

## **Report on Services of General Economic Interest - Grand-Duchy of Luxembourg**

### **1. EXPENDITURE OVERVIEW**

#### **Total SGEI government expenditure by legal basis (millions EUR)**

	2016	2017
Compensation for Services of General Economic Interest (1+2)	514	556
(1) Compensation granted on the basis of the SGEI Decision	514	556
(2) Compensation granted on the basis of the SGEI Framework	/	/

### **2. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI DECISION**

#### **1) Hospitals (Article 2(1)(b))**

**Clear and comprehensive description of how the respective services are organised in your Member State<sup>1</sup>**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

**Establishment, extension and modernisation of all hospitals and hospital services.**

**Explanation of the (typical) forms of entrustment. If standardized templates for entrustments are used for a certain sector, please attach them.**

**The Hospitals Law of 28 August 1998, as amended, and the hospitals plan established by the Grand Ducal Regulation of 13 March 2009 [..].**

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?**

**Average duration: Four years per construction project. The abovementioned Law of 28 August 1998 was repealed by the Hospitals Law of 8 March 2018.**

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

The abovementioned Regulation of 23 March 2009 defines the different categories of hospitals, hospital services and equipment and devices subject to planning.

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<sup>1</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

**Refunding of invoices relating to construction projects, provided that the invoices concern the categories of financing eligible for State support.**

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

Hospitals may be entrusted as providers of services of general interest in respect of care services. To this end, the infrastructure they need to provide care services is made available to them.

The Luxembourg State finances all of the hospital infrastructure required by the undertakings referred to above, meeting 80 % of the total cost through its *Fonds des Investissements Hospitaliers* (Hospital Investments Fund) and 20 % through the National Health Fund (*Caisse Nationale de Santé* - CNS). Each financial contribution is the subject of a financing agreement concluded between the State and the manager of the relevant hospital.

Hospital operating costs (other than doctors' services, but including expenditure on nursing staff) are covered by the CNS and are the subject of a financing agreement.

As regards the provision of medical care, however, it should be noted that the principle of an independent medical profession applies in the Grand Duchy of Luxembourg. Every doctor who is licensed to practise medicine is bound by an agreement with the CNS. Patients are free to choose their doctor for both in-patient and out-patient care, and the CNS pays the medical fees of those whom it insures. Private doctors are paid by patients' insurers for the treatment they administer.

**Typical arrangements for avoiding and repaying any overcompensation.**

No overcompensation is paid to hospitals.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).**

No hospital received a subsidy of over €15 million. The details of the aid granted is published in the State's general account for each budget exercise (Article 10 of amended Law of 8 June 1999 on the Budget, Accounts and Treasury of the State [...]).

**Amount of aid granted**

**Total amount of aid granted (in millions EUR)<sup>2</sup>. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)**

2016	2017
26.6	29.5

**A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>3</sup>**

2016	2017
26.6	29.5

**B: Total amount of aid granted (in millions EUR) paid by regional authorities<sup>4</sup>**

2016	2017
NA	NA

**C: Total amount of aid granted (in millions EUR) paid by local authorities<sup>5</sup>**

2016	2017
NA	NA

**Share of expenditure per aid instrument** (direct subsidy, guarantees etc.) (if available)

2016	2017
100 % Refunds	100 % Refunds

Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)<sup>6</sup>

2016	2017
6 hospitals, most of which operate several establishments.	5 hospitals, most of which operate several establishments.

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<sup>2</sup> As stipulated in Article 9 (b) of the 2012 SGEI Decision.

<sup>3</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

<sup>4</sup> See footnote No 3.

<sup>5</sup> See footnote No 3.

<sup>6</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

## **2) Social services (Art. 2(1)(c))**

### **b) Childcare**

**Clear and comprehensive description of how the respective services are organised in your Member State<sup>7</sup>**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

With regard to education and reception services for children, it should be noted that all of these structures are considered important social services of general interest (SGEI), intended specifically for children to help them integrate into Luxembourg society. These services play a key role in the social cohesion of children in Luxembourg society and in supporting them in the country's education system.

Under the amended Grand Ducal Regulation of 14 November 2013 concerning the authorisation to be granted to educational and reception services for children, 'education and reception services service for children' is understood to mean a group of day-care activities for children within the meaning of the amended Law of 8 September 1998 regulating relations between the State and the organisations working in the social, family and therapy domains (Luxembourg Official Gazette A No 199 of 20 November 2013, page 3702).

In order to benefit from approval as an education and day-care centre for children, at least the following services must be provided: 1. relaxation and rest; 2. balanced meals; 3. teaching and supervision of cultural, musical, crafts, artistic, motor and sports activities; 4. activities to promote the social, emotional, cognitive, linguistic and psycho-motor development of children; 5. activities to promote the integration of children into their social and local environment; 6. supervised study to provide school-going children with an appropriate setting for doing homework autonomously, in a calm environment with minimum supervision and support.

Only those education and reception services for children classified as part of the childcare voucher system in accordance with Article 25 of the Law of 4 July 2008, as amended, on young people providing services in kind for the benefit of children by way of the public service mission set out in Article 22 of this Law benefit from State aid granted legally and paid directly to these services. In return the children in such centres benefit from childcare vouchers and the multilingual education programme provided by these centres.

To retain their status in the childcare voucher system and to receive the aid granted under the amended Law of 4 July 2008 on young people, the education and reception services for children must comply with the quality assurance standards laid down in Chapters 5 and 6 of the above Law.

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<sup>7</sup> If in a certain sector only a small number of individual SGEIs exist in your Member State, we would appreciate a detailed description of those services. If a large number of services are entrusted in a specific sector in your Member State (for example because the competence lies with regional or local authorities), individual details of the entrustments would be disproportionate, but a clear and concise general description of the way the sector is organised including the common features of the individual entrustments remains crucial.

**Explanation of the (typical) forms of entrustment. If standardized templates for entrustments are used for a certain sector, please attach them.**

The entrustment applicable to the aid granted by the Member State in the context of 1. the 'reception voucher system' and 2. the multilingual education programme is defined in Article 22 of the Law of 4 July 2008 on young people, as amended. The entrustment is defined in relation to the public service mission which consists both of strengthening social cohesion by integrating children into the local community in Luxembourg society, and by supporting the education of children in the Luxembourg primary school system.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?**

Target population:

1. Children aged from over one year to under four who have not yet reached the age of compulsory education as set out in the Law of 6 February 2009 on compulsory education benefit from the services granted under the multilingual education programme.
2. The children benefiting from the reception voucher system under Article 22 (1) paragraph 2 of the abovementioned Law of 4 July 2008 on young people are young children (under the age of 4 and children enrolled in early education structures in accordance with the Law of 6 February 2009, as amended, on the organisation of primary education) and school-going children (children subject to compulsory education under the Law of 6 February 2009 on the organisation of education, who are under the age of 12 or are still in the Luxembourg primary school or special school system).

Average duration of the entrustment:

The aid granted by the State under the Law of 4 July 2008 on young people, as amended, is paid to the reception voucher service providers on the basis of a contract between the State and the service providers. The average duration of the entrustment is based on the duration of the contracts concluded between the State and the reception voucher service providers, which last for one year.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

The financial aid granted by the State to the education and reception services for children in accordance with the Law of 4 July 2008 on young people, as amended.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

The amount of the aid for the education and reception services for children is defined in line with a scale, the parameters of which are set out in Article 26 and Annexes II and III of the Law of 4 July 2008 on young people, as amended.

