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Case No: 85548
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Decision No 103/20/COL

Ministry of Finance and Economic Affairs
Arnarhvoli
101 Reykjavík
Iceland

Subject: Icelandic regional aid map 2021

1 Summary

- (1) The EFTA Surveillance Authority (“ESA”) wishes to inform Iceland that, having assessed the notified prolongation of the Icelandic regional aid map for the year 2021, ESA finds the prolongation compatible with the [Regional Aid Guidelines](#) (“the RAG”).¹
- (2) The map itself does not involve any state aid within the meaning of Article 61(1) of the EEA Agreement. ESA’s approval of the map does not therefore constitute an authorisation to grant any new aid. The authorisation of the map, together with the RAG, establishes the framework for granting regional investment aid. In that respect, the map constitutes an integral part of the RAG.²
- (3) ESA has based its decision on the following considerations.

2 Procedure

- (4) On 19 August 2020, the Icelandic authorities notified the prolongation of the current regional aid map for one year,³ until 31 December 2021, in line with paragraph 156 of the RAG. On 25 August 2020, the Icelandic authorities submitted additional information.⁴

3 Background

- (5) By Decision No [170/14/COL](#),⁵ ESA approved the current regional aid map for 2014–2020 (“the Approval Decision”). The approval expires on 31 December 2020.
- (6) On 15 July 2020, ESA amended the RAG.⁶ According to paragraph 156 of the amended RAG, the EEA EFTA States were invited to notify their intention to prolong their aid maps by one year, by 15 September 2020.

¹ OJ L 166 5.6.2014, p. 44, and EEA Supplement No 33, 5.6.2014, p. 1, amended by ESA Decision No 302/14/COL, OJ L 15, 22.1.2015, p. 103, and EEA Supplement No 4, 22.1.2015, p. 1, and ESA Decision No [090/20/COL](#) (not yet published in the OJ).

² RAG paragraph 157 as amended by ESA Decision No [090/20/COL](#).

³ Document No 1148529.

⁴ Document No 1148913.

⁵ OJ L 201, 10.7.2014, p. 33, and EEA Supplement No 40, 10.7.2014, p. 6.

⁶ ESA Decision No [090/20/COL](#).

- (7) Accordingly, the Icelandic authorities notified an extension of the duration of the regional aid map until 31 December 2021.
- (8) National reforms have led to several municipal amalgamations in Iceland since the adoption of the Approval Decision. For the purposes of the present decision, each constituent part of the amalgamated municipalities will continue to be treated as belonging to the same zone as they did on 1 July 2014 (the first day of the duration of the 2014–2020 regional aid map) until the next revision of the regional aid map.

4 Assessment

- (9) A detailed description and assessment of the regional aid map are contained in the Approval Decision. In the Approval Decision, ESA concluded that the regional aid map is compatible with the principles in the RAG. The Icelandic authorities have notified a prolongation in line with the extension of the RAG and specifically the amendment in paragraph 156. As the Icelandic authorities notify no substantive amendments other than the extended duration, ESA's previous assessment of the compatibility of the map remains unaltered.

5 Conclusion

- (10) Accordingly, ESA considers the prolongation of the Icelandic regional aid map for the year 2021 compatible with the RAG. The map will continue to constitute an integral part of the RAG until 31 December 2021.

For the EFTA Surveillance Authority,

Yours faithfully,

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