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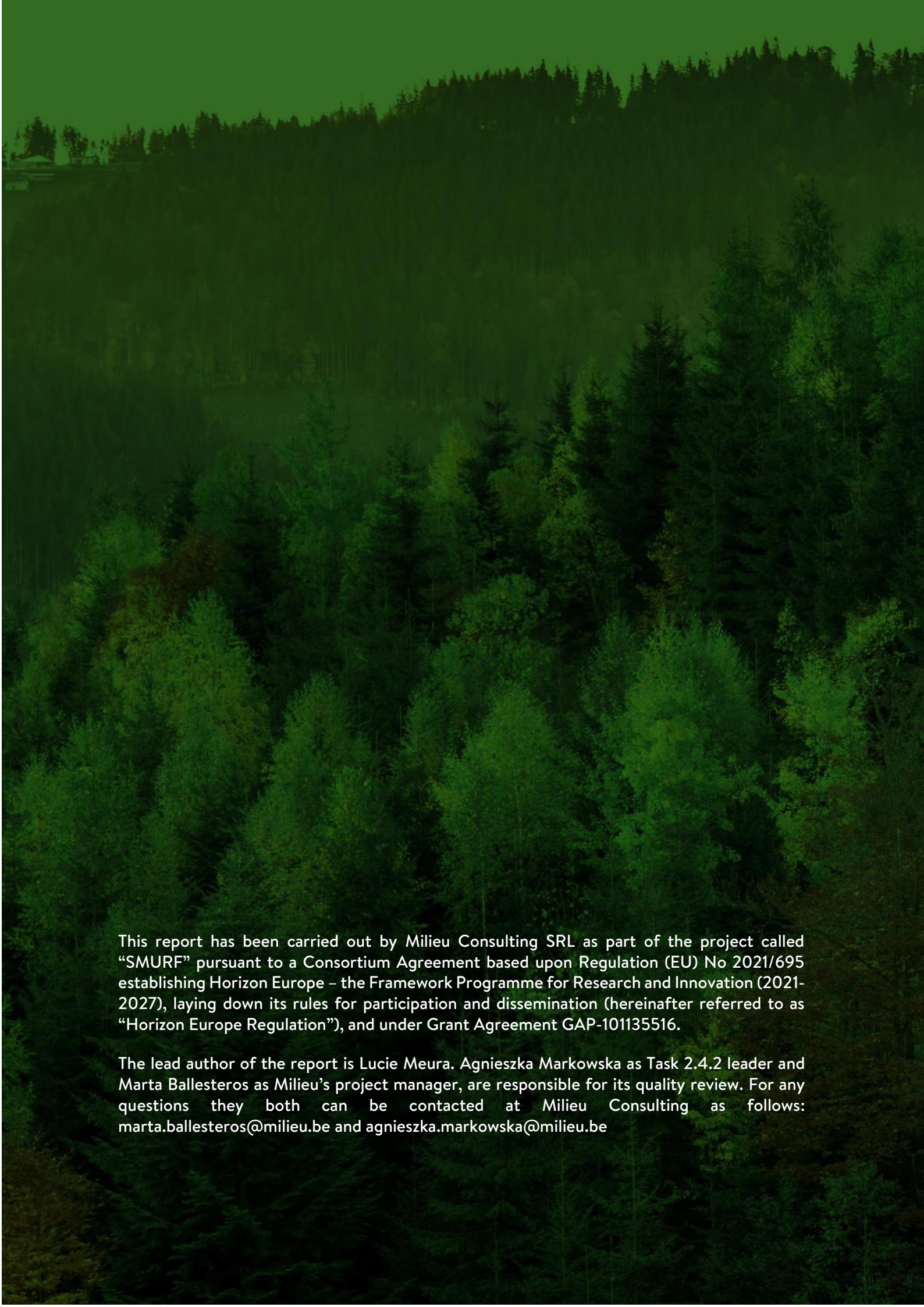
Financial incentives applicable to Small Forest Holdings and their impacts

Country Fact Sheet
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Financial incentives applicable to Small Forest Holdings

WP2, Task 2.4.2

Executive Summary

Financial Incentives Based on EU Funding. The European Regional Development Fund (ERDF) is part of Luxembourg's regional policy for 2021-2027, with a focus on promoting a low-carbon, green economy. While ERDF is allocated to environmental and biodiversity interventions, no direct support for small forest holdings (SFHs) is specified in the current projects. However, opportunities exist under the ERDF's Axis 2, which aims to support projects related to climate change and sustainable urban mobility, though these are not directly targeting forest activities.

The Common Agricultural Policy (CAP) provides support for agricultural practices with some indirect links to forestry, such as eco-schemes for reforestation, tree planting, and biodiversity conservation. However, the financial support specifically dedicated to forestry practices is limited. The CAP National Strategic Plan (2023-2027) for Luxembourg allocates €45 million to environmental and climate objectives, with a portion designated to Eco-schemes promoting sustainable agriculture practices.

Financial Incentives Based on MS (Member State) Funding. Luxembourg provides various subsidies to private forest owners for sustainable forest management and biodiversity conservation. These include subsidies for biodiversity-friendly forest practices, such as reforestation, maintaining protected zones, and ecosystem services. Notably, the Grand-Ducal Regulation of 3 March 2022 provides financial aid for forest restoration, ecosystem protection, and sustainable forest management, with a focus on biodiversity conservation, natural regeneration, and sustainable forest practices.

The "Klimabonus Bësch" is a significant incentive aimed at supporting private forest owners who manage forests based on nature-friendly principles. This subsidy focuses on enhancing the resilience of forest ecosystems and adapting to climate change. Other schemes focus on aiding the restoration of forest ecosystems and biodiversity, with financial support covering up to 90% of the costs for various reforestation and conservation activities.

Other sources of funding. In addition to state support, one of Luxembourg's main funding mechanisms for environmental action is the Fund for the Protection of the Environment, with an annual budget of approximately EUR 70 million. Established in 1999, it redistributes revenue from environmental compliance fees to support projects focused on biodiversity, protected areas, ecosystem services, and landscape conservation. Grants are available to various stakeholders, and the legislative framework is being reviewed to broaden access, including to NGOs. Finally, innovative funding sources like sustainability bonds have been explored to finance environmental initiatives, although these do not directly target small forest holdings.

