

EFTA COURT

Action brought on 10 January 2022 by G. Modiano Limited and Standard Wool (UK) Limited against the EFTA Surveillance Authority (Case E-1/22)

An action against the EFTA Surveillance Authority was brought before the EFTA Court on 10 January 2022 by G. Modiano Limited and Standard Wool (UK) Limited, represented by Karl O. Wallevik, Attorney at Law, Advokatfirmaet Wallevik, Klostergaten 36, 5005 Bergen, Norway, and Charles Whiddington and Zanda Romata, Solicitors, Steptoe & Johnson L.L.P., 489 Avenue Louise, 1050 Brussels Belgium.

G. Modiano Limited and Standard Wool (UK) Limited request the EFTA Court to:

- 1. Declare this appeal admissible and well-founded.**
- 2. Declare ESA's decision of 9 November 2021 in case number 84045 void.**
- 3. Declare that the Subsidy Scheme is new aid and that the Collecting Stations have been receiving unlawful aid at least since 2002 and ask ESA to quantify the amount of unlawful aid.**
- 4. Order ESA to cover the costs of G. Modiano Limited and Standard Wool (UK) Limited.**
- 5. Take such other and further measures as justice may require.**

Legal and factual background and pleas in law adduced in support:

- G. Modiano Limited is a private limited company incorporated in England and Wales. Its principal activity is the import, export, processing, dealing in sheep's wool.
- Standard Wool (UK) Limited is a private limited company incorporated in England and Wales. It is an international wool processor and trader, with a particular focus on early-stage wool processing and trading.
- On 6 September 2019, G. Modiano Limited and Standard Wool (UK) Limited ("the applicants") submitted a complaint to the EFTA

Surveillance Authority regarding the Norwegian Wool Subsidy Scheme (“the Subsidy Scheme”).

- This application is an action for an annulment of the EFTA Surveillance decision, adopted on 9 November 2021, closing the complaint (“the contested decision”).
- The applicants seek the annulment of the contested decision on the grounds that the EFTA Surveillance Authority has:
 - Erred in law and erred in its assessment when concluding that the Subsidy Scheme constituted existing rather than new aid;
 - Failed to take into account all relevant information submitted by the applicants in their correspondence to the Authority and breached its duty to state reasons pursuant to Article 16 of the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice;
 - Failed to investigate and assess to what extent the Collecting Stations received unlawful aid;
 - Failed to investigate and assess adverse competitive effects of the Subsidy Scheme.