#### **Typical arrangements for avoiding and repaying any overcompensation.**

The typical arrangements for repaying any overcompensation are set out both in the Law (Article 27) and in the contract concluded between the State and the reception voucher service provider.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).**

Not applicable.

#### **Amount of aid granted**

**Total amount of aid granted (in millions EUR)<sup>8</sup>. This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)**

It should be noted that the aid granted by the State in accordance with the Law of 4 July 2008 on young people, as amended, concerns only aid paid from the central State budget (A).

2016	2017
308	328

#### **A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>9</sup>**

2016	2017
idem	idem

#### **B: Total amount of aid granted (in millions EUR) paid by regional authorities<sup>10</sup>**

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<sup>8</sup> As stipulated in Article 9(b) of the 2012 SGEI Decision.

<sup>9</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

2016	2017
NONE	NONE

**C: Total amount of aid granted (in millions EUR) paid by local authorities<sup>11</sup>**

2016	2017
NONE	NONE

**Share of expenditure per aid instrument** (direct subsidy, guarantees etc.) (if available)

2016	2017

**Additional quantitative information** (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)<sup>12</sup>

2016	2017
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#### **d) Social housing**

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

The provision of social housing, for rent or sale, for disadvantaged people who, for reasons of solvency, are not able to find housing on market terms.

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The entrustment is provided for by Article 15 of the Housing Aid Law of 25 February 1979, as amended, which states that: 'The State is authorised to promote, by means of financial contributions, initiatives taken by public or private developers to acquire and develop building plots and to build low-cost housing for sale or rent. '

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<sup>10</sup> See footnote No 3Error! Bookmark not defined..

<sup>11</sup> See footnote No 3Error! Bookmark not defined..

<sup>12</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Framework, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

The entrustment for the Housing Fund is in addition set out in the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund'.

Decisions on State contributions are taken in the framework of an annual or multiannual programme which takes account of regional and local housing needs and of projects submitted by developers. The programme is the subject of a Grand Ducal Regulation, which also lays down the conditions and the amount of the State contribution, the developer's rights and obligations and the supervisory rights of the State (Article 19 of the 1979 Law). The most recent Grand Ducal Regulation to be enacted in this field was the Regulation of Friday 15 December 2017 adopting the ninth programme for the construction of subsidised housing developments and updating the State contributions.

The Regulation requires an agreement to be concluded between the developer and the Minister for Housing, which recapitulates the conditions of award and the amount of the maximum State contribution to each adopted project, as well as the main rights and obligations of the developer and the supervisory rights of the State.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified?**

Given the specific nature of the social housing sector, and especially the volume of investment, the Law of 25 February 1979 on housing aid, as amended, does not set out any timeframe for the entrustment to the developers to which it refers.

In the agreements relating to social rental housing projects, the developers must undertake to let the dwellings in question for at least 20 years in accordance with the provisions of the Law of 25 February 1979 on housing aid, as amended, particularly Articles 32 to 36 thereof, and of the associated implementing regulations regarding the management of rented housing and the health and hygiene standards that it must meet, and in accordance with the Grand Ducal Regulation of 16 November 1998 laying down implementing measures relating to rental housing, to housing-construction subsidies and to buildings leased on the basis of a long-term lease and a right to build, as provided by the 1979 Law on housing aid.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Given the shortage of social housing, the Luxembourg State does not grant any exclusive or special rights in this area.

In relation to the Housing Fund, it should be pointed out that the Grand Ducal Regulation of 20 June 2017 lays down a list of exclusive or special rights granted to the Housing Fund (status as public developer, right of expropriation in case of public utility, right to reserve certain areas, right of first refusal).

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**



The Luxembourg State grants financial contributions to developers providing social housing. The percentages of these financial contributions are set out in the Law of 25 February 1979 on housing aid, as amended, and in the implementing regulations of this Law.

The public service compensation for the Housing Fund is set out in Articles 15 to 23 of the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund', and the possibility of being authorised to obtain one or more State-backed loans up to a total of €120 000 000 is set out in Article 24.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

1. For housing for sale:

The Law of 25 February 1979 lays down the conditions governing the award of State financial contributions for housing for sale which must be met for each building project.

For example, State contributions are not granted unless at least 60 % of the buyers of the dwellings fulfil the award criteria for a construction or purchase grant; in other words, during the process of acquiring the dwelling, they must obtain individual housing assistance in the form of a construction or purchase grant, which may be subject to means-testing defined in a Grand Ducal Regulation.

This proportion of at least 60 % of buyers must be observed over a period of at least 10 years (at least 10 years for flats and at least 20 years for family houses) from the date on which the construction or purchase grant was awarded, otherwise all of the State assistance received must be repaid.

Every project for the construction of housing developments for sale must include at least 10 % social rental housing to encourage social diversity.

The amount of State aid for a given dwelling forming part of a building project is thus known and can be verified very easily, since the Law requires that the deed of sale must show the normal price, the State contribution and the subsidised price.

2. For housing for rent:

In the case of housing for rent, the State can grant a financial contribution of up to 75 % of the construction cost.

However, in return for the aid granted by the State, this housing must be rented in compliance with all the conditions laid down in the applicable regulation, for instance the Grand Ducal Regulation of 16 November 1998, as amended, establishing the implementing measures for rental housing, to housing-construction subsidies and to buildings leased on the basis of a long-term lease and a right to build, as provided by the Law of 25 February 1979 on housing aid, as amended, which provides for selection criteria and fixes the rental rate. The rent must be based on the disposable income and composition of the occupying household and on the living space of the dwelling.

3. Multiannual programme laying down the maximum amount of State contributions.

All State contributions, whether made to public or private developers, must be the subject of a decision taken in the framework of an annual or multiannual programme within the meaning of Article 19 of the Law of 5 February 1979.

The programme currently in force is laid down by a Grand Ducal Regulation of 15 December 2017.

State aid for the construction of housing developments (housing-construction subsidies) is paid to developers on condition that they subsidise all eligible persons acquiring housing. State support for social housing is therefore passed on to citizens on low incomes who are seeking accommodation.

#### 4. Public service compensation for the Housing Fund

Article 15 of the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund' runs as follows:

‘(1) In order to perform the missions set out in Article 2(1), the Fund shall receive public service compensation from the State budget consisting of two components:

1. allocations covering part of the price or the balance to be paid by the Fund in the case of the exchange of land;
2. compensation for operating deficits of social housing operations.

(2) In addition to this public service compensation, the Fund receives aid for the construction of housing developments as set out in the Law of 25 February 1979 on housing aid, as amended.

(3) The public service compensation referred to in paragraph 1 cannot under any circumstances be used to subsidise activities other than sale with a long-term lease or renting eligible for aid for the construction of housing developments de service public as set out in the Law of 25 February 1979 on housing aid, as amended. ‘

#### **Typical arrangements for avoiding and repaying any overcompensation.**

Article 31 of the Law of 25 February 1979 states that aid for the construction of housing developments is granted only to buyers who meet the conditions for awarding construction grants, subject to the following rules:

- the aid is assigned in equal parts to all the constructed dwellings;
- it is allocated only to eligible buyers on the basis of rates to be set by a Grand Ducal Regulation and is repayable in accordance with the same conditions and procedures as construction grants;
- the buyer and the developer are jointly and severally liable to repay State contributions in accordance with Articles 1197 et seq. of the Luxembourg Civil Code; developers are authorised to recover from the buyer the full amount of the contribution that they have had to repay to the State.

