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## **Committee on Subsidies and Countervailing Measures**

# Original: French

#### **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, dated and received on 8 April 2022, relates to the subsidy programmes of **Luxembourg**.

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#### 1.1 SME AID SCHEMES

#### 1. <u>Title of the programme</u>

Aid to small and medium-sized enterprises (SMEs).

2. Period covered by the notification

2019-20.

#### 3. Policy objective of the aid scheme

To promote productive investment by SMEs.

#### 4. Legal basis

Amended Law of 9 August 2018 on the implementation of aid schemes for small and medium-sized enterprises.

#### 5. Form of the aid

Capital subsidy, interest rate subsidy, repayable advance, guarantee, loan and equity.

6. <u>Beneficiaries of the aid and allocation mechanism</u>

The aid is granted by ministerial decision to SMEs that meet the community definition.

7. Subsidy per unit or, in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year)

Actual expenditure:

2019: EUR 5.32 million. 2020: EUR 8.85 million.

8. <u>Duration of the subsidy and/or any other time-limits attached to it</u>

The new Law of 2018 will remain in force until the end of 2023 (unless extended at the EU level).

9. <u>Statistical data permitting an assessment of the trade effects of the subsidy</u>

Not available.

#### 1.2 REGIONAL AID SCHEME

#### 1. <u>Title of the programme</u>

Aid to enterprises in disadvantaged regions.

2. Period covered by the notification

2019-20.

#### 3. Policy objective of the aid scheme

Economic development and diversification of disadvantaged regions.

#### 4. <u>Legal basis</u>

Amended Law of 20 July 2017, the objective of which is the implementation of a regional investment aid scheme.

#### 5. Form of the aid

Capital subsidy.

#### 6. <u>Beneficiaries of the aid and allocation mechanism</u>

The aid is granted by ministerial decision to enterprises in regions designated as disadvantaged on the basis of the European framework.

7. Subsidy per unit or, in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year)

Actual expenditure:

2019: EUR 1.45 million.

2020: EUR 0.

8. <u>Duration of the subsidy and/or any other time-limits attached to it</u>

End of 2023 (unless the European framework is extended).

9. Statistical data permitting an assessment of the trade effects of the subsidy

Not available.

#### 1.3 AID SCHEME FOR RDI

#### 1. <u>Title of the programme</u>

Promotion of research, development and innovation.

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

2019-20.

#### 3. <u>Policy objective of the aid scheme</u>

To promote the development of technologies for new products and processes.

#### 4. <u>Legal basis</u>

Amended Law of 17 May 2017 on the promotion of research, development and innovation.

## 5. Form of the aid

Capital subsidy, repayable advance, loan, guarantee, equity and quasi-equity.

#### 6. <u>Beneficiaries of the aid and allocation mechanism</u>

The aid is granted by ministerial decision to enterprises meeting the criteria under the Law.

7. Subsidy per unit or, in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year)

Actual expenditure:

2019: EUR 17.2 million. 2020: EUR 26.45 million.

8. <u>Duration of the subsidy and/or any other time-limits attached to it</u>

End of 2023 (unless the European framework is extended).

9. <u>Statistical data permitting an assessment of the trade effects of the subsidy</u>

Not available.

#### 1.4 AID SCHEME FOR ENVIRONMENTAL PROTECTION

1. <u>Title of the programme.</u>

Promotion of environmentally sound technologies.

2. Period covered by the notification

2019-20.

3. Policy objective of the aid scheme

To promote investment to protect the environment and implement new techniques for the rational use of energy.

4. Legal basis

Amended Law of 15 December 2017 on the aid scheme for environmental protection.

5. Form of the aid

Capital subsidy, interest rate subsidy, repayable advance, loan and guarantee.

6. <u>Beneficiaries of the aid and allocation mechanism</u>

The aid is granted by ministerial decision to enterprises meeting the criteria under the Law.

7. Subsidy per unit or, in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year)

Actual expenditure:

2019: EUR 17.31 million. 2020: EUR 6.2 million.

8. <u>Duration of the subsidy and/or any other time-limits attached to it</u>

End of 2023 (unless the European framework is extended).

9. Statistical data permitting an assessment of the trade effects of the subsidy

Not available.

# 1.5 AID SCHEME IN THE CONTEXT OF THE GREENHOUSE GAS EMISSION ALLOWANCE TRADING SCHEME

#### 1. <u>Title of the programme</u>

Prevention of carbon leakage.

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

2019-20.

3. Policy objective of the aid scheme

Environmental protection.

4. Legal basis

Law of 1 August 2018 introducing an aid scheme in the context of the greenhouse gas emission allowance trading scheme post-2012.

5. Form of the aid

Capital subsidy.

6. <u>Beneficiaries of the aid and allocation mechanism</u>

The aid is granted by ministerial decision to enterprises meeting the criteria under the Law.

7. Subsidy per unit or, in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year)

Actual expenditure:

2019: EUR 4.156 million. 2020: EUR 10.603 million.

8. <u>Duration of the subsidy and/or any other time-limits attached to it</u>

The new Law ceases to apply at the end of 2020, in accordance with the European framework, although a possible extension is envisaged.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Not available.