012

	Iceland		Liechtenstein		Norway		Total	
	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed	New cases	Cases closed
2010	0	0	2[i, j]	0	0	2[h, f]	2	2
2011	1[k]	0	0	0	2[l, m]	1[d]	3	1
2012	1[n]	1[a]	0	2[i,j]	1[o]	2[l,o]	2	5
Cases pending 31/12/12	2		0		1		3	

Clarification of notes in Tables 6-8:

a)	International Trading Companies (closed)	i)	Captives (closed)
b)	Electricity tax (closed)	j)	Investments undertakings (closed)
c)	Entra (closed)	k)	Mortgage Loan Scheme
d)	Enova (closed)	l)	Hurtigruten service (closed)
e)	VAT compensation (closed)	m)	Sale of land in Asker
f)	Woodscheme (closed)	n)	Verne Data Centre
g)	Norwegian Aviation College AS (closed)	o)	Haslemoen Leir (closed)
h)	Mesta (closed)		

Table 9: Overview of recovery cases indicating amounts to be recovered and amounts recovered up to December 2012

Decision Number	Working title of case	EFTA State	Date of Decision	Amount to be recovered	Amount effectively recovered	Recovery case pending
148/04/COL	Electricity taxes	Norway	30 June 2004	NOK 132,158,641	NOK 132,158,641	No
21/04/COL	ITC	Iceland	25 February 2004	ISK 18,608,233 and other unknown amounts	ISK 0	No
318/05/COL	Entra	Norway	14 December 2005	NOK 99,088,462	NOK 99,088,462	No
125/06/COL	Enova	Norway	3 May 2006	NOK 19,303,572 (incl. interest and compound interest)	NOK 12,018,838[49] (incl. interest and compound interest)	No
155/07/COL	VAT Compensation	Norway	3 May 2007	NOK 43,199,304	NOK 43,199,304 (incl. interest)	No
28/08/COL	Wood scheme	Norway	23 January 2008	NOK 5,049,647 (plus interest)	NOK 953,490[50]	No
290/09/COL	Norwegian Aviation School	Norway	1 July 2009	NOK 4.5 million and other unknown amounts	Bankrupt	No
390/09/COL	Mesta	Norway	7 October 2009	NOK 101.4 million (plus interest)	NOK 129 million (incl. interest)	No

49 The difference is due to a recalculation of the amount to be recovered in the national complaint process and due to bankruptcy.

50 The difference between the amount to be recovered and the amount effectively recovered is due to the liquidation of a beneficiary.

Decision Number	Working title of case	EFTA State	Date of Decision	Amount to be recovered	Amount effectively recovered	Recovery case pending
97/10/COL	Captive insurance undertakings	Liechten-stein	24 March 2010	CHF 20,827,286	CHF 20,827,286	No
416/10/COL	Investment undertakings	Liechten-stein	2 November 2010	CHF 1,669,279	CHF 1,669,279	No
205/11/COL	Hurtigruten	Norway	29 June 2011	NOK 0[51]	NOK 0	No
206/11/COL	HFF Mortgage Loans Scheme	Iceland	29 June 2011	To be determined	ISK 0	Yes[52]
232/11/COL	Sale of land at Asker	Norway	13 July 2011	To be determined	NOK 4,074,953	Yes[53]
90/12/COL	Haslemoen Leir	Norway	15 March 2012	NOK 6,462 133,14	NOK 6,462 133,14 (incl. interest)	No
261/12/COL	Verne Data Center	Iceland	4 July 2012	To be determined	ISK 320,920,874[54] for sale of buildings ISK 142,535,573[55] for property taxes	Yes[56]

In 2012, the Authority opened two recovery cases – one concerning an Icelandic data centre[57] and the other concerning the sale of buildings in the Norwegian Haslemoen Leir area.[58] At the same time, in 2012, the Authority closed the recovery cases on Norwegian aid for the ferry service operator Hurtigruten[59] and on the sale of buildings in the Norwegian Haslemoen Leir area. Furthermore, the Authority closed its oldest recovery case concerning an Icelandic scheme in favour of International Trading Companies,[60] as well as its two recovery cases involving tax

[51] Norway had decided to grant the aid, but had not disbursed it. The amount of overcompensation identified by the Authority was approximately NOK144 million. Since no actual payments were made, the amount to be effectively recovered was zero.

[52] This recovery case was subsequently closed by the Authority in February 2013 taking into account the fact that both BYR Savings Bank and Keflavík Savings Bank had ceased all activities and that claims previously held by those banks were passed onto their successors at market price.

[53] This recovery case was subsequently closed by the Authority in January 2014 since recovery was effected in 2013.

[54] An additional ISK14.324.282 was placed in escrow in March 2013.