In the event of non-compliance with the Law and/or the Grand Ducal Regulation adopting the annual or multiannual programme for the construction of subsidised housing developments, the developers must repay the State contributions to the State at the legal interest rate for commercial transactions and cannot take action against buyers or tenants to recover the amount.

The Housing Fund is a public institution under the aegis of the Minister responsible for housing.

Under Article 29 of the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund', the Minister for Housing may review the management of the Housing Fund at any time or have it reviewed. In addition, the following operations are subject to the Minister's approval:

The financial management of the Housing Fund is subject to audit by the Court of Auditors.

An audit conducted by an independent auditor is an integral part of the annual report and accounts.

Articles 15 to 23 of the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund' contain the rules on calculating the public service compensation, in particular the rules on repayment of any overcompensation. These are summarised below:

Compensation comprising two parts: first, allocations covering part of the price or the balance in the case of the purchase or exchange of land; second, compensation for operating deficits of social housing sale and rental activities.

The amount of the contributions is provisionally established in line with the proportion of the purchase price of the land not covered by the aid for the construction of housing developments set out in Chapter 3 of the Law of 25 February 1979 on housing aid, as amended, and with mean ratios during a reference period of three calendar years immediately preceding the year of purchase of the land in question.

In the case of the purchase of built-up land, the price to be taken into account to determine the contributions is the purchase price minus the value of the buildings.

The provisional contributions are released upon presentation of the notarised deeds accompanied by the calculations.

The final amount of the contributions is established once the figures for the project to be built on the land in question are available. Insufficient or surplus amounts will be balanced once the final amount has been established.

If the Fund transfers the land, it must pay into the State treasury:

1. the sales price in line with the proportion of the contributions and purchase aid in terms of the purchase price in the case of the sale of land which benefited from a contribution at the time of purchase;
2. the entire sales price in the case of the sale of land purchased before the entry into force of the Law of 24 April 2017;
3. the balance in favour of the Fund in the case of the exchange of land in line with the proportion of the contributions and purchase aid in terms of the purchase price;
4. the entire balance in favour of the Fund in the case of the exchange of land purchased before the entry into force of the Law of 24 April 2017.

The public service compensation granted to the Fund also comprises:

1. compensation covering any deficit from the activity of subsidised sale;
2. compensation covering any deficit from the activity of subsidised rental.

The amount of the contributions (operating deficits) is adopted by the Cabinet following the approval, where necessary preceded by a rectification, of the annual accounts excluding the purchase prices paid, compensation and adjustments provided for in the Law of 24 April 2017 on aid for the construction of housing developments set out in Chapter 3 of the Law of 25 February 1979 on housing, as amended. During the financial year, quarterly deposits can be made depending on the results of the previous financial year and the forecasts for the current year.

Determining the result in order to calculate compensation (operating deficits) is based on separate accounts relating to the social sales and rental activities. Provisional compensation for damages, depreciation and the other headings not corresponding to expenditure in the coming twelve months are excluded from the calculation. These amounts are included in the calculation of the compensation for the financial year in which they are actually applied.

When, proceeding as described above, the Cabinet finds that the subsidised sales activity is producing a profit, the revenue from the long-term lease payments must be paid into the State treasury until they match the profit from this activity. The additional profit can be placed in a reserve provided that it does not exceed 3 % of the turnover from this activity. Amounts above that percentage must be paid into the State treasury. If there is a deficit in the subsidised sales activity in subsequent financial years, the profit placed in the reserve in previous years is deducted from the compensation to be paid.

As for the profit resulting from ordinary commercial activities, 50 % is used to cover the deficit of subsidised sales and rental activities; it reduces the compensation (operating deficits). The rest of the profit is available to the Fund.

If the subsidised rental activity is in deficit, any profit from the subsidised sales activity is used to make good the shortfall.

If the subsidised rental activity produces a profit, the entire amount must be paid into the State treasury

This compensation for operating deficits, determined on the basis of separate accounts relating to these activities, can under no circumstances cover any deficit of the activity performed by the Housing Fund outside of the scope of aid for the construction of housing developments.

For further information, please refer to the parliamentary debates concerning the Law of 24 April 2017 on the reorganisation of the public body called the 'Housing Fund' (parliamentary file No 6919 ([www.chd.lu](http://www.chd.lu))).

Information and other items enabling the Commission to determine whether the compensation granted to the SGEI is compatible with the 2012 SGEI Decision are stored for at least 10 years, in accordance with EU rules.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for the aid above 15 million euro to undertakings that also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. some links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (and if so provide the link to this website), or alternatively**

**explain if and how the publication takes place at the level granting the aid (e.g. central, regional or local level).**

The relevant available data are published on the websites of the Ministry of Housing (<http://www.ml.public.lu>) and the Housing Fund (<http://www.fondsdulogement.lu>).

#### **Amount of aid granted**

**Total amount of aid granted (in millions EUR). This includes all aid granted in your territory, including aid granted by regional and local authorities. (A+B+C)**

2016	2017
2016 State Budget:	2017 State Budget:
Sale / rental (all developers): €53.1	Sale / rental (all developers): €40.5
Contribution (Housing Fund only): €3.2	Contribution (Housing Fund only): €15.6
total = €56.3	total = €56.1

#### **A: Total amount of aid granted (in millions EUR) paid by national central authorities<sup>13</sup>**

2016	2017
Idem	Idem

#### **B: Total amount of aid granted (in millions EUR) paid by regional authorities**

2016	2017
Does not concern Luxembourg	Does not concern Luxembourg

#### **C: Total amount of aid granted (in millions EUR) paid by local authorities**

2016	2017
Idem	Idem

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<sup>13</sup> If the aid amount cannot be split between central, regional and local authorities only the total amount of aid granted for all authorities should be reported.

**Share of expenditure per aid instrument** (direct subsidy, guarantees etc.) (if available)

2016	2017
See attached Excel table	See attached Excel table

**Additional quantitative information** (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings)<sup>14</sup>

2016	2017
See the Grand Ducal Regulation of Friday 15 December 2017 adopting the ninth programme for the construction of subsidised housing developments and updating the State contributions (available on <a href="http://www.logement.lu">www.logement.lu</a> ).	See the Grand Ducal Regulation of Friday 15 December 2017 adopting the ninth programme for the construction of subsidised housing developments and updating the State contributions (available on <a href="http://www.logement.lu">www.logement.lu</a> ).

**e) Care and social inclusion of vulnerable groups**

**Ministry of the Family, Integration and the Greater Region**

1. Services for persons with disabilities

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

1. Home-based support service:

This heading covers any service that provides care and/or physical and psychological assistance at home for persons with disabilities and their families. The purpose is to make it easier for such persons to continue living at home and, in cases of terminal illness, to guarantee care that matches the individual needs and expectations of the persons concerned.

2. Residential services:

This heading covers any service that provides accommodation and/or multidisciplinary professional mentoring for more than three people with disabilities. The aim is to pursue a consistent holistic approach by providing them, on the one hand, with assistance and care within the meaning of the Law of 19 June 1998 introducing long-term care insurance, as amended, and, on the other hand, with

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<sup>14</sup> The Commission would welcome any data that you might have on aid granted under the 2012 SGEI Decision, for example the number of beneficiaries per sector, average amount of aid, amount per aid instrument, size of the undertakings, etc. Should such other quantitative information data not be readily available in your Member State, they can of course be presented in a more aggregated and/or estimated way. In that case please indicate that estimations have been used as well as the type of aggregation made.

socio-educational support and care in the event of terminal illness that match the individual needs and expectations of the persons concerned.

