### **WORLD TRADE**

### **ORGANIZATION**

G/SCM/N/220/EEC/Add.4

16 November 2011

(11-5216)

Committee on Subsidies and Countervailing Measures

Original: English

#### **SUBSIDIES**

New and Full Notification Pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures

#### **EUROPEAN UNION**

#### Addendum

The following addendum to the notification of the European Union relates to subsidy programmes of **Cyprus**.

### **CYPRUS**

#### TABLE OF CONTENTS

	Page	e
I.	PROMOTION OF INDUSTRIAL PRODUCTS AND EXPORT TRAINING PROVIDED TO CYPRIOT COMPANIES PARTICIPATING IN A NATIONAL PAVILION IN TRADE FAIRS, ORGANIZED BY THE MINISTRY OF COMMERCE, INDUSTRY AND TOURISM, ABROAD	3
II.	PROMOTION OF INDUSTRIAL PRODUCTS AND EXPORT TRAINING PROVIDED TO CYPRIOT COMPANIES PARTICIPATING IN TRADE FAIRS ABROAD ON THEIR OWN EXPENSES	4
III.	A SCHEME FOR THE SUBSIDISATION OF STUDIES FOR MARKET RESEARCH FOR FOREIGN MARKETS	5
IV.	SCHEME FOR THE RELOCATION OF VERY SMALL ENTERPRISES IN APPROVED AREAS	6
V.	SCHEME FOR THE ENHANCEMENT OF SMES COMPETITIVENESS IN THE MANUFACTURING SECTOR	7
VI.	SCHEME FOR THE ENHANCEMENT OF YOUTH ENTREPRENEURSHIP	
VII.	SCHEME FOR THE ENHANCEMENT OF FEMALE ENTREPRENEURSHIP	9
VIII.	ADDED VALUE ON AGRICULTURAL AND FORESTRY PRODUCTS - CREATION AND IMPROVEMENT OF MANUFACTURING AND TRADE UNITS OF AGRICULTURAL AND FORESTRY PRODUCTS – MEASURE 1.6	0
IX.	SCHEME FOR MANUFACTURING ENTERPRISES LOCATED WITHIN THE BRITISH BASES IN CYPRUS1	1
Χ.	GRANT FOR THE IMPLEMENTATION OF THE HACCP SYSTEM IN THE FOOD AND DRINK INDUSTRY	2
XI.	GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS	3
XII.	GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS (SELECTABLE AREAS)1	4
XIII.	GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS IN THE FORM OF DE MINIMIS1	6
XIV.	GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS IN THE FORM OF DE MINIMIS1	7
XV.	GRANT FOR CONTROL QUALITY ABROAD (LABORATORY TESTING ABROAD) IN THE FORM OF DE MINIMIS1	8
XVI.	PROMOTION OF HANDICRAFTS IN THE FORM OF DE MINIMIS1	9

# I. PROMOTION OF INDUSTRIAL PRODUCTS AND EXPORT TRAINING PROVIDED TO CYPRIOT COMPANIES PARTICIPATING IN A NATIONAL PAVILION IN TRADE FAIRS, ORGANIZED BY THE MINISTRY OF COMMERCE, INDUSTRY AND TOURISM, ABROAD

#### 1. <u>Title of subsidy</u>

Promotion of industrial products and export training of companies, participating in Trade Fairs (in a National Pavilion) organized by the Ministry abroad.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy objective

To promote Cyprus industrial products exhibited in Trade Fairs organized by the Ministry abroad and provide for export training.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Annually approved by the Council of Ministers through the Government Budget.

#### 5. Form of subsidy

The Ministry bears the transportation costs of the exhibits, the rental costs of the exhibition area and the construction expenses of the stand of the Cypriot companies participating in the National pavilion.

#### 6. To whom the subsidy is paid

This incentive is provided to Cypriot companies participating in a National Pavilion in trade fairs organized by the Ministry abroad.

#### 7. <u>Duration of subsidy</u>

The scheme is provided every year and is still in existence.

#### 8. Amount of subsidy

Amount budgeted for 2009: €2,800,000 Amount budgeted for 2010: €2,600,000

Amount spent in 2009: €2,737,475 Amount spent in 2010: €2,488,926

#### 9. The trade effects of the subsidy

## II. PROMOTION OF INDUSTRIAL PRODUCTS AND EXPORT TRAINING PROVIDED TO CYPRIOT COMPANIES PARTICIPATING IN TRADE FAIRS ABROAD ON THEIR OWN EXPENSES

#### 1. <u>Title of subsidy</u>

Promotion of industrial products and export training provided to Cypriot companies participating in Trade Fairs abroad on their own expenses.

