



Brussels, 9.6.2023
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COMMISSION IMPLEMENTING DECISION

of 9.6.2023

**on the authorisation of the disbursement of the first instalment of the non-repayable
support for Luxembourg**

(Only the French text is authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 13 July 2021² on the approval of the assessment of the recovery and resilience plan for Luxembourg amended by Council Implementation Decision of 17 January 2023³ (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Luxembourg has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 28 December 2022, Luxembourg submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the first instalment of the non-repayable support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Luxembourg⁴ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of all 26 relevant milestones and targets related to the non-repayable support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10155/21, ST 10155/21 ADD 1, as amended by ST 16022/22, not yet published.

³ ST 16022/22, not yet published.

⁴ Recovery and Resilience Facility Operational arrangements between the European Commission and Luxembourg entered into force on 22 December 2022.

the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. [The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and considered that Luxembourg has satisfactorily fulfilled all the milestones and targets associated with the payment request.]. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 2(1)(1.1) of the Annex to the Council Implementing Decision as amended provides the relevant milestones and targets that are to be satisfactorily fulfilled for the first instalment of the non-repayable support for an amount of EUR 24 858 611.
- (5) Milestone AC-1 provides for having in place and operational a repository system used for audit and control purposes in the context of the implementation of the recovery and resilience plan. Luxembourg provided, in particular, a report by the national audit body on the findings concerning the repository system for the recovery and resilience plan. The evidence provided by Luxembourg demonstrates the key functionalities of the repository system (namely that it enables the (a) collection of data and monitoring of the achievement of milestones and targets; and (b) to collect, store and ensure access to the data required by Article 22(2) points (d)(i) to (iii) of the RRF Regulation), their contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (6) Milestone AC-2 provides for the implementation of procedures to protect the financial interests of the Union. Luxembourg provided, in particular, the list of procedures for the protection of the Union's financial interests that have been implemented in accordance with the recovery and resilience plan, as well as the date of implementation of these procedures. Luxembourg has committed to take specific measures to continue to improve the risk mapping, in order to ensure continuous compliance with the milestone and its obligations under the Financing Agreement. This commitment includes: (i) further detailing the risk mapping; (ii) detailing the risk factors and methodology, including for the calculation of the risk scoring and effectiveness of existing control procedures; and (iii) linking the risks identified in the mapping to the corresponding control measures. Luxembourg has committed to improving the risk mapping in the next six months, following the adoption by the Commission of the Preliminary Assessment⁵. The Commission will monitor the timely delivery of these measures. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Milestone 1A-1 provides for the official launch of the Skillsdäsch process during the meeting of the Tripartite Coordination Committee. The Skillsdäsch is a national collaborative procedure entailing roundtable debates between stakeholders on skills, with the aim of analysing the demand for skills and identifying the most promising job profiles, in the context of a broader initiative aimed at developing a national skills strategy and promoting continued and vocational training. Luxembourg provided, in particular, a copy of a letter signed by the Government and Social partners on 21

⁵ Communication on the positive preliminary assessment of the first payment request of Luxembourg C(2023) 2978 final, adopted on 28 April 2023.

