

## EFTA SURVEILLANCE AUTHORITY DECISION

of 6 July 2016

amendment to the Norwegian Tax Act concerning changes in the depreciation rules for  
wind power plants

(Norway)

The EFTA Surveillance Authority (“the Authority”),

HAVING REGARD to:

the Agreement on the European Economic Area (“the EEA Agreement”), in particular to  
Article 61(1) and (3) of the EEA Agreement,

Protocol 26 to the EEA Agreement,

the Agreement between the EFTA States on the Establishment of a Surveillance Authority  
and a Court of Justice (“the Surveillance and Court Agreement”), in particular to Article  
24,

Protocol 3 to the Surveillance and Court Agreement (“Protocol 3”), in particular to Article  
1(3) of Part I and 4(3) of Part II,

Whereas:

### I. FACTS

#### 1 Procedure

- (1) By letter dated 10 May 2016 the Norwegian authorities notified more favourable depreciation rules for assets related to investments in new wind power plants (hereafter referred to as “the new depreciation rules for wind plants”).

#### 2 Objective

- (2) The objective of the measure is to promote the production of renewable energy in Norway, in order to develop a more environmentally friendly and diversified electricity sector. In particular, the measure aims at increasing wind power production taking into account the considerable unexploited potential of wind power production in Norway.

#### 3 Background – the Norwegian-Swedish green certificate market

- (3) So far, the main instrument to promote renewable power generation in Norway has been the Norwegian-Swedish green certificate market (hereafter the “certificate market”).<sup>1</sup> The

---

<sup>1</sup> The market was established in Norway in January 2012 with the signing of the “*Agreement between the Government of the Kingdom of Norway and the Government of the Kingdom of Sweden on a common*”

Norwegian authorities have explained that the certificate market has not boosted investment in wind power production in the country.

**Table 1:** Distribution of new renewable production in the certificate market's common goal as of 1 March 2015. TWh produced in a normal year.<sup>2</sup>

	Bio	Sun	Hydro	Wind	Total
Sweden	1.805	0.024	0.564	7.138	9.530
Norway	0	0	1.624	0.320	1.945

- (4) 141.5 TWh of electricity was produced in Norway in 2014. 136 TWh came from hydro, 3.3 TWh from thermal (gas-fired plants) and 2.2 TWh from wind. This gives a production mix of 96% hydropower, 2.4% thermal power and 1.6% wind power. In order to meet its renewable targets<sup>3</sup> and to move to a low carbon economy, Norway needs to install more renewable electricity capacity. The Norwegian and Swedish authorities aim to have 28.4 TWh of new renewable electricity capacity by the year 2021.
- (5) The Norwegian authorities have explained that there is limited potential for further development of hydropower. Wind power production has a large potential, but very little was developed between 2012 and 2015.
- (6) The proposed new rules are similar to the existing Swedish rules on the depreciation of wind power plant investments. The Norwegian authorities have informed the Swedish authorities of the notified measure. The Swedish authorities have not raised any objections to the introduction of the measure.

#### 4 National legal basis

- (7) The Norwegian Government proposed the measure to Parliament on 12 May 2015.<sup>4</sup> Parliament approved the proposal on 19 June 2015.<sup>5</sup> The amendments will not enter into force until the Authority declares them compatible with the functioning of the EEA Agreement.

#### 5 Aid instrument

- (8) In Norway, wind power plant assets are currently depreciated according to the general principles of the tax system. This entails that the period of depreciation aims to correspond with the expected economic lifetime of the assets.
- (9) The notified measure entails a straight line depreciation for the assets for wind power plants over five years. The following figure presents the difference between the current and the notified depreciation rules:

---

*market for electricity certificates*". An unofficial translation of the Agreement is available at [http://www.statnett.no/Global/Dokumenter/Kraftsystemet/Elsertifikater/swedish\\_norwegian\\_treaty.pdf](http://www.statnett.no/Global/Dokumenter/Kraftsystemet/Elsertifikater/swedish_norwegian_treaty.pdf).

<sup>2</sup> Page 2 of the notification.

<sup>3</sup> The Norwegian authorities have committed to ensuring that, by 2020, 67.5% of its gross final consumption of energy will be from renewable sources (Decision No 162/2011 of 19 December 2011 of the EEA Joint Committee (OJ L 76 15.3.2012 p. 49)).

