

Specifications

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1. Context

Economic context factors

Despite global economic challenges, Luxembourg remains resilient. The shift towards a data-driven economy requires the training of experts in IT and data technologies. Luxembourg is resolutely looking towards the future, with competitiveness and sustainable, digital transition as priorities.

In terms of regulations, the European Council approved the Artificial Intelligence Act (AI Act) in May 2024. This text harmonises rules for artificial intelligence (AI) systems, classified according to their risk to fundamental rights.

Political perspectives, both at the national and European levels, show a dual approach to regulating and stimulating AI. The EU is implementing regulations to govern the use of AI, while encouraging innovation. **In line with national and European priorities and objectives, particularly within the framework of the Digital Decade, Luxembourg is developing services related to the use, standardisation and exchange of data (e.g. LNDS, CNPD), supporting research in this field, and encouraging investments to strengthen both its position and that of Europe.**

This is reflected through projects such as:

- The **Luxembourg Digital Innovation Hub (L-DIH)**, which supports manufacturing companies in adopting advanced digital technologies, including AI.
- The **Luxembourg AI Factory, with the MeluXina AI supercomputer**, whose task is to provide an environment where ecosystem players can develop artificial intelligence solutions with the support of experts and advanced resources.

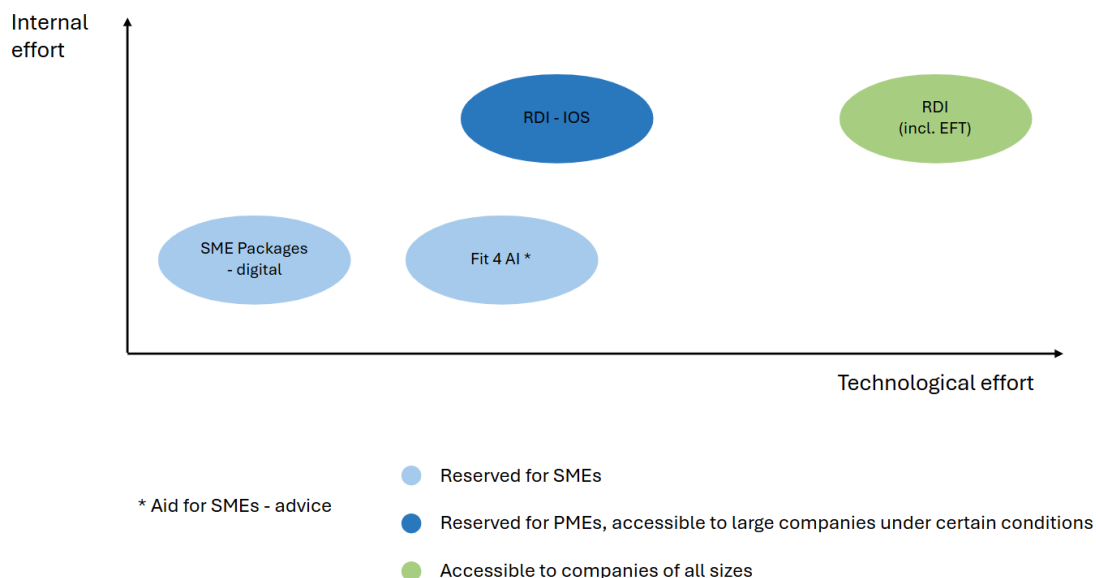
Technological context factors

Artificial intelligence (AI) is currently experiencing an unprecedented development phase marked by major advances in technology. Access to powerful computing infrastructures has made it possible to process huge amounts of data and to train sophisticated models. Progress, particularly in generative AI (GenAI) and large language models (LLM), have pushed the boundaries of AI. AI has woven itself into various economic and industrial sectors, offering innovative applications in healthcare, finance, marketing, etc., making these technologies accessible even to non-experts.