### 3. Training service:

This heading covers any service that provides vocational training for more than three persons with disabilities who are over the minimum school-leaving age. The purpose is to equip them with general and/or vocational knowledge and skills for entry into working life or for occupational retraining.

### 4. Day-centre service:

This heading covers any service that provides daytime activities for more than three persons with a moderate or severe disability or multiple disabilities. Besides assistance and care within the meaning of the Law of 19 June 1998 introducing long-term care insurance, the service provides socio-educational support and therapy through a variety of activities that match the individual needs and expectations of disabled persons. During daytime hours the service hosts persons with disabilities who, because of their condition or age, are unable to pursue a course of vocational training or an occupation on a continuous basis; during the school holidays, it also hosts minors of school age with disabilities. The purpose is to provide multidisciplinary professional mentoring for persons with disabilities and to support families responsible for the care of a disabled person.

### 5. Information, advice and encounter service:

This heading covers any service that provides activities involving the dissemination of information, the provision of advice, the organisation of activities and the organisation of meetings for persons with disabilities and their families. The purpose is to encourage full involvement of people with disabilities and prevent their isolation and social exclusion.

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The obligations of the managing body are laid down in the ASFT agreement, of which the General Conditions form an integral part. Each service covered by such an agreement must have an authorisation under the ASFT Law and its implementing regulation.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Specific agreements are established for a term of one year. They are tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

Where an agreement enters into force during the year, it is concluded for the period up to 31 December of that year and is then tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

The General Conditions governing the agreements referred to in Articles 11 and 12 of the ASFT Law were concluded for a period of 36 months, from 2017 to 2019.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

- Financial contribution covering any deficit
- Fixed contribution per unit of service provision

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

**Home-based support service**

Training service

Information, advice and encounter service:

financial contribution covering any deficit

[Article 4(c) and Article 8 et seq. of the Agreement on training, information, consultation and meeting, and home-based support services for persons with disabilities (a traditional Agreement, attached)]

Residential services:

Day-centre service:

Fixed contribution per unit of service provision

[Chapter 3 of the ASP Agreement on socio-educational support of persons with disabilities in residential and daytime activity services, attached]

**Typical arrangements for avoiding and repaying any overcompensation.**

The calculation parameters are set in the specific agreements and are based on the principles established by the Law and by the General Conditions.

Compensation is checked and reviewed when the annual statement of account is drawn up (see general conditions);

It should also be mentioned that the 'Harmonisation Committee' provided for by Article 14 of the ASFT Law has the task of analysing and issuing an opinion on the annual statements of operating expenditure for the services covered by agreements.



Under the General Conditions, every managing body undertakes to repay to the Treasury any amount wrongfully received. It undertakes to refrain from claiming from any other body whatsoever an amount that is already covered by the agreement. Double invoicing of a single item of expenditure may result in termination of the agreement, notwithstanding the assignment of civil liability and the criminal prosecution of the invoicing party.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

Not applicable.

Amount of aid granted

**Total amount of aid granted This includes all aid granted in your territory, including aid granted by regional and local authorities.**

**Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available)**

Compensation for investment expenditure (Article 13 of the ASFT Law)

	2016	2017
Accommodation services	EUR 6 128 998.32	EUR 6 850 935.94
Training services	EUR 580 443.09	EUR 524 245.08
Day-centre service	EUR 124 300.43	EUR 302 271.91
Sheltered workshops	EUR 3 440 101.34	EUR 3 149 366.55
Total	EUR 10 273 843.18	EUR 10 826 819.58

	2016 result	Agreements/2017 budget
Subtotal		
a fixed contribution		
per unit of service provision	EUR 39 098 253.49	EUR 44 094 293.75
Accommodation services (2)		

Day-centre service (4)

Subtotal

contribution to

cover the deficit	EUR 8 743 431.02	EUR 10 802 953.75
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Home-based support service

(1) information,

advice and meeting service (5)

Subtotal

training services (3)	EUR 7 415 315.96	EUR 8 280 821.67
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Total	EUR 55 257 000.47	EUR 63 178 068.58
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**Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

	2016	2017
Home-based support service	331 places	170 places
Residential services	860 beds	874 beds
Training service	236 places	244 places
Day-centre service	447 seats	461 seats
Information, advice and encounter service	5 151 beneficiaries	5 590 beneficiaries

The activity reports from the Ministry of the Family, Integration and the Greater Region for 2016<sup>15</sup> and 2017<sup>16</sup> also contain quantitative information on the services listed above.

## 2. Services for adults, alone or with children

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<sup>15</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2016-rapport-activite-famille/2016-rapport-activite-famille.pdf>

<sup>16</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2017-rapport-activite-famille/2017-rapport-activite-famille.pdf>

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

#### 1. Reception centre

A reception centre is a service to receive and accommodate, on a continuous or temporary basis, more than three adults in difficulty, accompanied where appropriate by their children. It provides users with specialised mentoring and educational, psychological and social support tailored to their individual needs.

(Article 3(1) of the Grand Ducal Regulation of 9 January 2001 concerning the authorisation to be granted to bodies managing services for adults alone or with children.<sup>17</sup>

Article 3 of the Agreement on services for adults, alone or with children).

#### 2. Emergency refuge facility

An emergency refuge facility is a service providing, on a purely temporary basis, with minimal supervision, housing for more than three adults in difficulty, accompanied where appropriate by their children.

(Article 3(2) of the Grand Ducal Regulation of 9 January 2001 concerning the authorisation to be granted to bodies managing services for adults alone or with children.

Article 3 of the Agreement on services for adults, alone or with children).

#### 3. Day centre

A day centre is a service for the daytime reception of more than three adults in difficulty. The activity of the service may include catering, general counselling and assistance with social integration and jobseeking.

(Article 3(3) of the Grand Ducal Regulation of 9 January 2001 concerning the authorisation to be granted to bodies managing services for adults alone or with children.

Article 3 of the Agreement on services for adults, alone or with children).

#### 4. Aid, advice and assistance services for adults

Aid, advice and assistance services for adults are services providing individuals and households in difficulty with aid, advice and assistance in specific employment, unemployment, housing and debt

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<sup>17</sup> Luxembourg Official Gazette A No 11, 2001 -  
<http://www.legilux.public.lu/leg/a/archives/2001/0011/index.html>

situations and/or providing multi-source or community-based social support. Besides the types of activity listed above, other forms of activity for adults in difficulty may be authorised.

(Article 3(4) of the Grand Ducal Regulation of 9 January 2001 concerning the authorisation to be granted to bodies managing services for adults alone or with children.

Article 3 of the Agreement on services for adults, alone or with children).

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The obligations of the managing body are laid down in the ASFT agreement, of which the General Conditions form an integral part. Each service covered by such an agreement must have an authorisation under the ASFT Law and its implementing regulation.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Specific agreements are established for a term of one year. They are tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

Where an agreement enters into force during the year, it is concluded for the period up to 31 December of that year and is then tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

The General Conditions governing the agreements referred to in Articles 11 and 12 of the ASFT Law were concluded for a period of 36 months, from 2017 to 2019.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

Financial contribution covering any deficit.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

Financial contribution covering any deficit.

**Typical arrangements for avoiding and repaying any overcompensation.**

The calculation parameters are set in the specific agreements and are based on the principles established by the Law and by the General Conditions.