<sup>4</sup> Prop. 120 LS (2014–2015) *Endringar i skatte-, avgifts- og tollavgivinga*, approved by the Norwegian Government on 12 May 2015. Available at <https://www.regjeringen.no/no/dokumenter/prop.-120-ls-2014-2015/id2411653/?ch=10>.

<sup>5</sup> Act 19.6.2015 No 52 on amendment of Act 26.3.1999 No 14 (the Taxation Act) section 14-51.



- (10) The advantage for the beneficiaries consists in faster depreciation of investments in wind power plants compared to current depreciation rules and the increased present value of these deductions from taxable income.

## 6 Beneficiaries, criteria for eligibility, duration and budget

- (11) The beneficiaries of the measure are wind power investors. The scheme is an automatic tax measure, i.e. its application will depend on the beneficiaries' ability to meet the relevant neutral and objective criteria in the Norwegian Tax Act.
- (12) The new rules will only be applicable for investments made between 19 June 2015 and 31 December 2021. If the works started prior to 19 June 2015, the project will not be eligible for aid. Additionally, the plants will have had to start production by 31 December 2021 in order to be eligible for aid.
- (13) The estimated annual budget is NOK 115 million. The Norwegian authorities stress that the estimate is uncertain as it depends on future investments.

## 7 Comments by the Norwegian authorities

- (14) The Norwegian authorities submit that the measure constitutes state aid within the meaning of Article 61(1) of the EEA Agreement and that it should be declared compatible with the functioning of the EEA Agreement. The Norwegian authorities consider that the notified measure falls within the scope of the Authority's guidelines on state aid for environmental protection and energy 2014-2020 ("EEAG").<sup>6</sup>
- (15) Based on a report by Thema (the "Thema Report"<sup>7</sup>), the Norwegian authorities submit that the depreciation rules will act as an incentive for increased investments in wind power plants. Energy production in Norway is almost exclusively based on hydropower. It is important for the country to promote the use of other renewable energy sources.
- (16) The aid intensity is moderate and the wind power investment projects will not be overcompensated. The new depreciation rules will most probably not have a significant negative impact on new hydropower projects. Other renewable technologies such as biomass or solar have limited potential in Norway.

<sup>6</sup> OJ L 131 28.5.2015 p. 1 and EEA supplement No 30.

<sup>7</sup> Thema Consulting Group memo 2015-09 "Konsekvenser av endringer i avskrivningsreglene for vindkraft", dated 1.12.2015. Enclosure 10 to the notification.



## II. ASSESSMENT

### 1 The presence of state aid

(17) 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.”*

(18) This implies that a measure constitutes state aid within the meaning of Article 61(1) of the EEA Agreement if the following conditions are cumulatively fulfilled: the measure (i) is granted by the State or through state resources; (ii) confers a selective economic advantage on the beneficiary; and (iii) is liable to affect trade between Contracting Parties and to distort competition.

#### 1.1 Scope – assessment limited to the notified measure

(19) In the following, the Authority assesses the compatibility with the state aid rules of the new depreciation rules for wind power plants, which is the notified measure. Although the advantages flowing to the renewable energy producers from the certificate market are taken into account, the Authority does not assess the compatibility with the state aid rules of that system in this decision.

#### 1.2 Presence of state resources

(20) The aid measure must be granted by the State or through state resources. The form in which the aid is provided is not relevant to its assessment under Article 61(1) of the EEA Agreement. This implies that tax reliefs or more favourable tax rules may constitute aid granted through State resources.<sup>8</sup>

(21) The Authority considers that the notified amendment to the depreciation rules for wind power plants entails a loss of state revenues, and therefore the first criterion is met. The measure is imputable to the State since it is adopted by a legislative act.

#### 1.3 Favours certain undertakings or the production of certain goods

(22) Firstly, state intervention favours an undertaking if it provides the undertaking with an economic advantage which it would not have obtained under normal market conditions.<sup>9</sup>

(23) A tax relief can confer an advantage even if it does not involve a transfer of state resources.<sup>10</sup> The same can be said regarding favourable depreciation rules.<sup>11</sup>

<sup>8</sup> Judgment in *Germany v Commission*, C-156/98, EU:C:2000:467, paragraph 26.

<sup>9</sup> Judgment in *France v Commission (Kimberly Clark)*, C-241/94, EU:C:1996:353, paragraph 34.

<sup>10</sup> Joined Cases E-17/10 and E-6/11 *Liechtenstein v ESA*, E-17/10 [2012] EFTA Ct. Rep. 114, paragraph 51.