November 2022 certifying the launch of the collaborative round-table process Skillsdësch, as well as the summary of the report from the Secretariat of the Tripartite Coordination Committee of the meeting of 3 July 2020 certifying the launch of Skillsdësch and specifying its objectives. The evidence provided by Luxembourg demonstrates that the Tripartite Coordination Committee launched the collaborative roundtable Skillsdësch process, and that the content and objectives of this process are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (8) Milestone 1A-3 provides for the signing by the programme partners of the agreement on the operational phase of the FutureSkills Programme. This programme aims to provide a set of trainings in soft, digital and managerial skills to job seekers so as to facilitate their short-term re-integration and mobility on the labour market. Luxembourg provided, in particular, a copy of the agreement on the operational phase of the FutureSkills programme signed on 9 February 2021 by the programme partners, as well as a description of the FutureSkills programme dated 27 August 2020. The evidence provided by Luxembourg demonstrates that the content and objectives of the FutureSkills programme are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (9) Target 1A-4 provides for the participation of at least 150 job seekers aged more than 45 in the above-mentioned FutureSkills programme. Luxembourg provided, in particular, an anonymised list of all job seekers having participated in the FutureSkills training, specifying their age, as well as the dates of their participation in the training and the reference to the training certificate attesting their participation in the training by each job seeker, on the basis of which a sampling exercise was carried out. The evidence provided by Luxembourg for each unit in the sample demonstrates that the criteria set in the Council Implementing Decision have been met: the participant is a job seeker aged more than 45, and has attended at least one training path out of the four paths offered under the FutureSkills programme, in line with the requirements of the target. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.
- (10) Target 1A-5 provides for the participation of at least 440 job seekers in the above-mentioned FutureSkills programme. Luxembourg provided, in particular, an anonymised list of all job seekers having participated in the FutureSkills training, specifying their age, as well as the dates of their participation in the training and the reference to the training certificate attesting their participation in the FutureSkills training. Whilst the anonymised list provided by Luxembourg demonstrates that the number of job seekers that have participated in at least one training path out of the four paths offered under the FutureSkills programme is 434, thereby constituting a minimal numerical deviation from the requirement of the Council Implementing Decision, the overall objective of this target is considered met. Based on the anonymised list provided, a sampling exercise was carried out. The evidence provided by Luxembourg for each unit in the sample demonstrates that the criteria set in the Council Implementing Decision have been met: the participant is a job seeker and has attended at least one training path out of the four paths offered under the FutureSkills programme. As such, the content and objectives of the evidence provided are in line with the requirements of the target and the main goal of the investment. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.

- (11) Milestone 1B-1 provides for the organisation of the first kick-off meeting to launch the preparatory phase of the Gesondheetsdësch consultation process with the aim to address six thematic priorities related to strengthening the health system resilience. Luxembourg provided the minutes of the first kick-off meeting of the Gesondheetsdësch consultation process, dated 14 February 2020, and a presentation used in the meeting, as well as a project manual. The evidence provided by Luxembourg demonstrates that the first kick-off meeting was organised and, thus, the preparatory phase of the Gesondheetsdësch consultation process (among the ministries, health insurance managers, doctors and health professional representatives) was launched. It aims to modernise the governance of the health sector and respond to a number of pre-identified challenges in the six thematic priorities, which is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone 1B-2 provides for the publication of the work programme, developed by the six thematic working groups set up for that purpose, of the implementation of the above-mentioned Gesondheetsdësch consultation process, with the aim of establishing a structural framework to host policy discussions on the health system. Luxembourg provided, in particular, a copy of the work programme, as well as a summary of Gesondheetsdësch discussions and presentations used in an information session and a government press conference, as well as a project manual. The evidence provided by Luxembourg demonstrates that the Gesondheetsdësch implementation work programme aiming to establish a structural framework to host policy discussions on the health system was developed by the six thematic working groups set up for that purpose and published, which is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (13) Milestone 1B-7 provides for the remote-monitoring solution Maela allowing remote medical monitoring between health professionals and patients to be operational, with 3000 remote-monitoring protocols carried out between 23 March 2020 and 7 February 2021. Luxembourg provided, in particular, the contracts signed between the contractor Maela and the contracting authority (eSanté Agency), a certificate signed by the President of Maela and certified by the Minister of Health, confirming when the Maela system was operational, as well as a number of documents showing that more than 3 000 remote-monitoring protocols were carried out.. The evidence provided by Luxembourg demonstrates that the remote-monitoring solution Maela was operational between 23 March 2020 and 7 February 2021 and that 3000 remote monitoring protocols between patients and health professionals were carried out between 23 March 2020 and 7 February 2021, in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (14) Milestone 1C-1 provides for the entry into force of the Housing Pact 2.0 Law, which aims to provide support and incentives for municipalities to progress in increasing the supply of affordable and sustainable housing, in mobilising existing land and residential potential, and in improving residential quality. Luxembourg provided, in particular, a copy of the Law of 30 July 2021 (referred to as “Housing Pact 2.0”) which was published in the Official Journal No. 624 on 18 August 2021 and entered into force retroactively on 1 January 2021 (as per Article 16 of that Law). The evidence provided by Luxembourg demonstrates that this law of 30 July 2021 entered into force, and that its content and objectives are in line with the requirements of the

milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (15) Milestone 2A-1 provides for the entry into force of a Grand-Ducal Regulation defining the minimum percentages of clean vehicles (light vehicles, buses, heavy duty vehicles) among vehicles procured by public contracts to be achieved by each contracting authority and contracting entity over the period 2021-2025. Luxembourg provided a copy of the Grand-Ducal Regulation of 2 November 2021 on the promotion of clean road vehicles in support of low-emission mobility, which was published in the Official Journal No. 772 on 10 November 2021 and entered into force four days after its publication (as per Article 4 of the Law of 23 December 2016 in the Official Journal, which provides for the rules applicable to the entry into force of a legal act in case this is not specified explicitly in the said act). This Regulation defines the minimum percentages of clean vehicles to be procured between 2 August 2021 and 31 December 2025 for public contracts by each contracting authority and contracting entity. The evidence provided by Luxembourg demonstrates that the Grand-Ducal Regulation of 2 November 2021 entered into force, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (16) Milestone 2B-1 provides for the publication of the adopted catalogue of measures relating to natural environment and biodiversity policies in the context of the Naturpakt law and that is in line with the Do No Significant Harm ('DNSH') principle. The objective of the Naturpakt law is to set a national reference framework and support scheme to encourage municipalities to strengthen policies in favour of environmental protection and biodiversity. Luxembourg provided, in particular, a copy of the Grand-Ducal Regulation of 30 July 2021 that sets up the catalogue of measures and which was published in the Official Journal No. 596 of 6 August 2021. The measures listed in the catalogue include for instance the development of a general strategy to protect nature and biodiversity by the various municipalities; actions in the urban area such as development and protection of green areas or plantation of new trees; or interventions to protect the landscape such as a minimum share of agricultural areas belonging to the municipality to be managed through a system of extensive farming. The evidence provided by Luxembourg demonstrates that the catalogue of measures is in line with the DNSH principle, was published, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (17) Milestone 2B-2 provides for the entry into force of the Law establishing a Naturpakt, which allows municipalities to sign a Naturpakt contract with the State. Through this contract, municipalities commit to implement natural environment and biodiversity protection actions on their territory for the period until 2030, and they receive a certification and associated financial subsidies once they present a sufficient level of performance in light of the catalogue of measures relating to natural environment and biodiversity policies. Luxembourg provided a copy of the Law of 30 July 2021 setting out the Naturpakt scheme and modifying the Law of 31 May 1999 setting out a Fund for the protection of the environment. The Law, which was published in the Official Journal No. 595 of 6 August 2021 and entered into force retroactively on 1 January 2021 (as per Article 8 of that Law), allows municipalities to sign a Naturpakt contract with the State whereby the municipalities commit to implementing actions related to the protection of nature, fight against the decline of biodiversity, water management and adaptation against climate change until 31 December 2030. Municipalities receive

a certification called “Naturpakt Gemeng” when they have reached a score of at least 40% of the maximum score. Moreover, municipalities which have reached a score of at least 40% of the maximum score are eligible to receive financial subsidies from the State between EUR 25 000 and EUR 70 000. Furthermore, municipalities are also eligible to receive subsidies for technical assistance and for an audit they have to perform to determine their level of performance against the measures listed in the catalogue. The evidence provided by Luxembourg demonstrates that the Law of 30 July 2021 entered into force, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (18) Milestone 3A-3 provides for the entry into operation of LuxQCI Laboratory, which aims to allow for the development and operation of a quantum communication infrastructure. Luxembourg provided a report - dated 11 November 2022 and signed by both the contracting authorities and the contractors - on the development and deployment of the LuxQCI Laboratory, as well as the signed minutes from the inter-ministerial committee of 23 November 2022 which confirm the delivery and installation of the laboratory equipment.. The evidence provided by Luxembourg demonstrates that the LuxQCI Laboratory is operational and designed to gain the expertise needed to develop and operate a quantum communication infrastructure, which is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (19) Milestone 3B-1 provides for the entry into operation of a central platform, which will allow for the electronic management of documents, will enable the exchange of documents between public administrations, and will improve document management by these administrations. Luxembourg provided an acceptance report on the implementation of the electronic document management platform and signed by the contractor and contracting authority, a document, dated 22 February 2021, describing the platform’s main features, and a presentation about the platform from the closing meeting of the project on 9 June 2022. The evidence provided by Luxembourg demonstrates that the central platform for the electronic management of documents and the exchange of documents between public administrations is operational, and that it improves document management by these administrations, which is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (20) Milestone 3B-8 provides for the deployment of a mobile version of MyGuichet, available to a restricted audience. Its aim is to improve the effectiveness of exchanges between citizens and businesses with the public administration, and make it possible to perform the different administrative procedures available on the MyGuichet website – an interactive platform that allows completing administrative procedures between citizens and administrations – with a mobile phone. Luxembourg provided a certificate of the completion of works, dated 10 November 2022 and signed by the Director of the Government’s IT Centre, as well as the official PowerPoint presentation used at the press conference of 5 July 2021 to explain how the mobile version works. The evidence provided by Luxembourg demonstrates that the mobile version of MyGuichet has been deployed and is available to a restricted audience. Its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (21) Milestone 3B-9 provides for the deployment of a mobile version of MyGuichet available to the general public. Its aim is to improve the effectiveness of exchanges