Compensation is checked and reviewed when the annual statement of account is drawn up (see the general conditions).

It should also be mentioned that the 'Harmonisation Committee' provided for by Article 14 of the ASFT Law has the task of analysing and issuing an opinion on the annual statements of operating expenditure for the services covered by agreements.

Under the General Conditions, every managing body undertakes to repay to the Treasury any amount wrongfully received. It undertakes to refrain from claiming from any other body whatsoever an amount that is already covered by the agreement. Double invoicing of a single item of expenditure may result in termination of the agreement, notwithstanding the assignment of civil liability and the criminal prosecution of the invoicing party.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

Not applicable.

#### **Amount of aid granted**

**Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.**

**Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available)**

Compensation for investment expenditure (Article 13 of the ASFT Law)

	2016	2017
Reception centre	EUR 0	EUR 0
Emergency refuge facilities	EUR 22 323.52	EUR 10 378
Aid, advice and assistance services for adults	EUR 346 858.01	EUR 117 238.39
TOTAL	EUR 369 181.53	EUR 127 616.39

For bodies managing contracted services for individual adults alone or with children

	2016 result	Agreement(s), 2017
'Financial contribution covering any deficit'	EUR 14 842 363.91	EUR 19 517 000

**Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

The financial contribution earmarked by the State for contracted services for adults in the 2017 financial year amounts to EUR 19 517 000. This figure covers 191 staff posts, at a cost of EUR 16 521 900.

This quantitative information is available in the activity report issued by the Ministry of the Family, Integration and the Greater Region.

The activity reports from the Ministry of the Family, Integration and the Greater Region for 2016 and 2017 also contain quantitative information on the services listed above.

### 3. Services for the elderly

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

#### 1. Regional activity and guidance centre for the elderly (senior citizens' club)

A regional activity and guidance centre for the elderly (senior citizens' club) is any service intended primarily for elderly people and offering them, among other things, various catering services, assistance in everyday matters, guidance in social matters relating to the family and to physical and mental health, institutional guidance, consultation on age-related medical, psychological and social issues, training in the form of special courses for the elderly and initiatives such as the 'University of the Third Age', organised activities and leisure facilities, one of the aims being to help prevent isolation and identify deficiencies linked to the ageing process

(Article 4(6) of the Grand Ducal Regulation of 8 December 1999, as amended, concerning the authorisation to be granted to bodies managing services for the elderly

Article 3 of the Agreement on regional activity and guidance centres for the elderly (senior citizens' clubs).

## 2. Personal alarm service

A personal alarm service is any activity that consists in providing at least three people with a round-the-clock call service and, where necessary, communicating with helpers and the emergency services. (Article 4(10) of the Grand Ducal Regulation of 8 December 1999, as amended, concerning the authorisation to be granted to bodies managing services for the elderly).

## 3. Activities for senior citizens

Activities for senior citizens are the provision of training in the form of special courses for the elderly and initiatives such as the 'University of the Third Age' or of supervision, consultation, mediation, activity organisation and assistance offered by the same service for at least 20 hours a week and addressed primarily to the elderly or the terminally ill, their families or persons and services working for the benefit of these users and their families.

(Article 4(11) of the Grand Ducal Regulation of 8 December 1999, as amended, concerning the authorisation to be granted to bodies managing services for the elderly).<sup>18</sup>

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The obligations of the managing body are laid down clearly in the ASFT agreement, of which the General Conditions form an integral part. Each service covered by such an agreement must have an authorisation under the ASFT Law and its various implementing regulations.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Specific agreements are established for a term of one year. They are tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

Where an agreement enters into force during the year, it is concluded for the period up to 31 December of that year and is then tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

The General Conditions governing the agreements referred to in Articles 11 and 12 of the ASFT Law were concluded for a period of 36 months, from 2017 to 2019.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

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<sup>18</sup> Luxembourg Official Gazette A No 107, 2010

<http://www.legilux.public.lu/leg/a/archives/2010/0107/index.html>

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

Either financial contribution covering any deficit or lump-sum grant.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

**1. Regional activity and guidance centre for the elderly (senior citizens' club)**

The agreements signed are either bilateral, between the Ministry and the responsible managing body, or tripartite, in which case they are signed by the Ministry, the managing body and the relevant municipal authority or authorities, and relate to the coverage of the cost of the permanent staff of regional activity and guidance centres for the elderly (senior citizens' clubs).

The agreement sets the State contribution at a maximum of 87 % of the eligible cost of staffing posts covered by the agreement (Articles 9 and 11 of the specific agreement). The remaining 13 % is borne by the municipality or municipalities that are co-signatories to the agreement.

Besides this agreement, bilateral arrangements can exist between the managing body and the municipal authority or authorities on the coverage of any costs that might arise in connection with the recruitment of additional staff, the premises occupied by the service, the information and advertising channels used to reach the local target population, the coverage of any deficit, etc.

**2. Personal alarm service**

Financial contribution covering any deficit.

**3. Activities for senior citizens**

Either financial contribution covering any deficit or lump-sum grant.

**Typical arrangements for avoiding and repaying any overcompensation.**

The calculation parameters are set in the specific agreements and are based on the principles established by the Law and by the General Conditions.

Compensation is checked and reviewed when the annual statement of account is drawn up (see the general conditions).

It should also be mentioned that the 'Harmonisation Committee' provided for by Article 14 of the ASFT Law has the task of analysing and issuing an opinion on the annual statements of operating expenditure for the services covered by agreements.

Under the General Conditions, every managing body undertakes to repay to the Treasury any amount wrongfully received. It undertakes to refrain from claiming from any other body whatsoever



an amount that is already covered by the agreement. Double invoicing of a single item of expenditure may result in termination of the agreement, notwithstanding the assignment of civil liability and the criminal prosecution of the invoicing party.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

Not applicable.

#### **Amount of aid granted**

**Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.**

**Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available)**

Compensation for investment expenditure (Article 13 of the ASFT Act)

	2016	2017
Integrated centre for the elderly	EUR 0	EUR 3 747 753
Care homes	EUR 3 592 704	EUR 3 213 011
Centres for geriatric psychiatry	EUR 0	EUR 186 247
Regional activity and guidance centres for the elderly	EUR 26 888	EUR 18 981
Services	EUR 100 792	EUR 28 434
<b>TOTAL</b>	<b>EUR 3 720 384</b>	<b>EUR 7 194 427</b>

#### **1. Regional activity and guidance centre for the elderly (senior citizens' club)**

2016 result	Agreement(s), 2017
EUR 3 504 201.13	EUR 4 151 138

#### **2. Personal alarm service**

Financial contribution from the State    2016 result

Agreements, 2017

	EUR 773 816.55	EUR 833 090
Contribution	Financial year 2016	Financial year 2017
from the	EUR 406 090.74	EUR 430 753.64
local authorities for		
their residents		
benefiting from the service		

The contribution methods vary between municipalities.

There are four different contribution methods:

- a fixed contribution;
- a contribution based on means-testing;
- a contribution to the single provision fee;
- a contribution on a case-by-case basis.

### 3. Activities for senior citizens

2016 result	Agreement(s), 2017
EUR 3 859 781.77	EUR 4 277 972

### **Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

#### 1. Regional activity and guidance centre for the elderly (senior citizens' club)

Number of posts established under the 18 agreements concluded with the State for 2016: 57.25 and 2017: 57.2 posts

#### 2. Personal alarm service

As of 31 December 2016, the service had 5 152 active clients (75.73 % women and 24.27 % men). Of these clients, 89.5 % were aged 70 or over.