<sup>11</sup> According to the Authority's notice on the application of state aid rules to measures relating to direct business taxation (OJ L 137 8.6.2000 p. 20 and EEA Supplement No 26).

- (24) The notified depreciation rule implies that the beneficiaries will receive deductions in taxable income at an earlier point in time than what is the case under the currently applicable legislation. Faster depreciation increases the tax deductible expenses of the investors in the first years of investments, which they can deduct from their income when calculating their taxes due. Therefore, the beneficiaries gain an increase in the present value of deductions from taxable income for the first five years.
- (25) The Authority concludes that the measure will confer on the investors in wind power plants an economic advantage, which they would not have obtained under normal market conditions applying the current depreciation rules.
- (26) Secondly, the aid measure must be selective in that it favours certain undertakings or the production of certain goods “*in comparison with other undertakings which are in a legal and factual situation that is comparable in the light of the objective pursued by the system in question.*”<sup>12</sup>
- (27) Only investments in wind power plants are eligible for the new depreciation rules. Other electricity producers cannot apply the measure even if they are otherwise in a similar factual and legal situation. The measure is therefore selective.

#### **1.4 Distortion of competition and effect on trade between Contracting Parties**

- (28) The aid measure must be liable to distort competition and affect trade between the Contracting Parties to the EEA Agreement.
- (29) The mere fact that a measure strengthens the position of an undertaking compared to other undertakings competing in intra-EEA trade is sufficient in order to conclude that the measure is liable to distort competition between undertakings established in other EEA States.<sup>13</sup> In order to categorise a public measure as state aid, it is not necessary that the aid has a real effect on trade between the Contracting Parties and that competition is actually distorted. It suffices that the aid is liable to affect such trade and distort competition.<sup>14</sup>
- (30) The beneficiaries are active in the electricity market, which is liberalised and open to EEA wide competition. By reducing the investment costs in wind plants, the wind power producers are placed in a better position than their competitors are. Therefore, the measure is liable to distort competition and trade between the Contracting Parties.

#### **1.5 Conclusion on the presence of state aid**

- (31) The notified measure constitutes state aid within the meaning of Article 61(1) of the EEA Agreement.

## **2 Procedural requirements**

- (32) Pursuant to Article 1(3) of Part I of 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*”.

---

<sup>12</sup> Judgment in *Portugal v Commission*, C-88/03, EU:C:2006:51, paragraph 54.

<sup>13</sup> Case E-6/98 *Norway v ESA* [1999] EFTA Ct. Rep. 76, paragraph 59; judgment *Philip Morris v Commission*, 730/79, EU:C:1980:209, paragraph 11.

<sup>14</sup> Judgment in *Eventech*, C-518/13, EU:C:2015:9, paragraph 65.

- (33) The amendment to the Norwegian Tax Act was adopted by the Norwegian Parliament on 19 June 2015. However, the entry into force of the new rules is conditional upon the Authority's decision declaring the measure compatible with the functioning of the EEA Agreement.
- (34) By notifying the measure, and making its application conditional on the Authority's approval the Norwegian authorities have complied with their obligations pursuant to Article 1(3) of Part I of Protocol 3.

## **2.1 Compatibility of the state aid**

### **2.2 Legal framework**

- (35) The Authority has assessed the compatibility of the new depreciation rules for wind plants under Article 61(3)(c) of the EEA Agreement on the basis of the EEAG.
- (36) The new depreciation rules for wind plants supports power production based on wind power, a renewable energy source.<sup>15</sup> Aid for energy from renewable sources can be granted as investment or operating aid.<sup>16</sup>
- (37) The notified measure constitutes investment aid. The aid is only available for new investments, requiring the acquisition of new assets, and the amount of aid is directly linked to the cost of the investment (i.e. the costs of the new assets).
- (38) According to Section 3.2 of the EEAG, an environmental and energy investment aid scheme will be compatible with the functioning of the EEA Agreement if it meets the general compatibility provisions. In particular, if:
1. the measure contributes to an objective of common interest;
  2. there is a need for the state intervention;
  3. the measure is appropriate;
  4. the measure has incentive effect;
  5. the measure is proportionate (i.e. the aid is limited to the minimum necessary);
  6. undue negative effects on competition and trade are avoided; and
  7. the transparency requirements are met.

