

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/EEC/18

3 August 1999

(99-3266)

**Committee on Subsidies
and Countervailing Measures**

Original: English

SUBSIDIES

Questions from the UNITED STATES Regarding the New and Full Notification of the EUROPEAN COMMUNITIES (GERMANY)¹

The following communication, dated 2 August 1999, has been received from the Permanent Mission of the United States.

The following are questions regarding the notification of the European Communities (Germany) made pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures, in document G/SCM/N/38/EEC/Add.6.

1. According to programme number 4, "Bavarian Regional Programmes in Support of Commerce and Industry", a total of DM 177 million in subsidy support was provided to 177 companies. Could you identify and explain the criteria that are used to determine eligibility and receipt of support under this programme?
2. Under programme number 7, "Consolidation Programme of the Land Mecklenburg-Western Pomerania on the Granting of Public Financial Aid to Small and Medium-sized Commercial and Industrial Enterprises - Special Fund to Support Companies", small and medium-sized companies (SMEs) within the meaning of the Community Framework may receive loans of up to DM 5 million. Were any other criteria used in determining loan recipients? How were SMEs defined for purposes of this programme?
3. According to programme number 12, "Regional Economic Support Programme", DM 181.2 million were provided in the form of grants towards investment projects of trade and industry and local infrastructure. How many projects received support, and what criteria govern the receipt of assistance under this programme?

¹ G/SCM/N/38/EEC/Add.6