During 2016, the service received 54 638 alarm signals, of which 16 363 were from persons in genuine distress.

At 31 December 2017, the service had 5 361 active clients (75.58 % women and 24.42 % men) and 89.27 % of these people were aged 70 and over.

During 2017, the service received 54 498 alarm signals, of which 15 176 were from persons in genuine distress.

Number of posts established under the 17 agreements concluded with the State for 2016 and 2017:  
11 FTE'S

### 3. Activities for senior citizens

At the present time, six services are involved in these activities:

A managing body providing an administrative support service, which performs all kinds of work relating to accounting and pay calculations for the services managed by its member management organisations, providing a studies, documentation and communication service, engaging in large-scale information and promotion activities targeting elderly people and organising, together with the relevant ministerial department, regular meetings of all managers of the organisations operating in the field of 'active ageing'.

- A managing body working to make society more aware of illness, death and bereavement, to combat the isolation of the terminally ill and the bereaved, to encourage authentic communication between the sick and those around them, to counsel and support people who have to come to terms with an illness, to raise awareness of pain therapy, to counsel the bereaved and to help develop 'palliative thinking' in all care establishments.

- A body providing a training service for managers, carers and other staff working with the elderly and a senior citizens' academy open to anyone over the age of 50.

- A nationwide self-help association offering various services and activities to its members, either on a national scale or through its local sections.

- An organisation providing information, training and support for people affected by psychogeriatric conditions and for informal helpers, focusing on the conditions and the behaviour of those suffering from them, on family care of sufferers, a telephone helpline known as Helpline-SOS Alzheimer, peer support groups, public information and awareness-raising activities and a documentation and information centre.

- In 2015, the Ministry of the Family, Integration and the Greater Region carried out preparatory work to establish a neutral, pivotal body responsible for counselling and advising people suffering from dementia and their families. This national dementia centre, known as IZD (Info-Zenter Demenz), is a key element of the dementia action plan developed in liaison with the Ministry of Health.

The activity reports from the Ministry of the Family, Integration and the Greater Region for 2016<sup>19</sup> and 2017<sup>20</sup> also contain quantitative information on the services listed above.

### 4. Consultation, training, advice and mediation services for families

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<sup>19</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2016-rapport-activite-famille/2016-rapport-activite-famille.pdf>

<sup>20</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2017-rapport-activite-famille/2017-rapport-activite-famille.pdf>

Clear and comprehensive description of how the respective services are organized in your Member State

Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.

‘Family-welfare services’ are services that offer activities in the following areas:

1. Therapy consultation

Therapy consultation is any psychological support activity for the benefit of adults or families confronted with personal crises or interpersonal conflicts.

2. Socio-educational training

Socio-educational training is any preventive activity involving the provision of information, advice or training to adults or families for reasons of social or family welfare, upbringing or education.

3. Social and family counselling

Social and family counselling is any advisory and support activity for the benefit of adults or families confronted with social or family conflicts.

4. Social and family mediation

Social and family mediation is any activity enabling adults or families to settle current and future differences within their relationships in an amicable manner

(Article 2 of the Regulation of 10 November 2006, as amended, implementing Articles 1 and 2 of the ASFT Law as regards the authorisation to be granted to persons or entities initiating or engaging in a consultation, training, counselling, mediation, reception and organisation activity for families).<sup>21</sup>

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The obligations of the managing body are laid down clearly in the ASFT agreement, of which the General Conditions form an integral part. Each service covered by such an agreement must have an authorisation under the ASFT Law and its various implementing regulations.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Specific agreements are established for a term of one year. They are tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

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<sup>21</sup> Luxembourg Official Gazette A No 241, 2011 -  
<http://www.legilux.public.lu/leg/a/archives/2011/0241/index.html>

Where an agreement enters into force during the year, it is concluded for the period up to 31 December of that year and is then tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

The General Conditions governing the agreements referred to in Articles 11 and 12 of the ASFT Law were concluded for a period of 36 months, from 2017 to 2019.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

Financial contribution covering any deficit.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

Financial contribution covering any deficit.

**Typical arrangements for avoiding and repaying any overcompensation.**

The calculation parameters are set in the specific agreements and are based on the principles established by the Law and by the General Conditions.

Compensation is checked and reviewed when the annual statement of account is drawn up

It should also be mentioned that the 'Harmonisation Committee' provided for by Article 14 of the ASFT Law has the task of analysing and issuing an opinion on the annual statements of operating expenditure for the services covered by agreements.

Under the General Conditions, every managing body undertakes to repay to the Treasury any amount wrongfully received. It undertakes to refrain from claiming from any other body whatsoever an amount that is already covered by the agreement. Double invoicing of a single item of expenditure may result in termination of the agreement, notwithstanding the assignment of civil liability and the criminal prosecution of the invoicing party.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

Not applicable.

### Amount of aid granted

**Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.**

**Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

2016 result	Agreement(s), 2017
EUR 5 076 985.79	EUR 5 876 060.08

Compensation for investment expenditure (Article 13 of the ASFT Law)

2016	2017
EUR 63 039.88	EUR 71 925.32

The area of family-welfare services comprises nine services that are authorised and covered by agreements under the ASFT Law, operating in the fields referred to above.

In 2017, 45 566 full-time equivalent (FTE) posts were funded on the basis of twelve agreements. Staff costs amounted to 82.50 % of the costs covered by the agreements for 2017.

The activity reports from the Ministry of the Family, Integration and the Greater Region for 2016<sup>22</sup> and 2017<sup>23</sup> also contain quantitative information on the services listed above.

### Ministry of Equal Opportunities

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

#### 1. Traditional shelter facility

This is a service designed to receive and provide permanent and temporary day and night accommodation, on a placement basis, for more than three users simultaneously, accompanied by their children where appropriate; these are people who find themselves in acute distress and in urgent need of educational, psychological, social and therapeutic support that meets their individual requirements. Priority will be given to women who are victims of violence and/or women in difficult situations in relation to pregnancy or motherhood.

#### 2. Sheltered-housing service

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<sup>22</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2016-rapport-activite-famille/2016-rapport-activite-famille.pdf>

<sup>23</sup> <https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-famille-integration-grande-region/2017-rapport-activite-famille/2017-rapport-activite-famille.pdf>

The purpose of this service is to receive and provide permanent and temporary day and night accommodation, on a placement basis, for users and their children who are in social distress or whose situation has stabilised after a stay in a traditional shelter facility. Its priority aim is to provide its users with temporary housing and assistance in obtaining or resuming employment, managing their financial and legal circumstances and in achieving social integration and participation. It is designed to improve the general quality of life of its users and to improve their psychological and social skills so that they can organise their everyday lives independently.

### 3. Open housing service

This service intervenes on departure from a traditional shelter facility or from sheltered housing and is designed to provide support for users who have difficulties but are sufficiently independent to manage with only sporadic supervision.

### 4. Reception and emergency aid service

This is a service, or part of a service, designed to provide emergency day and night placements for children and young adults aged 12 to 21. As well as providing accommodation, the managing body also offers ancillary services.

### 5. In-house day nursery

The purpose of this service is to provide care for part of the day for the children of registered users of authorised services working in the interests of gender equality. It provides educational, psychological, social and therapeutic support by means of varied activities tailored to the needs of young children.

### 6. Parental centre

The purpose of this service is to receive and provide permanent and temporary day and night accommodation, on a placement basis, for women and girls who are pregnant or accompanied by their infant children and for men or couples accompanied by their infant children.

