



State aid: Area for regional transport aid in Norway

Letter | Date: 12/06/2003 | [Ministry of Local Government and Regional Development](#)

(<http://www.regjeringen.no/en/dep/kdd/id504/>)

EFTA Surveillance Authority
att: President Einar M. Bull
Rue de Trèves 74
B-1040 Brussels
Belgium

Your ref

Our ref

Date

03/1281-5 LHA

12 June 2003

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Dear Mr Bull,

Reference is made to the letter of 25 March 2003 from the Norwegian Government, notifying a new scheme for transport aid. Since then, this scheme has been discussed in a radio interview with Mr. Amund Utne, director of the Competition and State Aid Directorate, in 'Østnytt', NRK Hedmark and Oppland, on 30 May and in a press release from the EFTA Surveillance Authority on 2 June.

The radio interview and the subsequent press release suggest that the Authority may be taking a less strict view of the permissible geographical scope of this scheme than before. My question is whether the Authority still is of the same opinion as expressed in meetings before March 25 this year, or whether the Authority is willing to accept a new notification including larger parts of the regional aid map, or the entire area.

Prior to the notification, which was sent on 25 March, the proposed new transport aid scheme was discussed at several meetings between civil servants from several Norwegian ministries, including the Ministry of Local Government and Regional Development, and representatives from the EFTA Surveillance Authority. One of the main issues under discussion, was the maximum geographical scope of the new transport aid scheme. The initial position of the Norwegian Government was that the whole area that is approved by the Authority as eligible for regional state aid should also be eligible for transport aid. This means that, in addition to Northern Norway, municipalities in the counties of Nord-Trøndelag, Sør-Trøndelag, Møre og Romsdal, Sogn og Fjordane, Hordaland, Rogaland, Aust-Agder, Vest-Agder, Telemark, Buskerud, Oppland, Hedmark and Østfold would be included in the transport aid area. In addition, island municipalities without road connections to the mainland were also included in the initial Norwegian position.

The Authority took a much stricter view of the area that could be considered eligible for transport aid. There appeared to be no possibility of including the eastern and southern parts of the area qualifying for regional aid in Southern Norway in the new transport aid scheme. We understood that, according to the Authority, even northern parts of the counties of Hedmark and Oppland would be too close to central markets to qualify for transport aid. The Authority also referred explicitly to the Swedish transport aid area, using the fact that the Swedish area starts close to the border between the counties of Hedmark and Sør-Trøndelag as an argument for why the equivalent area in Norway should not extend further south than Sør-Trøndelag county. Given these clear signals from the Authority, the Norwegian Government has had to adjust the geographical scope of the new scheme. The area notified to the Authority on 25 March included the counties and municipalities that the Authority had explicitly signalled as the maximum it could accept, given that they satisfy the condition of extra transport costs.