1. Financial incentives based on EU funding

1.1. The European Regional Development Fund

Under the ERDF, the Ministry of the Economy, Directorate for Regional Policy, is the managing authority for 2021-2027. It oversees the implementation of the Programme 'Investing in a smarter and greener Europe' worth €19,68 million [1]. Axis 2 of the Programme for 2021-2027 has the following objective: 'A greener, resilient and low-carbon Europe moving towards a net-zero carbon economy, by promoting a clean and fair energy transition, green and blue investments, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility'. It states that Luxembourg is considering investing at least 4% of its ERDF budget towards interventions that are favourable to the environment and biodiversity. The Programme does not specify the form or objectives of any such intervention, nor does it mention tree planting or reforestation or other measures relevant for small forest holdings (SFHs).

While Axis 2 of the Programme seems suited to potentially provide some kind of financial support to SFHs, the latest overview of ERDF funded projects does not include any project targeting economic activities in the value chains of forest goods and services[2]. Consequently, at least for now, this initial mapping shows no direct support for SFHs through the ERDF.

1.2. Common Agricultural Policy (CAP)

The CAP National Strategic Plan for 2023-2027[3] for Luxembourg was initially submitted in September 2022, later amended in 2024 and is implemented by the Ministry for Agriculture, Viticulture and Rural Development[4]. Out of €224 millions of EU contribution, €45 millions are dedicated to environmental and climate objectives, including €40 millions of Eco-scheme. The annual public expenditure of the Eco-schemes is €732,600 per year. No budget is specifically allocated to afforestation. The CAP SNP includes the requirement for almost all farms to maintain a share of permanent grassland or maintain pieces of farmland that have a certain ecological importance and interventions for reforesting agricultural spaces, planting hedges and tree lines, as well as the need to compensate for deforestation with reforestation. It includes a few interventions with remote links to forestry[5]:

- Aid for the installation of non-productive strips on agricultural land[6] and aid with the installation of non-productive surfaces[7] (Eco-schemes) – note that the aid does not

[1] Luxembourg, Programme FEDER (2021-2027): lancement de l'appel à projets au titre de l'objectif "Investir dans une Europe plus intelligente et plus verte", last update 03.04.2023.
[2] Luxembourg, Liste des projets FEDER (2021-2027), 2025.
[3] Luxembourg, Strategic National Plan 2023-2027, 2024.
[4] Luxembourg, Overview - CAP Strategic Plan, 2025.
[5] Luxembourg, Strategic National Plan 2023-2027, 2024, p.138 et s.
[6] Luxembourg, Strategic National Plan 2023-2027, 2024, p.132.
[7] Luxembourg, Strategic National Plan 2023-2027, 2024, p.132.

require planting trees or maintaining forest areas. Depending on the type of non-productive (strip of) land chosen, the aid varies between €590 and €1300 per hectare[8]. The annual indicative financial allocation is €10,451,500 over 5 years, covering a planned 2,150 hectares per year ;

- Use of wood in compliance with sustainability criteria and availability; prioritising the use of waste wood, based on the principle of cascade use, in a circular economy approach[9]. The amount of the aid is not clearly specified in the CAP SNP;
- Aid with the use of synthetic pheromone diffusers in arboriculture (Eco-scheme/ Art. 31(7)(b) - Compensatory payment)[10]. Premium of €350 as a compensation for the additional work and expenses linked to this method compared to the chemical insecticide[11]. The annual indicative financial allocation is €140,000 over 5 years, covering a planned 80 hectares per year.

1.3. LIFE and Horizon Europe

Not analysed through national research.

[8] Luxembourg, Strategic National Plan 2023-2027, 2024, p.427-429.
[9] Luxembourg, Strategic National Plan 2023-2027, 2024, p.136.
[10] Luxembourg, Strategic National Plan 2023-2027, 2024, p.182 and p.373
[11] Luxembourg, Strategic National Plan 2023-2027, 2024, p.528.

2. Financial incentives based on MS funding

2.1. State aid

The European Commission Search Aid Award database[12] does not list any State aid regarding forestry in Luxembourg.

2.2. Taxes and tax exemptions, subsidies

There is **no right to tax exemptions, nor** does Luxembourg offer **incentives** to SFHs. However, forest owners have a right to financial support when they implement certain measures linked to biodiversity conservation, sustainable forest management and closer-to-nature management approaches. All measures to encourage these management practices are in the form of **subsidies**. Some subsidies are available to all forest owners, others are only available to private forest owners, and some subsidies are only available for forest located in certain designated areas[13]. More information on the specific subsidies is given below.

1. Aid for the restoration of the forest ecosystem through reforestation

Beneficiaries. Any owner of forest land.

Conditions. Those who own **more than 20 hectares of forest** must provide the government administration department with a **valid document** relating to planned forestry activities:

- which applies to all their forest holdings; and
- has been approved by the government administration department.

The applicant must verify that the **surface area to be reforested**:

- is at least 30 ares of contiguous land; or
- is made up of gaps in the forest, smaller than 30 ares, suitable for enrichment planting.

Moreover, the surface must:

- form a single, contiguous forest stand;
- be in a listed green zone. This requirement precludes lands where:
    - pesticides are used; or
    - lands on which:
        - groundworks that harm the soil structure are carried out; or
        - drainage works or fertilisation are carried out.

[12] European Commission, Competition – State Aid Transparency Public Search, https://webgate.ec.europa.eu/competition/transparency/public?lang=en

[13] Luxembourg, Staatliche Förderung im Luxemburger Wald, 2022, available here; See also https://guichet.public.lu/en/entreprises/financement-aides/secteurs-activites/sylviculture.html

The following property types are **also excluded**:

- reforestation for the production of Christmas trees or ornamental trees;
- short-rotation afforestation on agricultural land;
- sheltered reforestation if the old forest stands have an overlap greater than 70 %;
- reforestation as part of a compensatory scheme;
- reforestation ordered after conviction for offences relating to the protection of woodlands or of nature;
- transformation of hardwood stands into softwood stands.

Amount. The amount of the aid is fixed as follows:

- **EUR 100** per cluster of hardwood trees for enrichment plantations;
- **EUR 35** per cluster of softwood trees for enrichment plantations;
- **EUR 75** per are for plantations comprising a minimum of 90 % hardwood species. The amount of the aid is increased by 25 % where there has been no chipping of forest regrowth or remnants from cutting operations;
- **EUR 50** per are for plantations comprising a minimum of 60 % hardwood species. The amount of the aid is increased by 25 % where there has been no chipping of forest regrowth or remnants from cutting operations;
- **EUR 35** per are for plantations comprising a minimum of 30 % hardwood species. The amount of the aid is increased by 25 % where there has been no chipping of forest regrowth or remnants from cutting operations.