[55] In 2013, ISK852.852 was repaid by the Icelandic authorities to Verne.

[56] Iceland brought an action against the Authority’s decision to the EFTA Court in 2012 (Case E-9/12) and the latter upheld the Authority’s decision in a judgment delivered on 22.07.2013.

[57] Decision 261/12/COL of 4.7.2012.

[58] Decision 090/12/COL of 15.3.2012.

[59] Decision 205/11/COL of 29.6.2011.

[60] Decision 21/04/COL of 25.2.2004. Upon submission of the case by the Authority to the EFTA Court, the latter ruled on 24.11.2005 that the aid had to be recovered (Case E-2/05). Taking account of the failed collection procedure and that very specific circumstances relating to company changes and jurisdictional issues rendered the prospect of the aid being recovered negligible, the Authority closed the case in September 2012.

exemptions applicable to investment undertakings[61] and to captive insurance companies[62] respectively in Liechtenstein (since recovery was effected during 2010 and 2011).

Since 2012, the Authority has closed two further pending recovery cases – one concerning the HFF Mortgage Loan Scheme[63] and the other concerning the sale of land at Asker.[64]

The Authority continues its efforts to ensure effective recovery. If the EFTA States do not take all available measures to implement recovery decisions, the Authority will actively pursue non-compliance under the procedures provided for in the Surveillance and Court Agreement.

4. Information sources and methodology

4.1 The tables and graphs in the scoreboard

The tables and graphs included in the scoreboard are based on the state aid expenditure data submitted by the EFTA States in their annual reports to the Authority. The tables and graphs for which the underlying data may not be available above can also be accessed in Excel format from the Authority's website:

http://www.eftasurv.int/press--publications/scoreboards/state-aid-scoreboards/nr/128

4.2 State aid register – a second transparency tool

The Authority's state aid register is an online service which provides an overview of all state aid cases which have been the subject of a decision by the Authority since 1 January 1994:

http://www.eftasurv.int/state-aid/state-aid-register/

4.3 Annual report and state aid e-news

The Authority publishes an Annual Report on its activities which summarises the most important legal developments, decisions, and case law during the relevant year. It is available on the Authority's website:

http://www.eftasurv.int/press--publications/annual-reports/

State aid e-news, which was first published in 2006, is an online service available by e-mail and on the website of the Authority. It is a weekly update providing an overview of state aid decisions adopted by the Authority (and their publication details), and of court judgments handed down by the EFTA Court:

http://www.eftasurv.int/state-aid/state-aid-e-news/

It is also available as part of the State Aid Weekly Newsletter published by the European Commission.[65]

4.4 Methodology

This scoreboard is published in accordance with Article 6 of Decision No. 195/04/COL of 14 July 2004.[66] This provides that the Authority shall publish a scoreboard containing a synthesis of the

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61 Decision 416/10/COL of 3.11.2010.
62 Decision 97/10/COL of 24.03.2010.
63 Decision 206/11/COL of 29.06.2011, see also footnote 52 above.
64 Decision 232/11/COL of 13.07.2011, see also footnote 53 above.
65 http://ec.europa.eu/comm/competition/state_aid/newsletter/index.html
66 Decision 195/04/COL of 14.7.2004 on the implementing provisions referred to under Article 27 in Part II of Protocol 3 to the Agreement between the EFTA States on the establishment of a Surveillance Authority and a Court of Justice, OJ L 123, 10.5.2006, p. 37.

information from the annual reports which are submitted by the individual EFTA States to the Authority in compliance with Article 21 of Part II of Protocol 3 to the Surveillance and Court Agreement.

All data concerning the EFTA States has been obtained from the annual reports provided by the EFTA States and from reports provided pursuant to block exemption regulations. Cases which are still being examined are not included.

State aid data collected for the scoreboard is grouped according to primary objectives which may be either horizontal (for example, R&D&I or for SMEs) or sector-specific (for example, the maritime sector, or the manufacturing sector). Unless otherwise indicated, information has been included according to the objective of the aid as opposed to the identity of the aid recipients. For example, if the aid is earmarked for SMEs it will be classified as having SMEs as its primary objective, irrespective of the sectors the beneficiaries belong to. As a further example, in case of aid granted under a regional development scheme, where the aid may ultimately benefit SMEs, it will nevertheless be classified as regional aid, if the scheme is open to all sizes of enterprises in the particular region.

As regards information concerning the 27 EU Member States, the data was obtained from the scoreboard published by the European Commission in December 2013.[67]

[67] See footnote 4 above.

Contact

Any queries or requests for data should be marked "Scoreboard" and should be sent to the general state aid mailbox at State.Aid@eftasurv.int. Alternatively, please contact:

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