#### 2. <u>Period covered by notification</u>

2009 - 2010.

#### 3. <u>Policy objective</u>

To promote Cyprus industrial products exhibited in Trade Fairs abroad and provide for export training.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Annually approved by the Council of Ministers through the Government Budget.

#### 5. Form of subsidy

The Ministry covers 70 per cent of the rental and construction costs of the stand etc. up to a maximum of  $\mbox{\ensuremath{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath}\ensuremath{\mbox{\ensuremath}\ensur$ 

#### 6. To whom the subsidy is paid

This incentive is provided to Cypriot companies participating in trade fairs abroad, on their own expenses.

#### 7. Duration of subsidy

The scheme is provided every year and is still in existence.

#### 8. Amount of subsidy

Amount budgeted for 2009: €445,000 Amount budgeted for 2010: €300,000

Amount spent in 2009: €345,000 Amount spent in 2010: €298,000

#### 9. The trade effects of the subsidy

### III. A SCHEME FOR THE SUBSIDISATION OF STUDIES FOR MARKET RESEARCH FOR FOREIGN MARKETS

#### 1. Title of subsidy

A scheme for the subsidization of studies for market research for foreign markets.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy objectives

To provide incentives to companies to penetrate foreign markets.

#### 4. <u>Authority of subsidy</u>

Ministry of Commerce, Industry and Tourism - Annually approved by the Council of Ministers through the Government Budget.

#### 5. Form of subsidy

The Ministry cover the expenses for the air ticket up to a maximum amount of €855 for two times per year and for different markets.

#### 6. To whom and how the subsidy is paid

To existing and newly established manufacturing industries.

#### 7. <u>Amount of subsidy</u>

Total payment in: 2009: €6,335

2010: €6,273

#### 8. <u>Duration of subsidy</u>

The scheme is valid up to 31 December 2013.

#### 9. The trade effects of the subsidy

### IV. SCHEME FOR THE RELOCATION OF VERY SMALL ENTERPRISES IN APPROVED AREAS

#### 1. <u>Title of subsidy</u>

Scheme for the relocation of very small enterprises to authorized areas.

#### 2. Period covered by notification

2009 - 2010.

#### 3. <u>Policy objectives</u>

The aim of the scheme is to encourage existing very small enterprises engaged in manufacturing or specific service activities, to move from residential areas to other authorized areas.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers Decision No. 68.508 dated 12 March 2009.

#### 5. Form of subsidy

The amount, which will be granted if and when the application is approved, is calculated as follows:

- On the eligible costs (cost of land and buildings) up to €200,000 grant 15 per cent,
- On the eligible costs (cost of land and buildings) over €200,001 grant 10 per cent,
- Maximum amount of grant per applicant €40.000

#### 6. To whom and how the subsidy is paid

Manufacturing units activated within residential areas before 1 January 2002.

#### 7. Amount of subsidy

Total payment in: 2009: €0

2010: €197,484

#### 8. <u>Duration of subsidy</u>

The scheme was introduced in 2009 and is valid up to the end of 2013.

#### 9. The trade effects of the subsidy

### V. SCHEME FOR THE ENHANCEMENT OF SMES COMPETITIVENESS IN THE MANUFACTURING SECTOR

#### 1. Title of subsidy

Grant for the enhancement of SMEs competitiveness in the manufacturing sector.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy objectives

The main objective is to support, develop and promote the SMEs (micro, small and medium - sized enterprises) as well as specific handicraft units through grants. Enterprises dealing with the processing of agricultural, fishing and forestry products are not covered by the Scheme.

#### 4. <u>Authority of subsidy</u>

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers Decision No. 65.914 dated 25 July 2007.

#### 5. Form of subsidy

The Scheme is included in the "Sustainable Development and Competitiveness" 2007-2013 and is financed by the European Regional Development Fund (85%) and the Cyprus Government (15%).

The maximum grant per successful applicant (for the period 2007-2013) is calculated as a percentage on the eligible amount of investment as follows:

Category	Unit size	Grant	Maximum Grant for the
		%	period 2007-2013
1	Micro	35	<b>£</b> 200,000
2	Small	30	€300,000
3	Medium	25	<b>€</b> 400,000
4	Units dealing with handcraft activities and employ up to three (3) persons	50	€80,000

#### 6. To whom and how the subsidy is paid

To existing and newly established manufacturing units.