For reforestation work carried out in the wake of a windthrow event or bark beetle infestation, these amounts are doubled, and additional aid in the amount of EUR 50 per are for loss of earnings is granted. The government administration department must issue a certificate acknowledging force majeure and the damage caused. Such a certificate can also be obtained from the competent district authorities. The minister must declare the event that caused the windthrow a natural disaster.

The aid will also be increased by 25 % if the measures are taken:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures outlined in the forest management plans enacted by ministerial decree.

The aid is paid in **2 instalments**:

- the 1st, representing 75 % of the total amount, after the completion of the plantation work, on the basis of a provisional acceptance report;
- the 2nd instalment within 3 years of payment of the 1st instalment, on the basis of a final acceptance report:
    - documenting the recovery of at least 80% of the plants;
    - certifying that the new plantations will be adequately maintained.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

2. Aid for reinforcing the forest ecosystem through natural regeneration

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

The transformation of hardwood stands into softwood stands is precluded.

The natural regeneration must:

- cover at least 70 % of the surface area of the forest stand;
- comprise at least 80 % tree species that are suited to the area;
- be between 0.5 and 5 metres high;
- in the case of natural regeneration of softwood species, naturally occurring hardwood populations may not be depleted.

If there are not at least 30 % hardwood species naturally present in the forest stand, the natural regeneration must also include specimens of the main authorised hardwood species, in accordance with the criteria detailed below. Reforestation aid may be sought for a maximum of 50 % of the surface area affected by the enriched planting.

Subsequent forestry operations must be carried out in the old forest stand so the natural regeneration is not compromised.

The legislation also lays down criteria governing planting works.

Amount. The amount of aid is set at EUR 15 per are of land.

This amount is doubled in the wake of a windthrow event or bark beetle infestation. Additional aid in the amount of EUR 50 per are for loss of earnings is granted. The damage caused by the windthrow event or bark beetle infestation must be attested to in a certificate issued by the government administration department establishing force majeure circumstances. Such a certificate can be obtained from the competent district authorities. In addition, the minister must declare the circumstances a natural disaster. This doubled rate of aid and the additional aid for loss of earnings are also paid to the recipient even when they are not the owner of the forest land at the time of the felling work.

The amount of aid is **increased by 25 %** if the measure is carried out:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures outlined in the forest management plans enacted by ministerial decree.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

3. Aid for reinforcing the forest ecosystem by nurturing young forest stands

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

The stand must have the following features:

- contain a minimum of 30 % hardwood species suited to the area;
- have trunks with a prevailing height of between 8 and 12 m.

Amount: The amount of aid is set at EUR 10 per are of land.

The aid is increased by 25 % for projects carried out by a group of at least 2 owners on forest land:

- totalling at least 1 hectare; and
- located within a single area of woodland.

The amount of aid is also increased by 25 % if the measure is carried out:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures outlined in the forest management plans enacted by ministerial decree.

Legal Basis: Grand-Ducal Regulation of 3 March 2022.

4. Aid to reinforce the forest ecosystem by horse or cable logging

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

For horse logging, the minimum amount of wood removed must be 30 m3 per forest administrative zone (triage), or within a 10 km radius, unless the logging is taking place as part of initial selective clearing for which financial support has been granted. Applicants wishing to obtain the subsidy for **horse logging** must:

- develop a system of logging tracks, with tracks of no more than 4 metres wide, and at least 40 metres between the tracks;
- mark out the logging tracks within a forest stand, clearly and permanently, before work commences;
- use horses to haul the wood to the tracks, so that the lumber can be taken away and dealt with from that point on;
- leave tree crowns and cut branches where they fall, except in the case of horse logging on ground with more than a 12 % gradient;
- not drive wood-hauling tractors beyond the dedicated tracks.

For cable logging, the minimum amount of wood required in order to be eligible for aid is 50 m3 within the same forest stand, unless the logging is taking place as part of initial selective clearing for which financial support has been granted. Applicants wishing to obtain the subsidy for **cable logging** must:

- use the cable system to haul the wood to the end tower installed on a forest road or a logging track, where the lumber is taken away for subsequent processing;
- leave branches from the crown less than 7 cm in diameter on the ground around the cut site;
- not drive wood hauling tractors or other mechanised equipment on the ground around the cut site.

Amount: The amount of aid is set at:

For horse logging: **EUR 16 per m3.** The aid is increased by EUR 10 per m^3 for manual cutting. The aid is increased by 25 % for projects carried out by a group of at least 2 owners on forest land:

- covering a minimum cumulative quantity of 50 m^3; and
- located within a single area of woodland;

For cable logging: **EUR 30 per m3.** The aid is increased by 25 % for projects carried out by a group of at least 2 owners on forest land:

- covering a minimum cumulative quantity of 80 m^3; and
- located within a single area of woodland.

The aid will also be increased by 25 % if the measures are taken:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures outlined in the forest management plans enacted by ministerial decree.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

5. Aid for the development of forest roads

Beneficiaries. Any owner of forest land. Delimitation roads are not subsidised; nor is normal maintenance work.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

Those who own more than 20 hectares of forest must provide the government administration department with a valid document relating to planned forestry activities:

- which applies to all their forest holdings; and
- has been approved by the government administration.

To benefit from the aid, the applicant must confirm that the length of the planned forest roads exceeds 200 metres.

The length can be reduced to 100 metres, provided the stretch of road to be built is part of a system of forest roads at least 200 metres long.

The forest roads must be less than 4 metres wide, and have no more than a 10 % gradient.

The trails must be at least 50 metres in length.

The logging tracks must be less than 4 metres wide, and have no more than a 15 % gradient.

Amount. The aid covers up to 80 % of the total cost or of the duly accepted quote, if the quote is less than the total cost (including VAT).

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

6. Aid for reimbursement of legal costs

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest.

The aid applies to the sale or exchange of one or more plots of forest land whose surface area **does not exceed 1 hectare**.