### **2.3 Assessment of the compatibility conditions**

#### *2.3.1 Contribution of the measure to an objective of common interest*

- (39) The objective of the measure is closely linked to increasing the production of renewable energy, in the form of wind power in Norway. The protection of the environment by means of promotion of renewable energy is an objective of common interest.
- (40) The more general objective of environmental protection is established in the EEA Agreement. It is reflected in Chapter 3 of Part V of the EEA Agreement, entitled "Environment" (Articles 73 to 75). In particular, Article 73(1) of the EEA Agreement states that "action by the Contracting Parties relating to the environment shall have the following objectives: (a) to preserve, protect and improve the quality of the environment".

---

<sup>15</sup> Point 14(5) of the EEAG.

<sup>16</sup> Point 114 of the EEAG.

### 2.3.2 Need for state intervention

- (41) Based on the information provided by Norway, the Authority notes that at today's market price of electricity and green certificates, as well as at 7–10 year forward prices, it will not be profitable to invest in and develop new wind power projects in Norway. Indeed, as noted above, from 2012 to 2015 very little wind power was developed. The lowering of the marginal cost of investing in wind power aims at stimulating investment. The combined expected price of electricity and certificates for new wind producers in the forward markets is below 40 EUR/MWh. As this price is below the marginal cost of wind power, no rational investor, with those expectations, would invest in wind power without additional incentives. Therefore, the Authority concludes that there is a need for the notified measure in order to boost investment on wind power plants.

### 2.3.3 Appropriateness of the state aid

- (42) According to point 11 of the EEAG, “*in order to allow the Contracting Parties to achieve their targets in line with the EU 2020 Objectives, the Authority presumes the appropriateness of the aid [...] provided all other conditions are met*”. The measure should help meet the Norwegian targets for renewable energy final gross consumption by 2020. The chosen aid instrument, depreciation rules, are of general application and may therefore be presumed less distortive than direct grants. Furthermore, the notified rules are similar to those that apply in Sweden. Taking into account the existence of the joint certificate market, the establishment of similar depreciation rules is likely to have less distortive effects than other aid instruments such as direct grants.
- (43) On this basis, the Authority concludes that the notified measure is an appropriate instrument to achieve the goal of the scheme.

### 2.3.4 Existence of incentive effect

- (44) Environmental and energy investment aid may only be granted if it has an incentive effect.<sup>17</sup> The aid measure must induce the beneficiary to change its behaviour. In the present case, the measure would have incentive effect if it induces the beneficiaries to invest in new wind power plants in Norway.
- (45) The Norwegian authorities have decided that no aid may be granted to wind power projects, where work on the project started prior to 19 June 2015, which is when the measure was adopted.
- (46) The Authority will presume that aid to wind power has incentive effect if that aid meets the general conditions of chapter 3.2.4.1 of the EEAG. Paragraph 46 of the EEAG sets out a general requirement on the use of application forms to demonstrate that aid has incentive effect. The Authority takes the view, however, that the use of application forms is not always required in the context of tax advantages. This is supported by Article 6 of the General Block Exemption Regulation (“GBER”).<sup>18</sup> The second paragraph of that provision refers to the general requirement of an application for aid before the start of a project as a condition for establishing incentive effect. In Article 6(4)(a) a derogation is made for aid measures consisting in tax advantages that establish a right to aid in accordance with objective criteria, and without further exercise of discretion. In these circumstances an application form is not required in order to demonstrate that the aid has

---

<sup>17</sup> Point 44 of the EEAG.

<sup>18</sup> 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 26.6.2014 p. 1) (“GBER”), as referred to in Annex XV to the EEA Agreement.



incentive effect. The Authority similarly finds that the requirement to demonstrate incentive effect under the EEAG does not entail that undertakings must submit application forms to the national authorities in order to have the new depreciation rules for wind plants apply to each and every individual case. Just like under Article 6(4)(a) of the GBER, the tax depreciation rules apply in accordance with objective criteria and without further exercise of discretion. Imposing a requirement to file an application form would be unnecessarily bureaucratic, and as such not in accordance with the general principle of proportionality.

