[](https://www.google.no/url?sa=i&rct=j&q=&esrc=s&source=images&cd=&cad=rja&uact=8&ved=0ahUKEwjow8-q0LLSAhVBLZoKHQDKDLMQjRwIBw&url=https%3A%2F%2Fwww.enova.no%2Fom-enova%2Fom-organisasjonen%2Flogo%2F&psig=AFQjCNFDisDFQztpaxEOEi7S_FilFweJVQ&ust=1488365669722152)

ENOVA

Research and development for environmental protection Scheme

**State aid Reference no.: this will be entered once the scheme has been registered**

# State

Norway

# Title of aid scheme

Research and Development of Energy and Climate Technologies Scheme (The Scheme).

# National legal basis

- Parliamentary Decision of 5 April 2001 on the basis of a proposition by the Ministry of Petroleum and Energy of 21 December 2000. The Parliamentary Decision amends the Energy Act of 29 June 1990 No 50 (Energiloven) [[1]](#footnote-2).

- Agreement (Avtalen) between Enova and the Ministry of Oil and Energy, on the management of the funds derived from the Energy Fund, during the period between January the 1st 2017 to December the 31st 2020[[2]](#footnote-3). On the 1st May 2018 the ownership of Enova (and the Agreement) was transferred from the Ministry of Oil and Energy to the Ministry of Climate and Environment[[3]](#footnote-4).

# EEA legal basis

All aid[[4]](#footnote-5) provided under this Scheme will be within the limits set out in Article 25 of Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (General Block Exemption Regulation).

A full version of the Regulation can be found at:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710>

Summary information relating to the Scheme has been registered with the Commission under reference SA this will be entered once the scheme has been registered.

# Definitions

For the purpose of the Scheme the definitions laid down in Chapter 1 Article 2 of the General Block Exemption Regulation (GBER) are applied by Enova.

# Objective of the Scheme

Norway aspires to become a low-emissions society by 2050. This requires large and complex technological leaps in energy and climate technology, as well as the development and implementation of new business models and new forms of cooperation.

The objective of the Scheme is to realize projects that can serve as role models in bringing forth and testing new and particularly innovative technology as well as efficient system solutions under realistic operating conditions.

Aid will only be awarded to research projects that fall within the category of:

* industrial research
* experimental development
* feasibility studies

Programmes under the scheme will target different sectors and technologies based on identified market barriers and their interaction with other public funding measures (e.g. Innovation Norway and the Research Council of Norway).

# Eligible Costs

The costs of the project must be transparent and directly and exclusively related to the project.

The eligible costs allocated to industrial research and experimental development projects under the Scheme are the following:

* personnel costs: researchers, technicians and other supporting staff to the extent employed on the project;
* costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible.
* costs of buildings, to the extent and for the duration period used for the project. Only the depreciation costs corresponding to the lifetime of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible.
* costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;
* additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project

The eligible costs for feasibility studies shall be the costs of the study.

The eligible costs must be specified at the time of application.

# Aid Intensities and Notification Thresholds

The notification thresholds for aid for research and development are:

1. if the project is predominantly industrial research: EUR 20 million per undertaking, per project;
2. if the project is predominantly experimental development: EUR 15 million per undertaking, per project;
3. if the project is a Eureka project or is implemented by a Joint Undertaking established on the basis of Article 185 or of Article 187 of the Treaty, the amounts referred to in points (i) to (ii) are doubled.
4. if the aid for research and development projects is granted in the form of repayable advances which, in the absence of an accepted methodology to calculate their gross grant equivalent, are expressed as a percentage of the eligible costs and the measure provides that in case of a successful outcome of the project, as defined on the basis of a reasonable and prudent hypothesis, the advances will be repaid with an interest rate at least equal to the discount rate applicable at the time of grant, the amounts referred to in points (i) to (iii) are increased by 50 %;
5. aid for feasibility studies in preparation for research activities: EUR 7,5 million per study;

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Supported activity | Large Company​ | Medium Company​ | Small Company​ | Bonus if effective collaboration or wide dissemination of results[[5]](#footnote-6) (up to a maximum of 80%)​ | Threshold per undertaking per project​ |
| Industrial Research​ | **50%**​ | **60%**​ | **70%**​ | **15%**​ | **EUR 20 million**​ |
| Experimental development​ | **25%**​ | **35%**​ | **45%**​ | **15%**​ | **EUR 15 million** |
| Feasibility Studies | **50%** | **60%** | **70%** | **-** | **EUR 7.5 million per study** |

# Body authorized to implement the Scheme

Enova SF[[6]](#footnote-7) is the authorized body to implement the Scheme.