Companies can optimise their efficiency, improve their operating methods and innovate thanks to AI. It can help them to automate repetitive tasks, improve the precision of forecasts or provide in-depth analyses for informed decision-making, to name but a few examples. **Despite its widespread use, AI still requires expertise to identify use cases and turn them into practical projects, estimate the potential benefits for a business and carry out cost-benefit analyses. It is crucial to choose the right technologies and to take the legal and regulatory implications into account.**

Luxembourgish companies, particularly SMEs, are therefore facing significant challenges in their AI adoption process. These obstacles are not only of a technological nature; they also cover organisational and strategic aspects: difficulty assessing the potential return on investment; complexity in the choice of appropriate technologies; the need to ensure regulatory compliance. This transformation therefore requires multidimensional expertise that few organisations have in-house. This situation creates a paradox: **while the opportunities offered by AI have never been as accessible from a technical perspective, their actual use remains restricted by expertise and support barriers.** This observation highlights the need for a structured approach to support companies with their digital transformation, particularly for SMEs that make up the majority of Luxembourg's economic fabric.

Against this backdrop, the **Luxembourg Ministry of the Economy and Luxinnovation have developed a new programme called "Fit 4 AI"**. With a view to making it easier for Luxembourg-based companies (particularly SMEs) to adopt AI, it provides a complementary offering to the existing "Fit 4 Digital" and "SME Packages - Digital" programmes and to the financial aid for process and organisational innovation, as well as R&D.



2. Eligible companies

The programme is intended for Luxembourgish small and medium-sized companies (SMEs) which, according to their size definition, meet the criteria outlined in Annex I of Commission [Regulation \(EU\) No 651/2014](#) of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty¹, and which meet the following cumulative criteria:

- They have their registered office in Luxembourg;
- They exercise an economic activity as their main line of business, other than the activities referred to in the Grand-Ducal Regulation of 12 October 2018²;
- They were not in financial difficulty³ as of the date of the last closed financial year;
- They have a valid business permit issued by the Ministry of the Economy.

3. Concept

The programme is aimed at companies that want to **leverage their data by using artificial intelligence and/or data analytics tools to facilitate decision-making, increase productivity (process automation, etc.), develop new products or implement a new business model.**

To this end, it gives them the opportunity to have a **diagnosis carried out on their capabilities and opportunities for adopting AI solutions, complemented by a detailed and costed implementation action plan.**

These assignments will be carried out by companies selected on the basis of their expertise.

Objectives of the consulting assignments covered by the programme:

As a general rule, all eligible companies that meet the following criteria can benefit from the Fit 4 AI programme:

- i. They wish to assess the opportunities, risks, costs and benefits of AI technologies for their operations (with the aim, for example, of optimising efficiency, internal processes, production/development methods or improving products/services), OR
- ii. They wish to leverage their own data (whether already collected or not) through AI solutions, OR
- iii. They wish to market/make their own data available to third parties,
- iv. And they do not have the required specific AI expertise in-house.

¹ A medium-sized company employs less than 250 people and its annual turnover does not exceed 50 million euros, or its annual balance sheet total does not exceed 43 million euros. These figures are assessed at the level of the requesting company, as well as, if applicable, at the level of the "single economic entity" (group) to which it belongs.

² Grand-Ducal Regulation of 12 October 2018 setting out the nomenclature of expenditure and companies eligible for the aid schemes provided for by the Law of 9 August 2018 on an aid scheme for small and medium-sized enterprises, <https://legilux.public.lu/eli/etat/leg/rgd/2018/10/12/a954/jo>

³ Within the meaning of Article 3-2-f of the Law of 9 August 2018 on an aid scheme for small and medium-sized enterprises, which repeals:

1. Articles 2, 3, 4 and 6 of the amended Law of 30 June 2004 creating a general framework for aid schemes for small and medium-sized enterprises; and
2. Article 4 of the amended Law of 27 July 1993 concerning (i) economic development and diversification, (ii) improvement of the general structure and regional balance of the economy, <https://legilux.public.lu/eli/etat/leg/loi/2018/08/09/a882/jo>

Expected deliverables:

i. Deliverables

At the end of the assignment, the consultant chosen by the company must submit a detailed report featuring all of the following elements:

