

Norway finally adopts the new EU de minimis threshold



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Norway has finally implemented the EUs new de minimis regulations (<u>Regulation 2023/2831</u>), raising the threshold from €200,000 to €300,000 over a three-year period. This change marks an important update to the exemption from the prohibition on state aid without notification.

De Minimis State Aid in Practice

De minimis state aid is a crucial tool for promoting economic activity and supporting local businesses without breaching the EEA Agreement's requirement for competition neutrality. The increase in the maximum amount that can be granted as de minimis aid gives local authorities and other public bodies greater flexibility in providing financial support to businesses without the need for notification to the EFTA Surveillance Authority (ESA), with reference to Article 61 of the EEA Agreement.

Key Points of the New Rules:

- **Increased Threshold:** The maximum amount for de minimis state aid rises from €200,000 to €300,000 over a three-year period, providing more flexibility for local authorities and business stakeholders.
- **Clear Calculation Rules:** For aid that is not provided as direct grants or interest subsidies, specific rules have been established for how the aid element should be calculated.
- **Transitional Provisions:** The rules allow for support granted before the new provisions came into effect to still fall under the updated framework.

With the higher threshold, we can expect that more small and medium-sized enterprises will benefit from grants provided by local authorities and other public bodies. This could contribute to strengthening local economies and fostering increased innovation and development.

The changes have been incorporated into the EEA Agreement and came into force in Norwegian law on 11 November 2024, through the <u>Norwegian Regulation on Exemptions from Notification Requirements for State</u> <u>Aid</u> to the Norwegian State Aid Process Act section 2.

All aid exceeding €100,000 must be registered in the Norwegian State Aid Register, pursuant to the <u>Norwegian</u> <u>Regulation on the Registration of Public Aid</u> to the Norwegian State Aid Process Act section 7.

For more information or questions regarding the regulations, please do not hesitate to get in touch.

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