Amount. The amount of aid for legal costs is set at EUR 500. In the case of an exchange of forest property, the amount is divided equally between the parties to the exchange.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

7. Aid to preserve forest ecosystems by installing systems to protect trees from damage by game animals

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

The following conditions must also be met:

- the installations must provide effective protection to the plantations or natural regenerations of hardwoods or softwoods, a minimum of 80 % of which must be naturally suited to the region, excluding spruce and pine. An enclosure may be erected prior to the natural regeneration, only if:
    - significant fruiting is seen;
    - the old forest stand has been prepared to accommodate the regenerated natural growth;
- enclosures within the same forest stand must be a minimum of 250 m in length. In the case of natural regeneration or reforesting in clusters, the sum of the lengths of the enclosures protecting the various clusters must be a minimum of 100 m;
- the maximum surface area that may be enclosed as one unit is 2 ha. Adjacent enclosures must be separated by a non-enclosed corridor at least 25 m wide;
- the minimum number of individual biodegradable protections is 50 units, but the cost of those units must not be more than 1.5 times the cost of installing a contiguous enclosure.

Amount. The amount of the aid is set as follows:

- EUR 10 per metre for wire fence enclosures of a height between 1.5 and 1.8 metres;
- EUR 16 per metre for wooden fence enclosures of a minimum height of 1.5 metres;
- 80 % of the total cost for the biodegradable individual protection sleeves, including the cost of the installation work and the costs of supportive stakes, the minimum amount being EUR 250;
- EUR 500 for the installation of a device to monitor big-game pressure.

The amount of such aid (excluding the aid for the installation of a device to monitor big-game pressure) may be **doubled** for works to protect trees from damage in the wake of a **windthrow event** or **bark beetle infestation**.

In this case, the maximum amount of aid is the actual cost of installation of the enclosure or biodegradable protections for individual trees. The applicant must obtain a certificate from the

government administration department attesting to the damage caused by the windthrow event or bark beetle infestation, and that the damage was due to force majeure. Such a certificate can also be obtained from the competent district authorities. In addition, the minister must declare the circumstances a natural disaster.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

8. Aid for popularisation, informational and promotional activities

Beneficiaries. The aid scheme is available to:

- groups of forest property owners;
- associations of communes whose purpose is to manage natural park land;
- associations of communes or public service institutions whose purpose is to protect the natural environment.

This aid is available for the organisation of activities to popularise, disseminate information on, and promote sustainable forest management.

Conditions. Organisations that wish to undertake a project must submit an application file beforehand. To receive this aid, the projects must:

- be aimed at promoting sustainable forest management practices which are compatible with the environmental and natural-resource protection requirements;
- contain precise information on:
    - their purpose;
    - their projected duration;
    - their cost;
    - where applicable, the forest property owners or forestry firms who may benefit from the aid;
    - the sources of funding for that portion of the costs not covered by government aid;
- cover a period of between 2 and 5 years;
- specify the name(s) of the natural or legal person(s) responsible for their practical implementation. These persons must possess the professional qualifications and experience appropriate to the nature of the projects to be conducted.

Amount. The amount of aid is set at:

- 50 % of the total expenses approved by the Minister, including VAT;
- 90 % of the total cost if the popularisation, informational or promotional activities relate to:
    - preventing the effects of disasters by improving the resilience of forests; or
    - restoring forests which have been damaged by disasters.

Once the administration has verified the authenticity and legitimacy of the expenses, the aid is paid at the end of the project, subject to an acceptance report.

Legal Basis. Grand Ducal Regulation of 12 May 2017 on sustainable management of forest ecosystems.

9. Organisation of training and professional development courses

Beneficiaries. The aid scheme is available to:

- groups of forest property owners;
- associations of communes set up to manage natural park land;
- associations of communes or public service institutions whose goal is to protect the natural environment.

The aid is granted for the organisation of training and professional development courses for managers, forestry workers, employees and others engaged in forestry-related activities.

Conditions. To be eligible for the scheme, the courses must be approved by the Minister, upon presentation of a detailed financial plan and the content of the course.

Amount. The degree of aid is set at 50 % of the total amount of the expenses approved by the Minister, including VAT.

The aid is designed to cover the following expenses:

- trainer's fees, including travel expenses;
- the cost of renting premises for the training;
- organisational expenses;
- the cost of printing documents for the training sessions;
- the cost of renting teaching materials;
- where applicable, participants' bus fares to attend the training.

Legal Basis. Grand Ducal Regulation of 12 May 2017 on sustainable management of forest ecosystems.

10. Aid to reinforce the forest ecosystem through initial selective clearing

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest.

To receive the aid, the applicant must confirm that the area to be cleared:

- is in a listed green zone. This requirement precludes surfaces where:
    - pesticides are used; or
    - lands on which:
        - groundworks that harm the soil structure are carried out; or
        - drainage works or fertilisation are carried out;
- includes at least 30 ares in a contiguous unit;
- forms a single, contiguous forest stand.

The average stem height in the forest stand in question must be between 14 and 18 metres.

Amount. The amount of aid is set at:

- EUR 15 per are for manual clearing;
- EUR 5 per are for mechanised clearing.

These amounts are increased by 25 % for work carried out by a group of at least 2 owners on forest land totalling at least 1 ha, located in the same forest.

The amount of aid is also increased by 25 % if the measure is carried out:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures defined in the forest management plans enacted by ministerial decree.

The aid for manual clearing may be combined with the aid available to preserve the forest ecosystem by horse or cable logging.

Legal Basis. Grand-Ducal Regulation of 3 March 2022.

11. Aid to preserve trees supporting a biotope system, and still-standing dead trees

Beneficiaries. Any owner of forest land. Where forest land is jointly owned by multiple natural or legal persons, the aid will be granted only once per plot.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

An application may be lodged in respect of any tree supporting a biotope or still-standing dead tree, subject to the specifications of the Grand Ducal regulation of 1 August 2018 (available under 'Legal references').

The biotope-supporting trees must meet the following criteria:

- be situated:
    - at least 30 m away from any public road or permanent piece of infrastructure; and
    - at least 5 m away from the forest edge, from a pathway, a forest trail or an embankment;

- be alive at the time when the application is approved, and have at least one of the following ecological features:
    - a hollow tree or a tree containing one or more potential animal nesting sites;
    - a tree having sustained damage to 50 % or more of its crown;
    - a tree at least 50 % of whose branches are dead, measuring 10 cm or more in diameter;
    - a tree whose trunk bears fungal spores or a fungal outgrowth;
    - a tree whose bark is partially peeled off over more than a quarter of the length of its trunk, or which has hollows in which bats could nest;
    - a tree with a particularly large diameter – over 100 cm;

- have a diameter, at chest height, greater than 60 cm for oaks and common beeches and 50 cm for other species, with the exception of the Oesling (French, Pdf, 1.43 Mb) region, where trees of any species with a diameter greater than 40 cm at chest height are eligible.