#### 7. <u>Amount of subsidy</u>

Total payment in 2009: €133,835 Total payment in 2010: €56,411

#### 8. Duration of subsidy

The scheme was introduced in 2007 and expires in 2013.

#### 9. The trade effects of the subsidy

#### VI. SCHEME FOR THE ENHANCEMENT OF YOUTH ENTREPRENEURSHIP

#### 1. <u>Title of subsidy</u>

Grant for the enhancement of Youth Entrepreneurship.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy objectives

The aim of the programme is to develop, support and encourage entrepreneurship by young men and women between the ages of 20 - 39, who wish to establish an enterprise in any economic activity (manufacturing, e-commerce, services and tourism in traditional buildings) except from the commerce. Emphasis is given in the development of new technologies, in the use of innovative methods of production and promotion of products and services, in the growth of business skilfulness in the sector of environment and generally in the promotion of modern enterprising activities aiming at the creation dynamic and competitive enterprises.

The objectives of the project will be achieved with incentives in the form of financial aid and training seminars for new and sustainable micro enterprises.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers Decision No. 66.769 dated 06/02/2008.

#### 5. Form of subsidy

The Scheme is included in the "Sustainable Development and Competitiveness" 2007-2013 and is financed by the European Regional Development Fund (85%) and the Cyprus Government (15%).

The percentage of the grant is up to 50% on the cost of eligible costs (equipment and special facilities, landscaping, training, promotion, marketing, other expenses and working capital) with a maximum of  $\[ \in \]$ 70.000 for the activities of processing and  $\[ \in \]$ 50.000 for other activities.

#### 6. To whom and how the subsidy is paid

To newly established businesses.

#### 7. Amount of subsidy

Total payment in 2009: €Total payment in 2010: €6,378

#### 8. Duration of subsidy

The scheme was introduced in 2007 and expires in 2013.

#### 9. The trade effects of the subsidy

#### VII. SCHEME FOR THE ENHANCEMENT OF FEMALE ENTREPRENEURSHIP

#### 1. <u>Title of subsidy</u>

Grant for the enhancement of Female Entrepreneurship.

#### 2. <u>Period covered by notification</u>

2009 - 2010.

#### 3. <u>Policy objectives</u>

The aim of the programme is to develop, support and encourage entrepreneurship by women between the ages of 18–55, who wish to establish an enterprise in any economic activity (manufacturing, e-commerce, services and tourism in traditional buildings) except from the commerce. Emphasis is given in the development of new technologies, in the use of innovative methods of production and promotion of products and services, in the growth of business skilfulness in the sector of environment and generally in the promotion of modern enterprising activities aiming at the creation dynamic and competitive enterprises.

The objectives of the project will be achieved with incentives in the form of financial aid and training seminars for new and sustainable micro enterprises.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers Decision No. 66.769 dated 06/02/2008.

#### 5. Form of subsidy

The Scheme is included in the "Sustainable Development and Competitiveness" 2007-2013 and is financed by the European Regional Development Fund (85%) and the Cyprus Government (15%).

The percentage of the grant is up to 50% on the cost of eligible costs (equipment and special facilities, landscaping, training, promotion, marketing, other expenses and working capital) with a maximum of  $\[ \in \]$ 70,000 for the activities of processing and  $\[ \in \]$ 50,000 for other activities.

#### 6. To whom and how the subsidy is paid

To newly established businesses.

#### 7. <u>Amount of subsidy</u>

Total payment in 2009: €17,789 Total payment in 2010: €41,059

#### 8. Duration of subsidy

The scheme was introduced in 2007 and expires in 2013.

#### 9. The trade effects of the subsidy

## VIII. ADDED VALUE ON AGRICULTURAL AND FORESTRY PRODUCTS - CREATION AND IMPROVEMENT OF MANUFACTURING AND TRADE UNITS OF AGRICULTURAL AND FORESTRY PRODUCTS – MEASURE 1.6

#### 1. <u>Title of subsidy</u>

Grant for the creation and improvement of manufacturing and trade units of agricultural and forestry products.

#### 2. <u>Period covered by notification</u>

2009 - 2010.

#### 3. Policy objectives

Main objective of the measure is to support existing and newly established SMEs engaged in manufacturing and trade of agricultural and forestry products.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism

#### 5. Form of subsidy

The Measure is included in the "Rural Development Programme 2007-2013" and is cofinanced by the European Agricultural Fund for Rural Development (50%) and the Cyprus Government (50%).

