

Improving energy performance in non-residential buildings (Forbedring av energitilstand i yrkesbygg)

State aid Reference no.: GBER 75/2024/ENV

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i. Description of the aid measure

1. State

Norway

2. Aid granting Authority

Enova SF¹ is the authorized body to implement the Scheme.

3. Objective of the aid scheme and eligible activities

The scheme “Improving energy performance in non-residential buildings” (hereby the Scheme) aims to accelerate the rate of energy renovation and improve energy performance in existing non-residential buildings.

Eligible for aid under the Scheme will be projects aiming to achieve at least 20% improvement in energy performance compared to the situation prior to the investment, measured in line with the conditions set out in Article 38a GBER.

4. Scope of the scheme

The Scheme is open to large undertakings and SMEs that are registered in the Norwegian Register of Business Enterprises². The projects receiving aid under the Scheme must be realized in Norway or within the Norwegian economic zone.

5. Legal Basis

Aid granted under this Scheme will comply with Commission Regulation (EU) No 651/2014³ declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (General Block Exemption Regulation or GBER), and the following article(s): 38a GBER.

The national legal basis for aid granted under this Scheme is the present document⁴ describing the Scheme’s compliance under Commission Regulation (EU) No 651/2014 and the specific terms and conditions set by Enova.

In order to ensure compliance with the Commission Regulation (EU) No 651/2014 (GBER), aid under the Scheme must fulfil the relevant requirements set in GBER in chapters I, II and III.

ii. Compliance with the general rules in GBER (art.1-12)

6. Aid Category and Definitions

Aid under the Scheme falls under the following categories of aid in line with article 1 of GBER:

- Aid for environmental protection (art. 1(c) GBER)

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 SF.

¹ <https://www.enova.no/about-enova/>

² <https://www.brreg.no/en/>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02014R0651-20230701>

⁴ <https://www.enova.no/om-enova/drift/rettslig-grunnlag-for-enovas-stotteordninger/>

Aid under the Scheme will be compliant with the scope of application of the GBER as described in the paragraphs of article 1 GBER.

Aid will not be granted to undertakings that are in difficulty or subject to a pending recovery order in line with article 1 §4(a) - (c) and article 2 §18 of GBER.

7. Notification thresholds, duration of the scheme and total budget for aid under the scheme

In line with article 4 GBER, aid under the Scheme shall not exceed the following thresholds (also in cases when it is cumulated with other aid, ref. article 8 GBER):

In the case of investment aid for energy efficiency measures in buildings: EUR 2 million per undertaking per investment project.

The thresholds set out or referred to above shall not be circumvented by artificially splitting up the aid schemes or aid projects.

The Scheme will run from June 10th2024 until December 31st 2027.

The annual budget for the Scheme is estimated to maximum 1000 MNOK.

Should the budget for the Scheme increase Enova will inform the EFTA Surveillance Authority.

8. Transparency 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 under the Scheme may be awarded by way of grants.

9. Incentive effect of the aid

The Scheme concerns aid that has an incentive effect, in line with the criteria set out in article 6 of the GBER.

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 (Art 6 GBER):

- (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) Type of aid (for example grant) and amount of public funding needed for the project.

10. Aid Intensity and eligible costs

In line with article 7 GBER, for the purposes of calculating aid intensity and eligible costs, all figures used shall be taken before any deduction of tax or other charge. Value added tax charged on eligible costs or expenses that is refundable under the applicable national tax law shall, however, not be taken into account for calculating aid intensity and eligible costs. The eligible costs shall be supported by documentary evidence which shall be clear, specific and contemporary. Aid payable in the future, including aid payable in several instalments, shall be discounted to its value at the moment it is granted. The eligible costs shall be discounted to their value at the moment the aid is granted. The interest rate to be used for discounting purposes shall be the discount rate applicable at the moment the aid is granted.

11. Cumulation

According to article 8 of the GBER, 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. 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.

EU funding that is understood as centrally managed by the institutions, agencies, joint undertakings or other bodies of the EU and outside the direct and indirect control of Norway will not be regarded as state aid and will thus not be taken into account when determining whether notification thresholds and maximum aid intensities or maximum aid amounts are respected.

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 rate⁵ laid down in the applicable rules of EU/EEA Law.

Aid under the Scheme that is granted based on identifiable eligible costs may be cumulated with

- any other State aid, as long as those measures concern different identifiable eligible costs;
- any other State aid, in relation to the same eligible costs, partly or fully overlapping, only if such cumulation does not result in exceeding the highest aid intensity or aid amount applicable to this aid under GBER.

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.

In all cases, cumulation of aid under the Scheme will respect the rules set out in article 8 of GBER.

⁵ 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.

12. Publication and Information

In accordance with article 9 GBER, Enova will ensure the publication on Norway's national State aid register of:

- The summary information about each aid measure exempted under GBER in the standardised format laid down in Annex II of the GBER (ref. GBER information sheet), or a link providing access to it
- The full text of each aid measure, including its amendments (ref. the Scheme), or a link providing access to it
- The information referred to in Annex III of the GBER on each individual aid award exceeding EUR 100 000

In particular, the information on each individual aid award shall be organised and accessible in a standardised manner, as described Annex III of GBER, and shall allow for effective search and download functions.

All the above information shall be published within 6 months from the date the aid was granted and shall be available for at least 10 years from the date on which the aid was granted.