Standing dead trees must meet the following criteria:

- be situated:
    - at least 30 m away from any public road or permanent piece of infrastructure; and
    - at least 5 m away from the forest edge, from a pathway, a forest trail or an embankment;
- be dead at the time the application is approved;
- have a diameter, at chest height, greater than 40 cm;
- be in one of the phases of decomposition.

Amount. The aid consists of a single grant of:

- EUR 500 per tree for oaks;
- EUR 250 per tree for common beeches;
- EUR 200 per tree for other hardwood or softwood species.

The aid is paid in 2 instalments:

- the 1st half of the total amount of aid at the time of signing of the agreement;
- the 2nd half within 15 days of payment of the 1st, when the final acceptance report is filed.

Legal Basis. Grand-Ducal Regulation of 3 March 2022 and Grand Ducal Regulation of 1 August 2018.

12. Aid for conservation of pockets of old-growth forest

Beneficiaries. Any owner of forest land. Where forest land is jointly owned by multiple natural or legal persons, the aid will be granted only once per plot.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. To receive the aid, the applicant must confirm that the pockets of old growth in question:

- are at least 30 ares of contiguous land, and at most 2 hectares;
- include at least 30 old or dead standing trees per hectare, with a diameter of over 40 cm at average chest height;
- comprise species of tree which are suited to the local environment, so as to encourage flora and fauna species indigenous to the site;
- be at least:
    - 30 m away from any public road or permanent piece of infrastructure; and
    - 5 m away from the forest edge, from a pathway, a forest trail or an embankment.

Amount. Aid is awarded at the rate of EUR 6 per are per year.

The aid is paid in 2 instalments:

- the first half upon signing of the agreement;
- the second half within 15 years of payment of the first instalment, when the final acceptance report is filed.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

13. Aid to protect rare and threatened animal and plant species in the forest environment

Beneficiaries. Any owner of forest land. Where forest land is jointly owned by multiple natural or legal persons, the aid will be granted only once per plot.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. The property owner makes a commitment for a period of at least 5 years.

Amount. The aid is designed to cover a portion of the management costs, to the following levels:

- 70 % of the total cost of measures taken to protect, restore, manage or create habitats for endangered species;
- 90 % of the total cost of measures taken to protect, restore, manage or create habitats for species which are:
    - severely endangered; or
    - included in Appendix 6 of the amended law of 18 July 2018 on the protection of nature and natural resources (*Loi modifiée du 18 juillet 2018 concernant la protection de la nature et des ressources naturelles*);
- 100 % of the total cost of measures taken to protect, restore, manage or create habitats for species which are:
    - critically endangered; or
    - special forest micro-stands.

The aid is disbursed once the work has been completed, and a formal acceptance report is issued.

Legal Basis. Law of 18 July 2018, Grand-Ducal Regulation of 10 September 2012 and Grand-Ducal Regulation of 3 March 2022

14. Aid for freely evolving forests

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through **reforestation** regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. Additional conditions apply. the applicant must confirm that the eligible forests:

- are forests that have been listed as a protected area of national interest by Grand-Ducal regulation;
- are forests selected as part of a Natura 2000 management plan;
- are natural or semi-natural hardwood forests where:
    - at least 75 % of their surface area is populated by mature forest stands or coppices converted by natural ageing or by forestry measures. Such forest lands are characterised by a typical range of species in the following biological associations:
        - Luzulo-Fagetum beech forests – 9110;

        - Asperulo-Fagetum beech forests – 9130;
        - Medio-European limestone beech forests – 9150;
        - pedunculate oak or oak-hornbeam forests – 9160;
        - sloping, scree or ravine forests – 9180;
        - bog woodland – 91D0;
        - alluvial forest – 91E0;
        - hardwood forest stands – BK13;
        - mixed oak forests – BK23;

    - the remaining 25 % may be made up of recent clear-felling, young stands of indigenous, naturally rooted hardwoods aged 20 years at most, or stands of softwoods;

- the forest is a single contiguous wooded area, measuring at least 50 hectares, comprising one or more stands of trees and belonging to one or more owners. Exemptions from these surface requirements may be granted by the Minister for forests with rare phytosociological associations such as:

    - alluvial forests – 91E0;
    - sloping, scree or ravine forests – 9180;
    - bog woodland – 91D0;
    - pedunculate oak or oak–hornbeam forests – 9160;
    - Medio-European limestone beech forests – 9150.

The Minister must give prior authorisation for the forests in question to be included in the national network of natural and semi-natural, freely evolving forests; this authorisation is based on ecological criteria, spatial distribution and representativeness of the types of natural and semi-natural forests.

Amount. The aid is paid out in 6 instalments at five-yearly intervals. The amount of each instalment depends on:

- the dominant species in the various stands making up the forest to be allowed to freely evolve;

- the age brackets of the different forest stands making up the forest in question.

The amount of aid is calculated using the aid per hectare (French, Word, 222 Kb), multiplied by the individual surface areas of the different stands, weighted by the age brackets of the stands making up the forest, which is to be allowed to evolve freely.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

15. Aid to produce a basic management plan and forest planning document

Beneficiaries. Any owner of forest land. The aid is available only for woodland properties, whether or not they are part of a jointly managed group.

Conditions. The basic management plan must cover a minimum of 10 hectares of forest land; and the forest planning document must cover a minimum of 5 hectares.

The basic management plan must be drawn up by a Ministry-approved expert.

The basic management plan or forest planning document must be validated by the government administration department.

The measures identified in the basic management plan or forest planning document:

- must:
    - adhere to the principles of sustainable development; and
    - cause no harm to adjoining properties;
- must not contravene the objectives set in the management plans relating to protected zones defined or declared by Grand Ducal regulation.

Amount. The aid covers:

- in the case of a basic management plan, 80 % of the total cost or of the duly accepted quote, if less than the total cost (including VAT);
- in the case of a forest planning document, EUR 500.

For any aid exceeding EUR 15,000, the beneficiary can request that the aid be paid to the company which produced the basic management plan.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

16. Aid to improve the state of conservation of oak copses by coppicing

Beneficiaries. Any owner of forest land

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through **reforestation** regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. Additional conditions apply:

¨ the oak copses in question are in a designated green zone in the Oesling region (French, Pdf, 1.43 Mb);

¨ the diameter of the trunks to be cut, at average chest height, must be less than 30 cm to ensure that a satisfactory number of shoots can grow from the remaining stumps;

¨ the surface area affected by the coppicing does not exceed 50 ares. The next coppicing operation can only be carried out after at least 2 years. Coppicing of any contiguous area greater than 50 ares is not permitted unless a multi-annual cutting plan is presented for approval by the administration.