The grant is estimated as 40% on the eligible amount of investment with a maximum of  $\[ \]$  70,000 for the Micro Enterprises and  $\[ \]$  400,000 for the Small and Medium Enterprises (for the period 2007-2013).

#### 6. To whom and how the subsidy is paid

To existing and newly established SMEs (Micro, Small and Medium sized Enterprises as defined by Commission Recommendation 2003/361/EC).

The Cyprus Agricultural Payments Organisation has the responsibility of the actual payments.

#### 7. Amount of subsidy

Total payment in 2009: €50,660 Total payment in 2010: €721,588

#### 8. Duration of subsidy

The measure was introduced in 2008 and expires in 2013.

#### 9. The trade effects of the subsidy

### IX. SCHEME FOR MANUFACTURING ENTERPRISES LOCATED WITHIN THE BRITISH BASES IN CYPRUS

#### 1. Title of subsidy

Grant for manufacturing enterprises located within the British Bases in Cyprus.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy objectives

The main objective is to support, develop and promote small and medium sized manufacturing enterprises (SMEs) as well as specific handicraft units. Enterprises dealing with the processing of agricultural, fishing and forestry products are not covered by the Scheme.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers Decision No. 67.159 dated 2 May 2008

#### 5. Form of subsidy

The maximum grant per successful applicant (for the period 2008-2013) is calculated as a percentage on the eligible amount of investment as follows:

Category	Unit size	Grant %	Maximum Grant for the
			period 2008-2013
1	Small	35	€200,000
2	Medium	25	<b>€</b> 400,000
3	Handicraft units employing up to three	50	€80,000
	(3) persons		

#### 6. To whom and how the subsidy is paid

To existing and newly established manufacturing units located within the British Bases in Cyprus.

#### 7. <u>Amount of subsidy</u>

Total payment in 2009: €493,419 Total payment in 2010: €193,004

#### 8. <u>Duration of subsidy</u>

The scheme was introduced in 2008 and expires in 2013.

#### 9. The trade effects of the subsidy

### X. GRANT FOR THE IMPLEMENTATION OF THE HACCP SYSTEM IN THE FOOD AND DRINK INDUSTRY

#### 1. Title of Subsidy

Hazard Analysis, Critical Control Points (HACCP) System, for the food and drink industry.

#### 2. Period covered by Notification

2009 - 2010.

#### 3. Policy Objective

Promotion of the implementation of the HACCP system (preventing measure for the hygienic quality of food and drink products).

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism - Approved by the Council of Ministers (Decision No. 1178/2009 dated 5 November 2009).

#### 5. Form of subsidy

The subsidy as a percentage of the eligible investment is 30 per cent of the investment in new equipment used for the monitoring (chemical, physical, microbiological control points) of Critical Control Points (C.C.Ps). The amount of grant is limited to €5.000 per applicant.

#### 6. To whom and how the subsidy is paid

To existing and newly established manufacturing units (food and drink industry) which are implementing the HACCP system and are registered with the appropriate authorities.

#### 7. Amount of subsidy

Total payment in 2009: €310,623 Total payment in 2010: €911,946

#### 8. Duration of subsidy

The scheme was introduced on 1 January 2009 and was valid until 31 December 2010.

#### 9. The trade effects of the subsidy

### XI. GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS

#### 1. Title of Subsidy

Grant for strengthening the laboratory infrastructure in Cyprus.

#### 2. Period covered by notification

2009 - 2010.

#### 3. Policy Objective

The objective of the scheme is to encourage investments in laboratory equipment and introduction of quality assurance systems with the aim of accreditation of laboratories.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism.

#### 5. Form of subsidy

The maximum amount that each applicant/laboratory is allowed under this plan is CYP 175,000<sup>1</sup>. This amount covers the following;

#### (a) Laboratory equipment

The subsidy for equipment is 20 per cent plus an additional 10 per cent if the company is of a small or medium size. Maximum subsidy for the laboratory equipment is CYP 100,000\*.

#### (b) Buildings

The subsidy for buildings is 20 per cent of the expenditure plus an additional 10 per cent if the company is of a small or medium size, with maximum limit of CYP  $75^*$  per square metre and CYP  $50.000^*$  in total.

#### (c) Accreditation

The maximum subsidy for accreditation is CYP 20,000\* and is divided into two categories:

- 50 per cent of the cost for consulting services with maximum limit of CYP 10,000\*
- 50 per cent of the cost for accreditation with maximum limit of CYP 10,000\*
- (d) Feasibility Studies e.g. techno-economical studies, business plan.