There are three different forms of care and accommodation structure for parental centres, i.e. parental centres in the strict sense of the term, maternal centres and paternal centres.

Parental centres specialise in assisting users who need to develop as parents by bonding with their children. The mentoring team oversees the welfare of the child and of its parents in their parental role but also, where appropriate and necessary, in their relationship as a couple.

Maternal centres are specific reception centres specialising exclusively in permanent and temporary day and night accommodation, on a placement basis, for pregnant women, whether or not they are accompanied by an infant, and/or young mothers raising infants with a view to enabling them to develop or (re)-establish themselves as mothers by bonding with their unborn or infant children.

The intensive multidisciplinary support offered by these centres is available 24 hours a day, and the maximum period for which it can be granted lasts until the infant's third birthday.

The paternal centre will be a specific reception facility for young fathers accompanied by infant children and is expected to operate along the same lines as a maternal centre.

### 7. Consultation centre

This is a service offering reception, consultation, information, guidance, assistance, mentoring and support for adults and minors and their families and friends.

It also seeks to provide crisis intervention, enabling users to find emergency help if they are in distress.

This type of service also engages in public efforts to promote activities for the benefit of men and boys, or women and girls, with a view to providing information and raising awareness with regard to all issues around being a man or being a woman.

To this end, it may promote specific activities and organise working groups, conferences and training for professionals. It will also offer publicly accessible documentation on being a man or being a woman.

#### 8. Integration and reintegration centre

This service offers users basic theoretical and practical instruction to prepare them to lead independent lives.

#### 9. Assistance service for victims of domestic violence

This service seeks out and assists, mentors and counsels victims of domestic violence within the meaning of the Law of 8 September 2003, as amended.

#### 10. Counselling service for perpetrators of domestic violence

This service provides counselling for those who have committed acts of domestic violence within the meaning of the Law of 8 September 2003, as amended.

#### 11. Assistance service for victims of human trafficking

This service assists victims of human trafficking within the meaning of the Law of 8 May 2009 and the Grand Ducal Regulation of 11 September 2014 on the assistance, protection and safety of victims of human trafficking.

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

The obligations of the managing body are laid down in the ASFT agreement, of which the General Conditions form an integral part (Annex 1). Each service covered by such an agreement must have an authorisation under the ASFT Law and its implementing regulation.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Specific agreements are established for a term of one year. They are tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.



Where an agreement enters into force during the year, it is concluded for the period up to 31 December of that year and is then tacitly renewed from year to year unless notice of termination is given in accordance with the formalities laid down in the General Conditions.

With the exception of 2016, the General Conditions governing the agreements referred to in Articles 11 and 12 of the ASFT Law were concluded for a period of 36 months, from 2017 to 2019.

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

Not applicable.

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

Managing bodies contracted with the Ministry of Equal Opportunities all take the legal form of a non-profit organisation (*association sans but lucratif* - a.s.b.l.) or a foundation that is also non profit-making. The Ministry of Equal Opportunities does not use any aid instruments other than agreements.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

Financial contribution covering any deficit.

**Typical arrangements for avoiding and repaying any overcompensation.**

The calculation parameters are set in the specific agreements and are based on the principles established by the Law and by the General Conditions (see Chapter 2 of the General Conditions: 'Financial management procedures').

Compensation is checked and reviewed when the annual statement of account is drawn up (see Chapter 5 of the General Conditions, 'Means of information, supervision and sanctions available to the State').

It should also be mentioned that the 'Harmonisation Committee' provided for in Article 14 of the ASFT Law has the task of analysing and issuing an opinion on the annual statements of operating expenditure for the services covered by agreements.

Under the General Conditions, every managing body undertakes to repay to the Treasury any amount wrongfully received. It undertakes to refrain from claiming from any other body whatsoever an amount that is already covered by the agreement. Double invoicing of a single item of expenditure may result in the agreement being terminated, notwithstanding the incurrance of civil liability and the criminal prosecution of the invoicing party (Article 3.6 of the General Conditions).

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate**

**whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

The total SGEI budget of the Ministry of Equal Opportunities is less than EUR 15 million.

However, the Ministry of Equal Opportunities has published a detailed budget, together with a list of managing bodies and their fields of activity, in its activity report, which can be accessed on the Ministry's website. <http://www.mega.public.lu/fr/publications/rapports-activites-ministere/annee-2016/index.html> <http://www.mega.public.lu/fr/publications/rapports-activites-ministere/annee-2017/index.html>

#### **Amount of aid granted**

**Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.**

2016 result: EUR 6 278 546 for bodies managing contracted services for women and men.

EUR 5 665 461 for bodies managing shelters for women, girls and women with children.

Agreement, 2017: EUR 6 995 715 for bodies managing contracted services for women and men.

EUR 6 611 330 for bodies managing shelters for women, girls and women with children.

#### **Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available).**

2016	2015
Agreement: EUR 11 944 007	Agreement: EUR 13 607 045

#### **Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

Quantitative information is available in the activity report from the Ministry of Equal Opportunities and in the report from the Committee of Professionals Against Domestic Violence. <http://www.mega.public.lu/fr/publications/index.php>

### **3) SGEI compensation not exceeding an annual amount EUR 15 million (Art. 2(1)(a)):**

#### **Postal services**

**Clear and comprehensive description of how the respective services are organized in your Member State**

**Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State. Please list the contents of the services entrusted as SGEI as clearly as possible.**

Two SGEI:

- Transport and distribution of the daily press throughout the territory of Luxembourg.
- Transport and postal distribution of periodicals and reduced-rate mailings throughout the territory of Luxembourg as well as the distribution of periodicals in border regions of neighbouring countries where a significant part of the Luxembourg labour force lives.

**Explanation of the (typical) forms of entrustment. If standardised templates for entrustments are used for a certain sector, please attach them.**

- Agreements on the transport and postal distribution of the daily press and of periodicals and reduced-rate mailings, concluded between *Entreprise des Postes et Télécommunications* and the State.
- Statutory orders enacted by the Cabinet.

**Average duration of the entrustment (in years) and the proportion of entrustments that are longer than 10 years (in %) per sector. Specify in which sectors SGEI were entrusted with a duration exceeding 10 years and explain how this duration is justified.**

Typical duration: 3 years

**Explanation whether (typically) exclusive or special rights are assigned to the undertakings.**

N/A

**Which aid instruments have been used (direct subsidies, guarantees, etc.)?**

Tax deduction - if the tax charge was insufficient, the remainder can be paid in the form of a direct subsidy.

**Typical compensation mechanism as regards the respective services and whether a methodology based on cost allocation or the net avoided cost methodology is used.**

The State covers SGEI expenditure in excess of revenue plus a reasonable profit margin, which it meets by means of a tax deduction. This cover is capped at EUR 15 million per annum.

**Typical arrangements for avoiding and repaying any overcompensation.**

The audited company accounts must show separately the costs and revenue pertaining to the SGEI and those relating to other postal services. The company's cost accounting is validated by the regulator.

In the event of any overcompensation, the State requires repayment. Where the amount of overcompensation does not exceed 10 % of the amount of the average annual compensation, such overcompensation may be carried forward to the next period and deducted from the amount of compensation payable in respect of that period.