The beneficiary undertakes to:

- cut the trees manually;
- develop a system of logging tracks, with tracks a maximum of 4 metres wide, and at least 40 metres between the tracks. The logging tracks must be permanently marked within the forest stand prior to the commencement of the work;
- remove the wood by horse or cable logging to the logging tracks or forest roads;
- refrain from driving logging tractors or other heavy machinery beyond the system of logging tracks;
- preserve the ground around the cut site so as not to prevent the regrowth of shoots;
- leave the cut branches on the ground around the cut site.

Should the stumps fail to put out new shoots, the applicant must reforest the area with the main authorised hardwood species. They may apply for further aid for such work. Aid may also be sought for horse logging of the felled trees.

Amount. The amount of aid is set at EUR 20 per are for wood-cutting and clearing operations.

The aid is paid in 2 instalments:

- the first instalment is paid after completion of the cutting, on presentation of a provisional acceptance report;

- the second is paid within 3 years of the first instalment, on presentation of a final acceptance report, provided that the stumps show at least 80 % regeneration as shoots.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

17. Aid to restore and maintain structured forest edges

Beneficiaries. Any owner of forest land

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. Additional conditions apply:

● the edge to be restored or maintained extends to a depth of no more than 15 metres. The depth of the edge must be no more than one-third of the depth of the woodland in question;

- the edge:
    - is in the area of contact between the open ground and the forest; and
    - includes a layer of trees (arborescent), a layer of shrubs (arbustive), and a layer of ground plants (herbaceous);
- the distance between the trees and the arborescent layer is no greater than 10 metres.

When felling is involved, aid is granted only after the plan of the intervention zones is submitted for approval by the Nature and Forest Agency. Selective felling of individual trees or groups of trees as part of the restoration and maintenance of a forest edge must be carried out as and when required. The felling zones must be no more than 35 m long and 15 m deep.

The interval between actions taken on contiguous areas must be at least 10 years.

When introducing new saplings, preference should be given to indigenous arborescent and arbustive species found in edges in the region in question.

Amount. The amount of aid paid after the work has been carried out is fixed at:

- EUR 4 per plant, for the introduction of new plants in the forest edge;
- EUR 40 per are of the intervention zone, for selective felling as part of the restoration or maintenance of a forest edge.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

18. Aid to restore and improve the state of conservation of special forest micro-environments

Beneficiaries. Any owner of forest land

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

Amount. The aid covers a portion of the costs, at the following rates:

- 70 % of the total cost of the measures to restore or improve the favourable conservation status in the forest habitats listed in Annex I (French, Pdf, 412 Kb) of the law of 18 July 2018 on the protection of nature and natural resources;
- 90 % of the total cost of the measures to restore or improve the favourable conservation status in the forest habitats listed as a priority in Annex I (French, Pdf, 412 Kb) of the law;

- 100 % of the total cost of the measures to restore or improve the conservation status of the micro-environments listed in paragraph 1, in relation to the implementation of:
    - a management plan for a protected zone defined or declared under the terms of the law; or
    - a plan of action for a 'species' or 'habitat', developed from the national plan for the protection of nature.

The aid will be paid once the work is completed, upon the submission of an invoice, proof of payment thereof, or other supporting documents. The aid will only be granted by ministerial approval.

Legal Basis. Law of 18 July 2018 and Grand-Ducal Regulation of 3 March 2022

19. Aid to restore and improve the state of conservation of rare and remarkable phytosociological associations in the forest environment

Beneficiaries. Any owner of forest land

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area. Additional conditions apply:

- The eligible forests are at least 30 ares of contiguous land, of which over 75 % comprise one of the below types of associations mentioned:
    - Medio-European limestone beech forests – 9150;
    - pedunculate oak or oak–hornbeam forests – 9160;
    - hillside forests;
    - scree or ravine forests – 9180;
    - bog woodland – 91D0;
    - alluvial forest – 91E0;
    - stable xerothermophilous formations with Buxus sempervirens – 5110;
    - xerophilous campanula oak forests – BK14;
    - mixed oak forests – BK23.

- The lands must:
    - be among the potential sites defined in the action plans for 'alluvial forests' or for 'ravine forests'; or
    - exhibit the environmental conditions which ensure the eventual formation of one of the above-listed phytosociological associations.

Amount. The aid covers a portion of the costs, at the following rates:

- 70 % of the total cost of the measures to restore or improve the favourable conservation status in the forest habitats listed in Annex I (French, Pdf, 412 Kb) of the law of 18 July 2018 on the protection of nature and natural resources;
- 90 % of the total cost of the measures to restore or improve the favourable conservation status in the forest habitats listed as a priority in Annex I (French, Pdf, 412 Kb) of the law;
- 100 % of the total cost of the measures to restore or improve the conservation status of the associations of micro-environments listed in paragraph 1, in relation to the implementation of:
    - a management plan for a protected zone defined or declared under the terms of the law of 18 July 2018; or
    - a plan of action for a 'species' or 'habitat', developed from the national plan for the protection of nature.

The aid will be paid once the work is completed, upon the submission of an invoice, proof of payment thereof, or other supporting documents.

The aid will only be granted by ministerial approval.

Legal Basis. Law of 18 July 2018 and Grand-Ducal Regulation of 3 March 2022

20. Aid to restore riparian zones in the forest environment

Beneficiaries. Any owner of forest land

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through reforestation regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

The intended work may include the restoration of riparian zones initially comprising stands of softwood species which are non-indigenous or unsuitable to the location, using indigenous natural forest associations which are suited to the location.

For restoration work in riparian zones with indigenous natural forest associations suitable to the location, the beneficiary is required to:

- reserve a strip of land at least 5 metres wide, populated with natural hardwood trees, along the waterway in question:
    - by removing all softwood vegetation;
    - by reforesting the area through planting or natural regeneration;

- remove any softwood vegetation as and when required, and plant hardwood forests composed of indigenous species suited to the local environment (European alder, sycamore, pedunculate oak) in the area adjacent to the riparian strip and at a distance of less than 60 metres from the edge of the waterway;

- carry out forestry activities in such a way as to avoid any traffic in the riparian zone and, as far as possible, safeguard the ground in the remainder of the zone to be restored.

Amount. The aid comprises:

- a **single indemnity** for future loss of trees that have not yet reached the end of their economic usefulness, based on a scale measured in euros per hectare (French, Word, 287 Kb);

- a sum of **EUR 75 per are** for reforestation work carried out in riparian zones hosting natural indigenous forest associations suitable for the geographic location.