The maximum subsidy for the techno-economical study is 50 per cent with a maximum limit of CYP 5.000\* which is divided into two sections:

- 25 per cent of the cost for the completion of the study, with a limit of CYP 2,500\*.

 $<sup>^{1}</sup>$  €1 = CYP 0.5844 (Cyprus Pounds) - On 1 January 2008 Cyprus adopted the euro (€) and therefore all payments made in 2009 and 2010 are expressed in euros (€).

Page 14

- 25 per cent of the cost, with a limit of CYP 2,500\* which will be given after the start of the plant.

#### 6. To whom and how the subsidy is paid

Beneficiaries are: existing and newly established laboratory units.

#### 7. Amount of subsidy

The current subsidy plan was valid until the end of 2006. Payments indicated below refer to applications which were submitted before 31/12/2006.

Total payment in: 2009: €21,507.97

2010: -

The grant has been terminated.

#### 8. Duration of subsidy

The scheme was introduced on the 7 April 2004 and was valid until the 31 December 2006.

#### 9. The trade effects of the subsidy

No effects on international trade.

### XII. GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS (SELECTABLE AREAS)

#### 1. Title of Subsidy

Grant for strengthening the laboratory infrastructure in Cyprus.

#### 2. Period covered by notification

2009 - 2010

#### 3. Policy Objective

The objective of the scheme is to encourage investments in laboratory equipment and introduction of quality assurance systems with the aim of accreditation of laboratories.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism

#### 5. Form of subsidy

The maximum amount that each applicant/laboratory, is allowed under this plan, is €400,000.

This amount covers the following;

#### (a) Laboratory equipment

The subsidy for equipment is 15 per cent plus an additional 10 per cent if the company is of a medium size and an additional 10 per cent if the company is of a small size. Maximum subsidy for the laboratory equipment is  $\mathfrak{C}50,000$ .

#### (b) Buildings

The subsidy for buildings is 15 per cent of the expenditure plus an additional 10 per cent if the company is of a medium size and an additional 10 per cent if the company is of a small size, with maximum limit of  $\bigcirc 170$  per square metre and  $\bigcirc 100,000$  in total.

#### (c) Accreditation

The maximum subsidy for accreditation is €40,000 and is divided into two categories:

- 50 per cent of the cost for consulting services with maximum limit of €20,000.
- 50 per cent of the cost for accreditation with maximum limit of €20,000.
- (d) Feasibility Studies e.g. techno-economical studies, business plan.

The maximum subsidy for the techno-economical study is 50 per cent with a maximum limit of  $\le 10,000$  which is divided into two sections:

- 25 per cent of the cost for the completion of the study, with a limit of €5,000.
- 25 per cent of the cost, with a limit of €5,000 which will be given after the start of the plant.

#### 6. To whom and how the subsidy is paid

Beneficiaries are: existing and newly established laboratory units.

#### 7. Amount of subsidy

Total payment in: 2009: €154,242.29

2010: €178,106.72

#### 8. Duration of subsidy

The scheme was introduced on the 24 September 2008 and is valid until the 31 December 2010.

#### 9. The trade effects of the subsidy

### XIII. GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS IN THE FORM OF DE MINIMIS

#### 1. Title of Subsidy

Grant for strengthening the laboratory infrastructure in Cyprus.

#### 2. <u>Period covered by notification</u>

2009 - 2010.

#### 3. Policy Objective

The objective of the scheme is to encourage investments in laboratory equipment and introduction of quality assurance systems with the aim of accreditation of laboratories.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism.

#### 5. Form of subsidy

The maximum amount that each applicant/laboratory, can obtain under this plan is CYP 87,000<sup>2</sup>. This amount covers the following;

#### (a) Laboratory equipment

The subsidy for equipment is 30 per cent. Maximum subsidy for the laboratory equipment is  ${\rm CYP}\ 50,000^*$ .

#### (b) Buildings

The subsidy for buildings is 30 per cent of the expenditure with maximum limit of CYP  $100^*$  per square metre and CYP  $30,000^*$  in total.

#### (c) Accreditation

The maximum subsidy for accreditation is CYP 7,000\* and is divided into two categories:

- 50 per cent of the cost for consulting services with maximum limit of CYP 5,000\*.
- 50 per cent of the cost for accreditation with maximum limit of CYP 2,000\*.

#### 6. To whom and how the subsidy is paid

Beneficiaries are: existing and newly established laboratory units.