13. Reporting and Monitoring

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 supporting documentation it considers necessary to monitor the application of the GBER within 20 working days of such request from the Authority.

iii. Compliance with Chapter 3 GBER

The costs of the project must be transparent and directly and exclusively related to the project. The eligible costs must also be specified at the time of application.

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, this includes the specific terms and conditions set out by Enova published at enova.no.

14. Aid for environmental protection

Aid under article 38a GBER

Scope

Investment aid for energy efficiency measures in buildings will be granted in line with article 38a GBER.

No aid shall be granted under article 38a GBER for investments:

- undertaken to comply with Union standards that have been adopted and are in force
- in cogeneration and aid for district heating and/or cooling
- in the installation of energy equipment fired by fossil fuels, including natural gas

Aid may be granted under Article 38a GBER for investments undertaken to comply with Union standards that have been adopted but are not yet in force. Where the relevant Union standards are minimum energy performance standards, the aid must be granted before the standards become mandatory for the undertaking concerned. In that case, the Member State must ensure that beneficiaries provide a precise renovation plan and timetable demonstrating that the aided renovation is at least sufficient to ensure compliance with the minimum energy performance standards. Where the relevant Union standards are different from minimum energy performance standards, the investment must be implemented and finalised at least 18 months before the Union standard enters into force.

The aid shall induce an improvement in the energy performance of the building measured in primary energy of at least:

- (i) 20 % compared to the situation prior to the investment in the case of renovation of existing buildings,
or
- (ii) 10 % compared to the situation prior to the investment in the case of renovation measures concerning the installation or replacement of just one type of building elements as defined in Article 2(9) of Directive 2010/31/EU⁶ and such targeted renovation measures do not represent more than 30 % of the part of the scheme's budget dedicated to energy efficiency measures,
or
- (iii) 10 % compared to the threshold set for the nearly zero-energy building requirements in national measures transposing Directive 2010/31/EU in the case of new buildings.

The initial primary energy demand and the estimated improvement shall be established by reference to an Energy Performance Certificate as defined in Article 2(12) of Directive 2010/31/EU.

The aid granted for the improvement of the energy efficiency of the building may be combined with aid for any or all of the following environmentally friendly measures:

- (a) the installation of integrated on-site equipment generating electricity, heating or cooling from renewable energy sources, including but not limited to photovoltaic panels and heat pumps;

⁶ "Building element" means a technical building system or an element of the building envelope.

- (b) the installation of equipment for the storage of the energy generated by the on-site renewable energy installations. The storage equipment shall absorb at least 75 % of its energy from a directly connected renewable energy generation installation, on an annual basis;
- (c) the connection to an energy efficient district heating and/or cooling system and related equipment;
- (d) the construction and installation of recharging infrastructure for use by the building users, and related infrastructure, such as ducting, where the parking facilities are located either inside the building or are physically adjacent to the building;
- (e) the installation of equipment for the digitalisation of the building in particular to increase its smart-readiness, including passive in-house wiring or structured cabling for data networks and the ancillary part of the broadband infrastructure on the property to which the building belongs, but excluding wiring or cabling for data networks outside the property;
- (f) investments in green roofs and equipment for the retention and use of rain water.

The aid may be granted either to the building owner(s) or the tenant(s), depending on who is commissioning the energy efficiency measure.

Aid may also be granted for the improvement of the energy efficiency of the heating or cooling equipment inside the building.

Eligible costs and Aid Intensity

The eligible costs shall be the total investment costs for the improvement of the energy efficiency of the building. The costs not directly linked to the achievement of a higher level of energy efficiency in the building shall not be eligible.

If the investments in the improvement of the energy efficiency of the building is combined with any of the above mentioned environmentally friendly measures (a) to (f), the entire investment cost of the various installations and equipment shall constitute the eligible costs. The costs not directly linked to the achievement of a higher level of energy or environmental performance shall not be eligible.

Supported activity	Aid Intensity for Large Company	Aid Intensity for Medium Company	Aid Intensity for Small Company
Investment aid for energy efficiency measures in buildings	30%	40%	50%
Investment aid for the installation or replacement of just one type of building	25%	35%	45%

element as defined in Article 2(9) of Directive 2010/31/EU			
Investment aid for investments in buildings undertaken to comply with minimum energy performance standards qualifying as Union standards* when aid is granted less than 18 months before the Union standards enter into force	15%	25%	35%
Investment aid for the improvement of the energy efficiency of existing buildings, where improvement in the energy performance of the building measured in primary energy is at least 40 % compared to the situation prior to the investment.	45%	55%	65%

* aid must be granted less than 18 months before the Union standards enter into force

** This increase in aid intensity does not apply where the investment does not improve the energy performance of the building beyond the level imposed by minimum energy performance standards qualifying as Union standards entering into force within less than 18 months from the moment the investment is implemented and finalised.

iv. Terms and conditions set out by Enova

16. Specific terms and conditions set by Enova

More specific terms and condition for aid under the scheme are described for each measure under the scheme and published at Enova's web page www.enova.no.

The eligibility for aid, maximum aid, aid intensity and duration of the aid measure might be more limited than what is set out in GBER and described in chapter ii and iii in this document.

The scheme replaces former legal basis for an existing aid measure, ensuring compliance with the revised GBER.

The aid measure was approved by Enova's CEO Nils Kristian Nakstad 1 September 2023.