The aid is disbursed once the work has been completed, and a formal acceptance report is issued.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

21. Subsidy for the provision of forestry ecosystem services ('Klimabonus Bësch')

Beneficiaries. Private owners of forests in Luxembourg that are managed according to nature-based forestry principles.

Conditions. Forests must satisfy the following criteria:

- they must harbour protected forest biotopes or forest habitats of community interest, as provided for in the Grand Ducal regulation of 1 August 2018 on protected biotopes, habitats of community interest, and habitats harbouring species of community interest, whose conservation status has been assessed as 'not-favourable', and stipulating measures for their reduction, destruction and degeneration;
- they must comprise at least one undivided parcel of eligible forest of at least 0.3 hectares in size;
- they must be located in a green zone.

Are not eligible for the subsidy forests that are subject to works and specific management practises which have been imposed by the Minister with the portfolio for Environmental Affairs. This restriction applies in the context of authorisations requiring the fulfilment of certain conditions during the validity of said authorisations.

For forest stands to be considered eligible:

- at least 50% of the basal area of each hectare must be composed of indigenous deciduous trees; and
- no forestry measures must have been implemented that reduce the diversity of naturally growing indigenous trees.

In forest stands:

- natural regeneration should be preferred to planting;
- indigenous species and a mix of trees should be preferred for regeneration;
- the removal of tree biotopes in stands with fewer than 2 trees per hectare is prohibited;
- the removal of standing or fallen dead trees with a diameter of over 40 cm, from stands with less than one tree per hectare, is prohibited;
- whole tree harvesting (i.e. roots, trunk and canopy) and the shredding of slash are prohibited;
- slash with a diameter of less than 7 cm must be left on the ground;
- the operation of logging machinery outside logging trails should be avoided;
- felling techniques and machinery should be adapted so as to minimise damage to stands and soil;
- the use of biodegradable oils for machinery is mandatory, insofar as technically possible.

Measures that result in the reduction, destruction or deterioration of protected biotopes or rocky, wetland or aquatic habitats of community interest in the forest system are prohibited.

Amount. The amount of the subsidy will be established based on the total surface area of the eligible property and in light of the following:

- geo-referenced data held by the Nature and Forest Agency; and
- the information provided in your application.

The subsidy will be paid once a year.

If the property is held in co-ownership, the subsidy will be paid to the person specified in the application.
Where the total surface area of eligible property less than or equal to 50 hectares, the standard annual amount is EUR 150 per hectare. In addition to the standard amount, a supplement in the amount of EUR 100 per hectare per annum will be granted for eligible properties located in a:

- designated protected zone of community interest, also known as a Natura 2000 zone; or
- protected zone of natural interest declared as such by way of a Grand Ducal regulation; or

- protected zone harbouring water intended for human consumption.

Where the total surface area of eligible property greater than 50 hectares and less than or equal to à 100 hectares, the annual amount of the subsidy will be 50% of the standard amount and 50% of the supplement. In that case, the standard amount will be EUR 75 per hectare per annum, and the supplement EUR 50 per hectare per annum.

Where the total surface area greater than 100 hectares, the annual amount of the subsidy will be 25% of the standard amount and 25% of the supplement. In that case, the standard amount will be EUR 37.50 per hectare per annum, and the supplement EUR 25 per hectare per annum.

The subsidy may not be combined with the 'Klimabonus Mouer a Wiss' subsidy introduced by way of the Grand Ducal regulation of 6 March 2025 establishing a subsidy for the provision of ecosystem services in wetlands and sensitive, species-rich grasslands.

Legal Basis. Grand-Ducal Regulation of 16 April 2021

22. Aid to restore the forest ecosystem through initial afforestation of agricultural land

Beneficiaries. Any person:

- who owns agricultural land, including public authorities other than the Luxembourg State; and

- who wishes to receive aid to restore the forest ecosystem through initial afforestation of agricultural land.

Conditions. The initial afforestation of agricultural land is limited to hardwood species planted in efforts to:

- prevent erosion;
- protect hydrological resources;
- prevent flooding;
- create green corridors;
- promote biodiversity.

The following plantations are precluded:

- plantations on lands listed as unsuitable for forestation;
- plantations to produce Christmas trees or ornamental trees;
- plantations for the purpose of short-rotation biomass production;
- planting work done as part of a compensatory scheme;
- planting ordered after conviction for offences relating to the protection of woodlands or of nature.

A number of implementing obligations are set in the Grand Ducal Regulation of 3 March 2022.

Amount. The amount of the aid is set as follows:

- EUR 75 per are of the area to be planted with trees, for plantations comprising a minimum of 90 % hardwood species;
- EUR 75 per are to compensate for lost income as a result of the tree planting.

The aid will be increased by 25 % if the measures are taken:

- on woodlands in a listed protected zone defined by law; and
- in accordance with the measures outlined in the forest management plans enacted by ministerial decree.

Legal Basis. Grand-Ducal Regulation of 3 March 2022

23. Aid to preserve fallen, dead trees

Beneficiaries. Any owner of forest land.

Conditions. Same conditions as the ones for 1. Aid for the restoration of the forest ecosystem through **reforestation** regarding owners who own more than 20 hectares of forest and regarding the eligible surface area.

The tree habitats must meet the following criteria:

- be situated:
    - at least 30 m away from any public road or permanent piece of infrastructure; and
    - at least 5 m away from the forest edge, from a pathway, a forest trail or an embankment;

- be dead and lying on the ground at the time of granting of the aid;

- have:
    - a diameter over 40 cm at average chest height, irrespective of species; and
    - a continuous length of at least 3 metres;

- be in the first phase of decomposition at the time of granting, with:
    - bark that has partly peeled off;
    - a patch of rot that is less than one-third of the tree's diameter; and
    - wood which is partly hard and resistant to pressure.

In order to receive the aid, the applicant must make an undertaking:

- to preserve at least 4 and at most 8 dead trees on the ground, per hectare, until they are fully decomposed;
- cause no damage to the fallen dead trees when felling in the surrounding areas;
- provide the administration with details of the exact location of the trees in question.

Amount. The aid consists of a one-off payment of EUR 100 per tree.

The aid is paid in 2 instalments:

- the 1st half of the total amount of aid at the time of signing of the agreement;
- the second half within 10 years of payment of the first instalment, when the final acceptance report is filed.