- (47) Article 6(4)(b) of the GBER on the incentive effects of tax measures requires not only that the measure has been adopted, but also that it is “in force” before work on the aided project or activity starts.
- (48) The Norwegian authorities have made the entry into force of the amendment Act, introducing the new depreciation rules for wind plants, conditional upon the Authority’s approval of the scheme. When the Act enters into force, it will have retroactive effect as from its date of adoption. The Norwegian authorities argue that the measure was known by the industry when it was adopted on 19 June 2015, and that investors have taken investment decisions on the premise that the new depreciation rules for wind power plants would be applicable to them. The Norwegian authorities refer to the GBER, which establishes that “*automatic aid schemes in the form of tax advantages should continue to be subject to a specific condition concerning the incentive effect, due to the fact that this kind of aid is granted under different procedures than other categories of aid. Such schemes should already have been adopted before work on the aided project or activity started*”.<sup>19</sup>
- (49) The Authority submits that the specific requirement under Article 6(4)(b) of the GBER that a measure has not only been adopted, but is also in force must be read in light of the special nature of the GBER, which exempts state aid measures from the notification obligation. Contrary to measures notified to the Authority, States can have GBER measures in the form of tax advantages enter into force without prior notification. Indeed, States can have such measures enter into force at any given time, including immediately upon adoption. Accordingly, the entry into force is the natural cut-off for the incentive effect of such GBER measures specifically. For measures subject to the regular notification procedure, States cannot establish the incentive effect of a measure at any given time by having it enter into force. Indeed, the measure cannot enter into force before the Authority approves it, as this would breach the standstill obligation. There is, however, no reason why the standstill obligation must thus prevent any incentive effect of a properly adopted measure pending the Authority’s approval. Where the entry into force of the measure is conditional upon the Authority’s approval, States can therefore establish a cut-off date prior to the Authority’s approval, going back to the date of adoption.
- (50) Based on the above, the Authority finds that for automatic tax exemptions such as the present measure, applications for aid are not necessary to demonstrate incentive effect. The Authority furthermore finds that the notified aid measure can provide incentive effect for new investments started from the adoption of the legislation providing for the scheme. Specifically, the Authority concludes that the new depreciation rules for wind plants, as notified, fulfil the requirement of incentive effect.

---

<sup>19</sup> Recital 20 of the GBER.

### 2.3.5 Proportionality of the aid amount (aid limited to the minimum necessary)

- (51) In order to be compatible with the functioning of the EEA Agreement, aid must be limited to the minimum needed to achieve the objective of common interest. In particular, point 65 of the EEAG establishes that aid is considered limited to the minimum necessary if the aid corresponds to the net extra cost necessary to meet the objective.
- (52) The notified accelerated depreciation rules entail that the beneficiaries receive deductions in taxable income in advance. The Norwegian authorities have calculated the economic gain for the companies as the net present value of tax reductions from accelerated depreciations. With a risk adjusted discount rate of 6% nominal post tax, the nominal aid level is estimated at 3.7% of the total investment cost in a wind power plant. Using the Authority's reference rate for Norway of 2.34,<sup>20</sup> the aid level would be approximately 2.1% of wind investment cost. These estimates are calculated with the tax rate for 2016 at 25%.
- (53) For existing wind power projects, average investment costs have amounted to NOK 12 million per MW installed capacity. Investment costs are expected to be reduced in the future to a level of NOK 10 million per MW. Existing wind parks cover an average of 50 MW installed capacity. The investments cost for a wind park of this size would therefore be between NOK 500 and 600 million. With an aid intensity of 3.7%, the average individual aid amount under the notified measure would range from NOK 19 to 22 million.
- (54) This aid intensity is low. Annex 1 of the EEAG foresees maximum aid intensities for investment aid for renewable energies capped at 65% for small enterprises, 55% for medium enterprises and 45% for large undertakings. The 3.7% intensity of the notified measure is well below these thresholds.
- (55) Further, there is no real risk of overcompensation stemming from the notified measure. The measure will slightly shift the marginal cost curve downwards to boost investments in wind power plants. According to the information provided by Norway, the need for aid would vanish only if prices of electricity and/or certificates increase substantially. In order to meet the production target (28.4 TWh), the prices (electricity and green certificates) would have to increase by 35% (53 EUR/MWh) to render the investments in wind power sufficiently profitable without the measure. The Norwegian authorities have also confirmed that the market prices for electricity and green certificates have decreased by an additional 10% since the publication of the Thema report. It is in light of these considerations that the Authority concludes that the measure will not lead to overcompensation.