# Scope of the Scheme

The scheme will be open to undertakings that are registered in Norway and supports projects that are located in Norway or in the Norwegian economic zone.

Aid will not be granted to undertakings that are:

• Subjects to a pending recovery order; or

• In financial difficulties

# Duration of the Scheme

The scheme will run from 28th January 2020 until December 31st 2024.

# Budget for Aid under the Scheme

The annual budget for the Scheme is estimated to maximum 500 MNOK.

Should the budget for this scheme increase, Enova will inform the EFTA Surveillance Authority.

# Form of aid

All aid awarded under the Scheme will be transparent and in line with criteria set out in Article 5 of the GBER. Aid will be awarded by way of grant or repayable advances.

# Eligible activities to be supported under the Scheme

There is no automatic entitlement to support from the Scheme. All support is subject to rigorous due diligence appraisal and internal approval by Enova and all projects shall be assessed against the conditions of the scheme and the criteria set out by Enova in the relevant programme.

The Scheme supports activities/projects that **fall within the category of industrial research and/or experimental development and/or feasibility studies, as defined in the GBER point (85), (86) and (87) respectively.**

Only projects with defined objectives for technology development and innovation will be eligible for aid.

Programmes under the Scheme will be open to technology-neutral projects in all sectors; when allocating funds however, initiatives such as the following will be prioritized:

-New, emission-free and resource-efficient industrial process technology, including processes for replacement of fossil input factors, for products with substantially reduced climate footprints over their lifetime or for increased utilisation of input factors or waste streams

-Zero emissions solutions for transport, including innovative logistics solutions

-Increased security of supply through the utilization or supply of flexibility sources in the energy system

# Transparency

Only aid for which it is possible to calculate the precise amount of the aid at the point at which it is awarded will be provided under the Scheme.

# Incentive effect

Aid recipients must demonstrate that the aid is required for projects to proceed by submitting a written application before work on the project or activity has started. The application will as a minimum contain the following information:

(a) Name and size of the undertaking receiving the aid;

(b) Description of the project, including its start and end dates;

(c) Location of the project;

(d) List of project costs;

(e) Form of aid and amount of public funding needed for the project.

# Cumulation

In determining whether the notification thresholds and the maximum aid intensities are respected, the total amount of State aid for the activity or project shall be taken into account (Art 8 GBER). The total amount of State aid may be comprised of local, regional, national or other funds managed and controlled by Norway as a contracting party to the EEA Agreement[[7]](#footnote-8).

EU funding that is understood as centrally managed and outside the direct and indirect control of Norway will not be taken into account for the calculation of the notification thresholds and aid intensities.

The total amount of public funding, which includes State aid and EU funding together and is granted in relation to the same eligible costs should not exceed the most favourable funding rate[[8]](#footnote-9) laid down in the applicable rules of EU/EEA Law.

Aid provided under this Scheme will not be cumulated with any de minimis aid in respect of the same eligible costs, if such cumulation would breach the applicable aid intensities.

# Reporting and Monitoring requirements

Enova will follow the requirements on reporting and monitoring as they are described in articles 11 and 12 of the GBER.

Detailed records with the necessary information and supporting documentation will be maintained for 10 years from the date of the last award of aid under the Scheme.

Enova will provide the EFTA Surveillance Authority with all the information and documentation it considers necessary to monitor the application of the GBER within 20 days of such request from the Authority.

1. Odelstingets vedtak til lov om endringar i lov 29. juni 1990 nr. 50 om produksjon, omforming, overføring, omsetning og fordeling av energi m.m. (energilova) <https://lovdata.no/dokument/NL/lov/1990-06-29-50>. (Besl.O.nr.75 (2000-2001), jf. Innst.O.nr.59 (2000-2001) og Ot.prp.nr.35 (2000-2001)). [↑](#footnote-ref-2)
2. To be found in: <https://www.enova.no/om-enova/om-organisasjonen/oppdragsbrev-og-avtaler/> [↑](#footnote-ref-3)
3. Ref. the letter of assignment (Oppgragsbrev 2019) of Enova’s ownership Ibid. [↑](#footnote-ref-4)
4. State aid granted by the EFTA States under the Act referred to in point 1j of Annex XV of the EEA Agreement [↑](#footnote-ref-5)
5. The results of the project are widely disseminated through conferences, publication, open access repositories, or free or open source software. [↑](#footnote-ref-6)
6. <https://www.enova.no/about-enova/about-enova/259/0/> [↑](#footnote-ref-7)
7. Ref. Structural Funds which qualify as State aid [↑](#footnote-ref-8)
8. The term "funding rate" is broader than "aid intensity". It refers to the ratio of the

   total amount of public funding (State aid and EU funding together) to the eligible costs for a specific project [↑](#footnote-ref-9)