Legal Basis. Grand-Ducal Regulations of 1 August 2018 and Grand-Ducal Regulation of 3 March 2022

No information could be found regarding the amount paid at the national level over the past five years.

Beside these aids, the Law of 30 July 2021 creating a Nature Pact with municipalities provides state subsidies to communes for engaging in nature and resource protection, including in forests. Subsidies are awarded based on a contract ('Nature Pact') that commits communes to implement measures aligned with national plans for nature conservation, water management, and climate adaptation. Eligible measures include increasing the age of tree harvesting in communal forests, joining forest certification systems, enhancing micro-stations in communal forests, and restoring water regimes in forested areas. While not directly relevant for SFHs, this measure is mentioned as being relevant for municipalities, which may fit in some cases the definition of small forest owner.

2.3. Funding provided by regional and local authorities

Only national authorities are competent to act on this topic.

2.4. Funding provided by foundations, business associations, educational or other institutions

One of the main and largest funding mechanism in Luxembourg for environmental actions is the **Funds for the Protection of the Environment,** with an annual operating budget of around EUR 70 millions[14].

[14] Luxembourg, Parliament, « Le fonds pour la protection de l'environnement s'ouvre aux associations", 2023; Draft law available here.

Created in 1999, the Funds redistribute income collected from environmental compliance fees and fines and provide grants and loans to selected beneficiaries[15]. As part of the support provided by the Funds for the Protection of the Environment (via the Administration Nature and Forest), the Ministry for the Environment provides financial support (grants) to projects that target [16]:

- Safeguarding biodiversity;
- Management of protected areas;
- Coherence of the network of protected areas;
- Provision of ecosystem services;
- Conservation of habitats or wild animal and plant species;
- Conservation of the character and beauty of the landscape, countryside and forests.

This type of subsidy is available to fund managers, landowners and operators, as well as municipalities, associations of municipalities and approved associations. The legislative framework regulating this fund is currently under review to open its scope to NGOs[17].

Any application must be submitted before the start of the project and request a minimum amount of EUR 250. The applicant must prepare the application in collaboration with their local district authority. The applicant must provide the following supporting documents: an extract from the cadastral plan, an extract from a topographic map with an indication of the area subject to the work, and, if necessary, a copy of the estimated costs of the work.

In 2020, 180 applications were made, and a total of EUR 510,000 was paid in grants[18]. In 2021, the administration received 202 new applications, and a total of EUR 764,064 was distributed to applicants. The majority of projects relate to reforestation and compensation for loss of income due to weather catastrophes[19].

No updated information was found regarding the years 2022-2025.

Aside from the Funds for the Protection of the Environment, no other information on funding provided by foundations, business associations, educational or other institutions was found through desk research.

[15] European Commission, Three Billion Additional Trees by 2030 – Financing Guide, Publications Office of the European Union, 2024, pp. 250-251.
[16] European Commission, Three Billion Additional Trees by 2030 – Financing Guide, Publications Office of the European Union, 2024, pp. 250-251.
[17] Luxembourg, Parliament, « Le fonds pour la protection de l'environnement s'ouvre aux associations", 2023; Draft law available here.
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[19] European Commission, Three Billion Additional Trees by 2030 – Financing Guide, Publications Office of the European Union, 2024, pp. 250-251.

2.5. Innovative funding sources

Luxembourg issued EUR 1.5 billion **sustainability bonds** in September 2020, which was reinvested in more than 65 projects[20]. In 2022, these investments amounted to EUR 366 million[21]. The full allocation of proceeds came to term at the end of the budget year 2022[22]. A small share (2%) of the expenditures for the year 2022 were spent on the protection of the environment with more than EUR 6 million[23] were dedicated to a project on the ecological renaturation of the Pétrusse Valley[24]. Note that these bonds do not seem to be directly relevant for SFHs.

The Luxembourg Stock Exchange created the **Luxembourg Green Exchange** (LGX) in 2016, which only lists green bonds and sustainable securities. It aims to provide a clear and transparent pathway that enables asset owners and asset managers to find sustainable securities and their relevant documentation free of charge. At the time of writing of this report, over EUR 1.2 trillion has been issued through the Luxembourg Green Exchange[25]. Note that these bonds do not seem to be directly relevant for SFHs.

On payment for ecosystem services (PES), the **Ecosystem Services Partnership** has a platform of members active in Luxembourg in the promotion of ecosystem assessment and valuation for policy making[26], with the following two relevant to forestry:

- The Payments for Ecosystem Services (Forests for Water) (PESFOR-W) – COST Action, which ended in 2021, consolidated the lessons from payment for ecosystems services (PES) schemes in Europe on evaluating the environmental effectiveness and cost-effectiveness of woodland measures[27].
- Led by the Luxembourg Institute of Science and Technology, the MULTIfunctional SILViculture environmental and economic Assessment tool (MULTISILVA)[28] is a research project aiming to develop a web-based decision support system designed to help forest managers assess and optimize the provision of multiple ecosystem services, while also considering economic costs and benefits. It uses a mapping tool to identify ecosystem service hotspots and a simulation tool to assess the impacts of different management scenarios on those services and costs.

These are two research projects on PES and do not have a direct relevance for SFHs at the moment.

[20] Luxembourg, Ministry of Finance, Luxembourg Sustainability Bond Report 2021, 2022.
[21] Luxembourg, Ministry of Finance, Luxembourg Sustainability Bond Report 2022, 2023, p.5.
[22] Luxembourg, Ministry of Finance, Luxembourg Sustainability Bond Report 2021, 2022, p.5.
[23] Luxembourg, Ministry of Finance, Luxembourg Sustainability Bond Report 2021, 2022, p.17.
[24] Luxembourg City, Grund: Ecological redevelopment of the Pétrusse Valley.
[25] Luxembourg Green Exchange, LGX.
[26] Ecosystem Services Partnership – Luxembourg.
[27] PESFOR-W (Payments for Ecosystem Services (Forests for Water)) – COST Action.
[28] MULTIfunctional SILViculture environmental and economic Assessment tool (MULTISILVA).

The only **crowdfunding** platform based in Luxembourg is Stokr which operates via tokens and does not currently list forest-related projects. The platform "Coeur Vert Luxembourg" offers the possibility to fund the plantation of trees across Europe and Africa.[29] Note that the City of Luxembourg has established a system whereby individuals can directly sponsor (parrainer) the planting of trees[30].

2.6. Other funding sources

No other funding sources were identified in Luxembourg.

[29] Cœur Vert Luxembourg.
[30] Luxembourg City, Parrainage de parterres d'arbres.

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