**A short explanation of how the transparency requirements (see Article 7 of the 2012 SGEI Decision) for aid above EUR 15 million to undertakings which also have activities outside the scope of the SGEI are being complied with. In your answer please also include some relevant examples of information published for this purpose (e.g. links to websites or other references), indicate whether you have a central website on which you publish this information for all aid measures concerned in your Member State (if so, provide the link to this website), or alternatively explain if and how the publication takes place at the level of the body granting the aid (e.g. central, regional or local level).**

N/A

#### **Amount of aid granted**

**Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.**

2016	2017		
	2016	2017	
Daily press	EUR 10 979 402	EUR 10 122 605	€
Reduced-rate mailings and periodicals	EUR 2 634 616	EUR 2 594 347	€
Total	EUR 13 614 018	EUR 12 716 951	€

A: Total amount of aid granted and paid by national central authorities

2016	2017
Idem	Idem

B: Total amount of aid granted and paid by regional authorities

2016	2017
NA	NA

C: Total amount of aid granted and paid by local authorities

2016	2017
N/A	N/A

Share of expenditure per aid instrument (direct subsidy, guarantees etc.) (if available).

2016	2017
N/A	N/A

**Additional quantitative information (e.g. number of beneficiaries per sector, average aid amount, size of the undertakings).**

The sole beneficiary of this SGEI compensation is *Entreprise des Postes et Télécommunications*.

### 3. DESCRIPTION OF THE APPLICATION OF THE 2012 SGEI FRAMEWORK

NA

### 4. COMPLAINTS BY THIRD PARTIES

There were no complaints by third parties during the reference period.

### 5. MISCELLANEOUS QUESTIONS

Luxembourg did not encounter any special problems in implementing European rules on SGEIs.

# OVERVIEW OF BUDGET ADOPTED AND EXPENDITURE ON CONSTRUCTION OF HOUSING DEVELOPMENTS 2016 - 2017

## CURRENT EXPENDITURE SECTION: 15.0 - HOUSING

items	heading	2016 Budget adopted	2016 Expenditure	2017 Budget adopted	2017 Expenditure
15.0.31.000	Contribution to interest charges to develop sustainable housing: aid to public institutions under the supervision of the State (unlimited credit regardless of the financial year involved)	138,800.00	0.00	138,800.00	0.00
15.0.31.030	Contribution to interest charges when developing sustainable housing: aid to the <i>Société Nationale des Habitations à Bon Marché</i> (National Affordable Housing Society - unlimited credit regardless of the financial year involved)	157,600.00	0.00	157,600.00	0.00
15.0.32.001	Contribution to interest charges when developing sustainable housing: aid to church councils and religious communities that have concluded an agreement with the State (unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
15.0.32.010	Contribution to interest charges when developing sustainable housing: aid to companies incorporated under private law that have concluded an agreement with the State (unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
15.0.33.001	Contribution to interest charges to develop sustainable housing: aid to non-profit-making organisations and foundations (regardless of the financial year involved)	100.00	0.00	100.00	0.00
15.0.43.000	Contribution to interest charges to develop sustainable housing: aid to municipalities (unlimited credit regardless of the financial year involved)	10,000.00	0.00	10,000.00	0.00
15.0.43.001	Contribution to the cost of the studies carried out by the municipalities in the context of renovating housing. (Regardless of the financial year involved)	100.00	0.00	100.00	0.00
	<b>TOTAL:</b>	<b>306,800.00</b>	<b>0.00</b>	<b>306,800.00</b>	<b>0.00</b>

items	heading	2016 Budget adopted	2016 Expenditure	2017 Budget adopted	2017 Expenditure
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**CAPITAL EXPENDITURE:**

**SECTION: 45.0 - HOUSING**

items	heading	2016 Budget adopted	2016 Expenditure	2017 Budget voté	2017 Expenditure
<b>45.0.51.000</b>	Contribution to the costs borne by developers in the context of support for the preparation and carrying out of zone-based renovation. (Unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
<b>45.0.51.001</b>	Contribution to construction of affordable rental housing: State guarantee granted to private promoters ( <i>Unlimited credit regardless of financial year involved</i> )	100.00	0.00	100.00	0.00
<b>45.0.51.003</b>	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to public institutions under the supervision of the State. (Unlimited credit regardless of the financial year involved)	22,250,021.00	16,079,738.00	32,271,150.00	9,122,843.00
<b>45.0.51.006</b>	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to church councils and religious communities that have concluded an agreement with the State. (Unlimited credit regardless of the financial year involved)	624,574.00	849,000.00	2,699,000.00	4,272,129.73
<b>45.0.51.040</b>	Contribution to purchase, construction and renovation costs of accommodation for single foreign workers: aid to employers/landlords to develop sustainable housing. (Unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
<b>45.0.51.041</b>	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to the Société Nationale des Habitations à Bon Marché (National Affordable Housing Society - unlimited credit regardless of the financial year involved)	15,727,051.00	12,249,202.00	21,856,932.00	8,223,066.00
<b>45.0.51.043</b>	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to companies incorporated under private law that have concluded an agreement with the State. (Unlimited credit regardless of the financial year involved)	1,584,510.00	837,932.00	1,544,510.00	1,463,738.35
<b>45.0.52.000</b>	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to non-profit-making organisations and foundations. (Unlimited credit regardless of the financial year involved)	5,683,333.00	3,035,932.00	4,853,519.00	580,808.15

items	heading	2016 Budget adopted	2016 Expenditure	2017 Budget adopted	2017 Expenditure
45.0.53.005	Contribution to the cost of the renovations carried out by owner-occupiers in the context of zone-based renovation. (Unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
45.0.63.002	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to municipalities. (Unlimited credit regardless of the financial year involved)	32,250,711.00	18,770,181.01	29,745,758.00	16,825,613.55
45.0.63.004	Contribution to the cost of the studies carried out by the municipalities in the context of zone-based renovation. (Unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
45.0.63.005	Contribution to the cost of the renovations carried out by public infrastructure in the context of zone-based renovation. (Unlimited credit regardless of the financial year involved)	100.00	0.00	100.00	0.00
45.0.63.006	Contribution to the cost of building childcare and education infrastructure in the context of housing development projects: aid to municipalities. (Unlimited credit regardless of the financial year involved)	276,307.00	0.00	200,000.00	0.00
45.0 - 51.503	Contribution to purchase, construction and renovation costs to develop sustainable housing: aid to public institutions under the supervision of the State. (Unlimited credit regardless of the financial year involved)	1,353,000.00	1,276,285.00	0.00	0.00
45.0.81.030	Housing Fund ( <i>Fonds du logement et de l'habitat</i> ): public service compensation. (Unlimited credit)	1,000,000.00	3,186,171.00	15,678,293.00	15,603,054.00
	<b>TOTAL:</b>	<b>79,750,107.00</b>	<b>56,284,441.01</b>	<b>93,171,469.00</b>	<b>56,091,252.78</b>

items	heading	2016 Budget adopted	2016 Expenditure	2017 Budget voté	2017 Expenditure
	<b>TOTAL - Section 15.0.:</b>	306,800.00	0.00	306,800.00	0.00
	<b>TOTAL - Section 45.0.: Public service compensation - Housing Fund</b>	1,000,000.00	3,186,171.00	15,678,293.00	15,603,054.00
	<b>TOTAL - Section 45.0.: Subsidising of projects</b>	78,750,107.00	53,098,270.01	77,493,176.00	40,488,198.78
	<b>TOTAL:</b>	<b>80,056,907.00</b>	<b>56,284,441.01</b>	<b>93,478,269.00</b>	<b>56,091,252.78</b>