

Brussels, 31 July 2020
Case No: 85513
Document No: 1146471
Decision No 100/20/COL

Ministry of Trade, Industry and Fisheries
PO Box 8090 Dep
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Norway

Subject: Amendments to four COVID-19 aid schemes: loan guarantee scheme, as amended; subsidised loan scheme for package travel traders, as amended; direct grant scheme to traders of package travels; and liquidity support grant scheme for undertakings in the tourism sector

1 Summary

- (1) The EFTA Surveillance Authority (“ESA”) wishes to inform Norway that, having assessed the amendments to the aid schemes referred to in the subject line (“the measures”), it considers that the measures constitute state aid within the meaning of Article 61(1) of the EEA Agreement and decides not to raise objections to the measures, as they are compatible with the functioning of the EEA Agreement, pursuant to its Article 61(3)(b). ESA has based its decision on the following considerations.

2 Procedure

- (2) The Norwegian authorities notified the measures on 30 July 2020.¹

3 Description of the measures

3.1 Background

- (3) The measures concern the following aid schemes approved by ESA:
- By Decision No [028/20/COL](#), ESA approved a guarantee scheme for SMEs (“the guarantee scheme”). The decision was amended by ESA’s Decisions No [031/20/COL](#) and [048/20/COL](#).
 - By Decision No [046/20/COL](#), ESA approved a subsidised loan scheme to package travel traders (“the loan scheme”). The decision was amended by ESA’s Decision No [069/20/COL](#).
 - By Decision No [067/20/COL](#), ESA approved a direct grant scheme to package travels traders (“the direct grant scheme”).
 - By Decision No [084/20/COL](#), ESA approved a liquidity support grant scheme for undertakings in the tourism sector (“the liquidity scheme”).

Reference is made to the above decisions for a more detailed description (the above schemes referred to together as: “the schemes”).

¹ Document No 1146886 and 1146887.

- (4) ESA approved the schemes under Article 61(3)(b) of the EEA Agreement. ESA applied the compatibility conditions set out in the Commission's [Temporary Framework](#)² that sets out temporary state aid measures that the Commission considers compatible under Article 107(3)(b) TFEU, which corresponds to Article 61(3)(b) of the EEA Agreement.
- (5) Until 29 June 2020, the Temporary Framework did not permit granting of aid to undertakings that were already in difficulty (within the meaning of the General Block Exemption Regulation³) on 31 December 2019.
- (6) Following the 29 June 2020 changes to the Temporary Framework, paragraphs 22(c)bis, 25(h)bis, 27(g)bis, 35(h)bis, 37(k)bis, 39(i)bis and 49(i)bis read as follows:

In derogation to the above, aid can be granted to micro or small enterprises (within the meaning of Annex I of the General Block Exemption Regulation) that were already in difficulty on 31 December 2019 provided that they are not subject to collective insolvency procedure under national law, and that they have not received rescue aid or restructuring aid.

3.2 The measures

- (7) Under the measures, the Norwegian authorities amend the schemes to implement the changes in the Temporary Framework referred to in paragraph (6), concerning aid to micro and small enterprises.

4 Presence of state aid

- (8) Article 61(1) of the EEA Agreement reads as follows: "Save 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."
- (9) The qualification of a measure as aid within the meaning of this provision therefore requires the following cumulative conditions to be met: (i) the measure must be granted by the State or through State resources; (ii) it must confer an advantage on an undertaking; (iii) favour certain undertakings (selectivity); and (iv) threaten to distort competition and affect trade.
- (10) ESA has already concluded that the schemes constitute state aid.⁴ Under the measures, aid can be granted to micro or small enterprises that were already in difficulty on 31 December 2019 (see paragraph (7)). ESA therefore concludes that the measures constitute state aid within the meaning of Article 61(1) of the EEA Agreement.

² Communication from the Commission – Temporary framework for State aid measures to support the economy in the current COVID-19 outbreak of 19 March 2020, OJ C 91, 20.3.2020, p. 1, amended on 3.4.2020, OJ C 112, 4.4.2020, p.1, on 8.5.2020, OJ C 164, 13.5.2020, p. 3, and on 29.6.2020, OJ C 218, 2.7.2020, p. 3.

³ As defined in Article 2 (18) of the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187 of 26.6.2014, p. 1.

⁴ See the decisions referred to in section 3.1.

5 Procedural requirements

- (11) Pursuant to Article 1(3) of Part I of Protocol 3 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice ("Protocol 3"): "The EFTA Surveillance Authority shall be informed, in sufficient time to enable it to submit its comments, of any plans to grant or alter aid. ... The State concerned shall not put its proposed measures into effect until the procedure has resulted in a final decision."
- (12) The Norwegian authorities have submitted a notification of the measures and have not let the schemes amendments enter into force yet. They have therefore complied with the obligations under Article 1(3) of Part I of Protocol 3.

6 Compatibility of the aid measure

- (13) The measures concern amendments to schemes in line with the 29 June 2020 changes to the Temporary Framework, as regards aid to micro or small enterprises (within the meaning of Annex I of the General Block Exemption Regulation) that were already in difficulty on 31 December 2019 (see paragraphs (6) and (7)).
- (14) ESA notes that, as confirmed by the Norwegian authorities, the obligation to publish information under paragraph 86 of the Temporary Framework will be complied with.
- (15) Therefore, ESA concludes that the measures comply with the requirements of the Temporary Framework.

7 Conclusion

- (16) On the basis of the foregoing assessment, ESA considers that the measures constitute state aid with the meaning of Article 61(1) of the EEA Agreement. Since no doubts are raised that this aid is compatible with the functioning of the EEA Agreement, pursuant to its Article 61(3)(b), ESA has no objections to the implementation of the measure.

For the EFTA Surveillance Authority,

Yours faithfully,

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*This document has been electronically authenticated by Bente Angell-Hansen,
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