between citizens and businesses with the public administration, and make it possible to perform the different administrative procedures available on the MyGuichet website – an interactive platform that allows completing administrative procedures between citizens and administrations – with a mobile phone. Luxembourg provided a certificate of the completion of works, dated 10 November 2022 and signed by the Director of the Government’s IT Centre, as well as the official PowerPoint presentation used at the press conference of 5 July 2021 to explain how the mobile version works. The evidence provided by Luxembourg demonstrates that the mobile version of MyGuichet has been deployed and is available to the general public, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (22) Milestone 3B-10 provides for the creation and adoption of the ADEM (Agence pour le développement de l’emploi) 2025 Strategy and a medium-term work programme, in order to modernise the functioning of ADEM and tackle the operational and digital challenges brought by new labour market dynamics. Luxembourg provided, in particular, a certificate dated 12 December 2022 and signed by the Minister of Labour, Employment and Social and Solidarity Economy, which certifies the adoption of the ADEM 2025 strategy, as well as a copy of the strategy (published in June 2022). The evidence provided by Luxembourg demonstrates that the ADEM 2025 Strategy and a medium-term work programme were created and adopted with the aim to mobilise the staff of ADEM to tackle the operational and digital transformation challenges, which is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Milestone 3B-13 provides for the creation of a national platform for the management and publication of public surveys and related documents. Luxembourg provided, in particular, a document dated 21 March 2023 and signed by the Director of the State Information Technology Centre, which certifies that municipalities have access to this platform (the Public Investigations Platform). Luxembourg also provided the link for the general public to submit an online contribution, and a catalogue of the services offered by the Government IT Centre (*Centre des Technologies de l’Information de l’Etat*) to all public administrations, which mentions the availability and instructions of the platform (dated June 2021). The evidence provided by Luxembourg demonstrates that the national platform has been created and is available to public administrations organising public surveys with the key functionalities, including the management and publication of public surveys and related documents and the possibility for the public to submit an online contribution; this is in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (24) Milestone 3C-1 provides for the entry into force of the Act of 10 February 2021, which amends the amended Act of 4 December 1967 concerning income tax. The Act of 10 February 2021 modernises corporate taxation by introducing, for corporate income tax purposes, the non-deductibility of interests and royalties paid to related undertakings established in jurisdictions included on the EU list of non-cooperative jurisdictions for tax purposes. Luxembourg provided a copy of the Act of 10 February 2021, which was published in the Official Journal No. 108 on 11 February 2021 and entered into force on 1 March 2021 (as per Article 2 of that Act). The evidence provided by Luxembourg demonstrates that the Act of 10 February 2021 entered into force, and that its content and objectives are in line with the requirements of the

milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (25) Milestone 3C-2 provides for the entry into force of the Act of 25 March 2020, which amends the Act of 12 November 2004 on the fight against money laundering and terrorist financing. Luxembourg provided a copy of the Act of 25 March 2020, which was published in the Official Journal No. 194 on 26 March 2020 and entered into force four days after its publication (as per Article 4 of the Law of 23 December 2016 in the Official Journal, which provides for the rules applicable to the entry into force of a legal act in case this is not specified explicitly in the said act). The Act of 25 March 2020 reinforces national provisions on the fight against money laundering and terrorist financing applicable to professionals providing services to companies and trusts, and investment services. In particular, the Act harmonises the supervision and sanctioning powers of the supervisory authorities and self-regulatory bodies in charge of the supervision of the aforementioned professionals. In addition, the Act transposes certain provisions of the fifth Anti-Money Laundering Directive.⁶ The evidence provided by Luxembourg demonstrates that the Act of 25 March 2020 entered into force, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (26) Milestone 3C-3 provides for the entry into force of the Grand-Ducal Decree of 14 August 2020, which amends the Grand-Ducal Decree of 1 February 2010. Luxembourg provided a copy of the Grand-Ducal Decree of 14 August 2020, which was published in the Official Journal No. 694 on 20 August 2020 and entered into force four days after its publication (as per Article 4 of the Law of 23 December 2016 in the Official Journal, which provides for the rules applicable to the entry into force of a legal act in case this is not specified explicitly in the said act) . The Grand-Ducal Decree of 14 August 2020 clarifies certain provisions on the fight against money laundering and terrorist financing applicable to professionals providing services to companies and trusts, in particular. The evidence provided by Luxembourg demonstrates that the Grand-Ducal Decree of 14 August 2020 entered into force, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (27) Milestone 3C-4 provides for the publication, upon the adoption by the national Money Laundering and Terrorist Financing Prevention Committee, of a vertical risk assessment in the area of terrorist financing, that is a risk assessment of the threats Luxembourg faces of being a conduit for terrorist financing. The vertical risk assessment of terrorist financing was undertaken to deepen the understanding of the jurisdictions in which terrorist financing takes place, while focusing on the sectors considered to be the most vulnerable to such financing. Luxembourg provided a copy of the vertical risk assessment, which was published on the Ministry of Justice's website on 21 June 2022. Luxembourg also provided the extracts of the meetings minutes of the national Money Laundering and Terrorist Financing Prevention Committee which confirm that the risk assessment was adopted on 17 May 2022. The

⁶ Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (Text with EEA relevance), OJ L156, 19.6.2018, p. 43.

evidence provided by Luxembourg demonstrates that the vertical risk assessment of terrorist financing was adopted and published, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (28) Milestone 3C-5 provides for the publication of a sectoral risk assessment of legal persons, with the aim of improving the identification, assessment, and understanding of money laundering and terrorist financing risks. Luxembourg provided a copy of the sectoral risk assessment, which was published on the Ministry of Justice's website on 23 February 2022. In the assessment, the risks related to professionals providing services to companies and trusts, and investment services are analysed. In addition, the sectoral risk assessment allows to develop new mitigating measures addressing the identified residual risks. The evidence provided by Luxembourg demonstrates that the sectoral risk assessment of legal persons was published, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (29) Milestone 3C-6 provides for an update of the National Risk Assessment of money laundering and terrorist financing, with the aim of improving the identification, assessment, and understanding of such risks. Luxembourg provided a copy of the updated National Risk Assessment, which was published on the Ministry of Justice's website on 15 September 2020. The evidence provided by Luxembourg demonstrates that the National Risk Assessment was updated, that the updated version was published, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (30) Milestone 3C-8 provides for the finalisation of a study on the reinforcement of the regime applicable to trust and company service providers in the context of the fight of money laundering and terrorist financing. Luxembourg provided a copy of this study, which was conducted by an external party and shared with the Ministry of Justice on 24 February 2022. The study contains a review of the current legal regime applicable to trust and company service providers. The evidence provided by Luxembourg demonstrates that the study was finalised, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (31) Following the fully positive assessment concerning Luxembourg's payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the first instalment of the non-repayable support should be authorised.
- (32) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Luxembourg received 13% of the financial contribution as pre-financing, an amount of EUR 3 231 620 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment. Additionally, in accordance with Article 13(3) of Regulation (EU) 2021/241 and Article 5 of the Financing Agreement, this payment shall be reduced to offset the excess amount of pre-financing of EUR 1 388 846.
- (33) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not

override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.

- (34) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the first instalment of the non-repayable support as laid down in Section 2(1)(1.1) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Luxembourg amended by Council Implementation Decision of 17 January 2023 for an amount of EUR 24 858 611 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Grand Duchy of Luxembourg, EUR 4 620 466 shall be utilised to clear the pre-financing of the financial contribution and offset the excess amount of pre-financing paid. EUR 20 238 145 shall be provided to Luxembourg by means of payment to the bank account indicated in the Financing Agreement.

Article 2

Addressee

This Decision is addressed to the Grand Duchy of Luxembourg.

Done at Brussels, 9.6.2023

For the Commission

Paolo GENTILONI

Member of the Commission