### 2.3.6 Avoidance of undue negative effects on competition and trade.

- (56) According to point 83 of the EEAG, for aid to be compatible with the functioning of the EEA Agreement, “[t]he 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”.
- (57) The notified scheme is based on neutral and objective criteria. The amount of aid is proportionate and limited to the minimum necessary. The Authority underlines the fact

---

<sup>20</sup> The relevant reference rate is the base rate applicable from 1.4.2015 of 1.34% plus 100 basis points. The base rates are available at <http://www.eftasurv.int/state-aid/rates/>.

that the aid intensity is well below the maximum aid threshold allowed in Annex I of the EEAG. According to point 93 of the EEAG, “*if the aid is proportionate and limited to the extra investment costs, the negative impact of the aid is in principle softened*”.

- (58) Non-renewable technologies are placed in a different (worse) situation than the renewable ones. However, the EEAG recall that “*aid for environmental purposes will by its very nature, tend to favour environmentally friendly products and technologies at the expenses of other, more polluting ones and that effect of the aid, will in principle, not be viewed as an undue distortion of competition, since it is inherently linked to the very objective of the aid*”.<sup>21</sup> This is thus justified.
- (59) The EEAG does not require technological neutrality. This notwithstanding, the Norwegian authorities argue that the fact that the measure is only applicable to the wind power sector will not create undue distortions on competition and trade among renewable technologies. The Norwegian authorities have explained that whereas Norway has significant unexploited wind power capacity, hydropower production is well developed and the potential for additional hydropower is limited. Furthermore, there are differences between hydropower and wind power production, which justify the difference in treatment regarding the applicable depreciation rules, beyond the fact that Norway aims to a more diversified electricity production mix.
- (60) The marginal costs for a number of hydropower projects are below 40 EUR/MWh. In other words, at current prices (or with small increases in market prices), developing 2–2.5 TWh of hydropower will be economically rational without additional incentives. On the other hand, with current prices, very limited investments in wind power plants may be expected. Accordingly, hydropower projects do not have the same need for investment incentives as wind power projects.
- (61) The Authority finds that the measure may have some negative effects on hydropower investments. This can be the case for marginal hydro projects, which are not realised without a depreciation incentive. Furthermore, where market prices for electricity and certificates reaches the threshold of approximately 53 EUR/MWh, and the full target of 28.4 TWh is reached, 0.3 GWh of hydropower would be crowded out of the green certificate scheme. Such negative effects are however limited and outweighed by the positive effects of the measure in terms of contributing to the objective of common interest (see point 83 of the EEAG).
- (62) Regarding the discrimination with other renewable technologies, the Norwegian authorities, have explained that other technologies such as biomass and solar energy have limited potential in Norway, and their production cost is considerably higher. A moderate incentive from new depreciation would thus not have significant effect for the development of renewable electricity from these technologies. Targeted aid schemes for these technologies are more appropriate. Accordingly, biomass and solar energy installations are eligible for investment aid from the state agency Enova.
- (63) Based on these considerations, the Authority finds that the scheme avoids undue negative effects on competition and trade.

---

<sup>21</sup> Paragraph 85 of the EEAG.

### 2.3.7 Transparency

- (64) The Norwegian authorities will ensure that the information concerning the implementation of this scheme is published on the national comprehensive State aid website (the national state aid register) in accordance with Section 3.2.7 of the EEAG. The transparency requirements will thus be met.

## 3 Conclusion

- (65) The amendments to the Norwegian Tax Act, establishing new depreciation rules for wind power plants, constitute state aid with the meaning of Article 61(1) of the EEA Agreement. The aid is compatible with the functioning of the EEA Agreement, pursuant to its Article 61(3)(c).
- (66) The Norwegian authorities are reminded that all plans to modify the scheme must be notified to the Authority.

HAS ADOPTED THIS DECISION:

### *Article 1*

The notified amendments to the Norwegian Tax Act establishing new depreciation rules for wind power plants, applicable for investments made from 19 June 2015 to 31 December 2021, constitute state aid with the meaning of Article 61(1) of the EEA Agreement. The aid is compatible with the functioning of the EEA Agreement, pursuant to its Article 61(3)(c).

### *Article 2*

The implementation of the measure is authorised accordingly.

### *Article 3*

This Decision is addressed to the Kingdom of Norway.

### *Article 4*

Only the English language version of this decision is authentic.

Done in Brussels, on 6 July 2016

*For the EFTA Surveillance Authority*

Sven Erik Svedman  
*President*

Helga Jónsdóttir  
*College Member*

Frank J. Buechel  
*College Member*

*This document has been electronically signed by Sven Erik Svedman, Frank J. Buechel, Helga Jonsdottir on 06/07/2016*