#### 7. <u>Amount of subsidy</u>

The current subsidy plan was valid until the end of 2007. Payments indicated below refer to applications which were submitted before 31/12/2007.

Total payment in: 2009: €283,864.93

2010: €55,014.90

 $<sup>^2</sup>$  €1 = CYP 0.5844 - On 1 January 2008 Cyprus adopted the euro (€) and therefore all payments made in 2009 and 2010 are expressed in euros (€).

All payments have been completed and the specific grant has been terminated.

#### 8. <u>Duration of subsidy</u>

From 1 January 2007 until 31 December 2007.

#### 9. The trade effects of the subsidy

No effects on international trade.

### XIV. GRANT FOR STRENGTHENING THE LABORATORY INFRASTRUCTURE IN CYPRUS IN THE FORM OF DE MINIMIS

#### 1. <u>Title of Subsidy</u>

Grant for strengthening the laboratory infrastructure in Cyprus.

#### 2. Period covered by notification

2009 - 2010.

#### 3. <u>Policy Objective</u>

The objective of the scheme is to encourage investments in laboratory equipment and introduction of quality assurance systems with the aim of accreditation of laboratories.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism.

#### 5. Form of subsidy

The maximum amount that each applicant/laboratory, can obtain under this plan is  $\bigcirc 200,000$ . This amount covers the following;

#### (a) Laboratory equipment

The subsidy for equipment is 30 per cent. Maximum subsidy for the laboratory equipment is €100,000.

#### (b) Buildings

The subsidy for buildings is 30 per cent of the expenditure with maximum limit of  $\triangleleft$ 170 per square metre and  $\triangleleft$ 68,000 in total.

#### (c) Accreditation

The maximum subsidy for accreditation is €32,000 and is divided into two categories:

- 50 per cent of the cost for consulting services with maximum limit of €20,000.
- 50 per cent of the cost for accreditation with maximum limit of €12,000.

#### 6. To whom and how the subsidy is paid

Beneficiaries are: existing and newly established laboratory units.

#### 7. <u>Amount of subsidy</u>

Total payment in: 2009: €165,033.20

2010: €238,654.54

#### 8. Duration of subsidy

From 1 January 2008 until 31 December 2010.

#### 9. The trade effects of the subsidy

No effects on international trade.

### XV. GRANT FOR CONTROL QUALITY ABROAD (LABORATORY TESTING ABROAD) IN THE FORM OF DE MINIMIS

#### 1. <u>Title of Subsidy</u>

Grant for Control of Quality (laboratory testing) abroad.

#### 2. <u>Period covered by notification</u>

2009 - 2010.

#### 3. <u>Policy Objective</u>

The objective of the scheme is to subsidise costs for quality control testing abroad, in the cases where such testing is not available in Cyprus.

#### 4. Authority of subsidy

Ministry of Commerce, Industry and Tourism.

#### 5. Form of subsidy

The grant is 50 per cent of the laboratory testing abroad. The grant is limited to €187,946.15 per applicant/laboratory. The current subsidy plan is valid until the 31 December 2011.

#### 6. To whom and how the subsidy is paid

Beneficiaries: existing and newly established laboratory units.

#### 7. <u>Amount of subsidy</u>

Total payment in: 2009: €63,736.63

2010: €10,407.23

#### 8. <u>Duration of subsidy</u>

The scheme was introduced on the 16 May 2007 and is valid until the 31 December 2011.

#### 9. The trade effects of the subsidy

No effects on international trade.

#### XVI. PROMOTION OF HANDICRAFTS IN THE FORM OF DE MINIMIS

#### 1. Title of subsidy

Promotion of Handicrafts.

#### 2. Period covered by notification

2009 - 2010.

#### 3. <u>Policy objective</u>

Promotion of Cypriot cultural inheritance through popular art.

#### 4. <u>Authority of subsidy</u>

Ministry of Commerce, Industry and Tourism - Funds annually approved by the Council of Ministers through the Government Budget.

#### 5. Form of subsidy

Training of local craftsmen and promotion of items made by them.

#### 6. To whom and how the subsidy is paid

Local craftsmen (in the form of services).

#### 7. Amount of subsidy

Total payment in 2009: €1,305,000 Total payment in 2010: €1,100,000

#### 8. Duration of subsidy

The scheme will be in existence until 31 December 2012. On that date it will be re-examined whether it will continue.

#### 9. The trade effects of the subsidy

No effects on international trade.

\_\_\_\_