- An analysis of the company's current situation, including:
 - The company's strategy and needs,
 - The digital maturity of processes,
 - The availability of internal data (type, format and quality of the data, collection methods, storage/database);
- If applicable, an analysis of the state of the art in the company's business sector;
- An identification of relevant potential use cases for the company and a reasoned selection of the analysed use case(s), based on:
 - Suggestions for technological choices, including a reasoned analysis of the need and the added value of AI,
 - An analysis of regulatory and legal compliance (GDPR, AI Act),
 - A cost-benefit analysis (including expected (or possibly quantified) benefits), ROI, an estimate of the costs for operating the solution in the long term, with risk analysis;
- A roadmap for the implementation of the project, including:
 - A timeline and an action plan,
 - Quantified requirements in terms of internal personnel (recruitment or re/upskilling) and external personnel,
 - Quantified requirements in terms of equipment (including software, storage).

ii. After Fit 4 AI

The company will implement all or part of the action plan at its own discretion. The recommendations outlined in this plan may be eligible for various aid schemes previously identified by the consultant and reviewed by Luxinnovation. Luxinnovation will also be able to suggest any relevant connections, particularly within the Luxembourg ecosystem (e.g. research, start-ups working in AI, etc.).

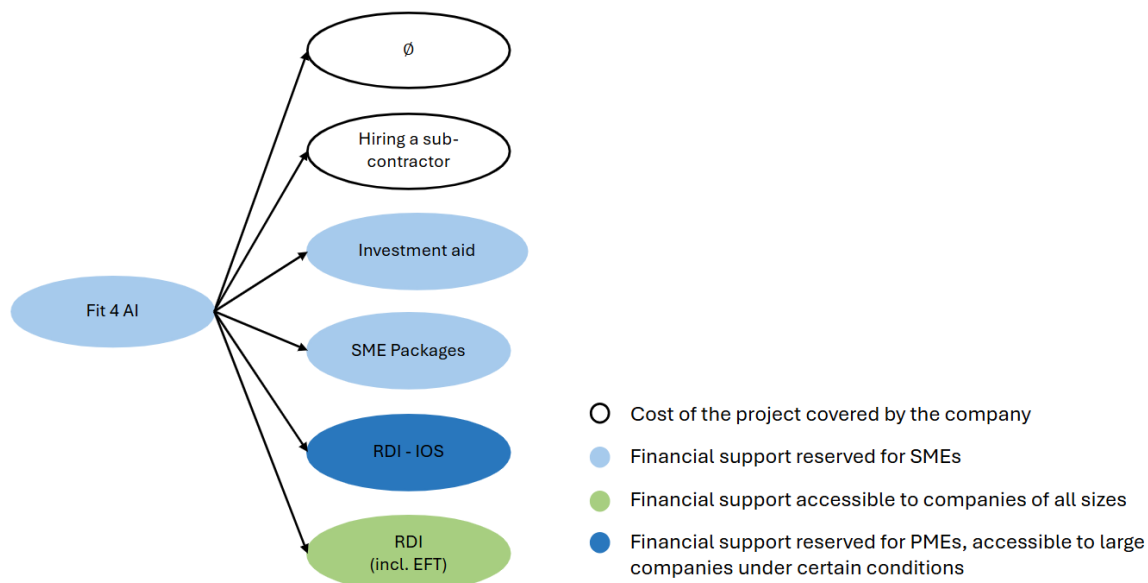


Figure 2: illustration of the potential outcomes of a Fit 4 AI assignment

After the programme, the company could also be directed, if necessary:

- towards training courses offered by the House of Training and the Digital Learning Hub,
- towards the House of Entrepreneurship or the Chamber of Trades to benefit from programmes such as SME Packages, where applicable,
- towards the Luxembourg AI Factory for training, support or making contacts.

4. Eligible expenses

As at 1/2/2025	SMALL ENTERPRISES	MEDIUM-SIZED ENTERPRISES
AID RATE	50%	50%
ELIGIBLE EXPENSES BASIS	€10,000 < fees < €50,000	€10,000 < fees < €100,000

Type and amount of the eligible expenses

Eligible expenses correspond to the fees and related expenses (e.g. travel costs) of the chosen consultant, based on a quote previously prepared for the company:

- For small enterprises: the amount of the quote must be between €10,000 and €50,000 excl. VAT.

- For medium-sized enterprises: the amount of the quote must be between €10,000 and €100,000 excl. VAT.

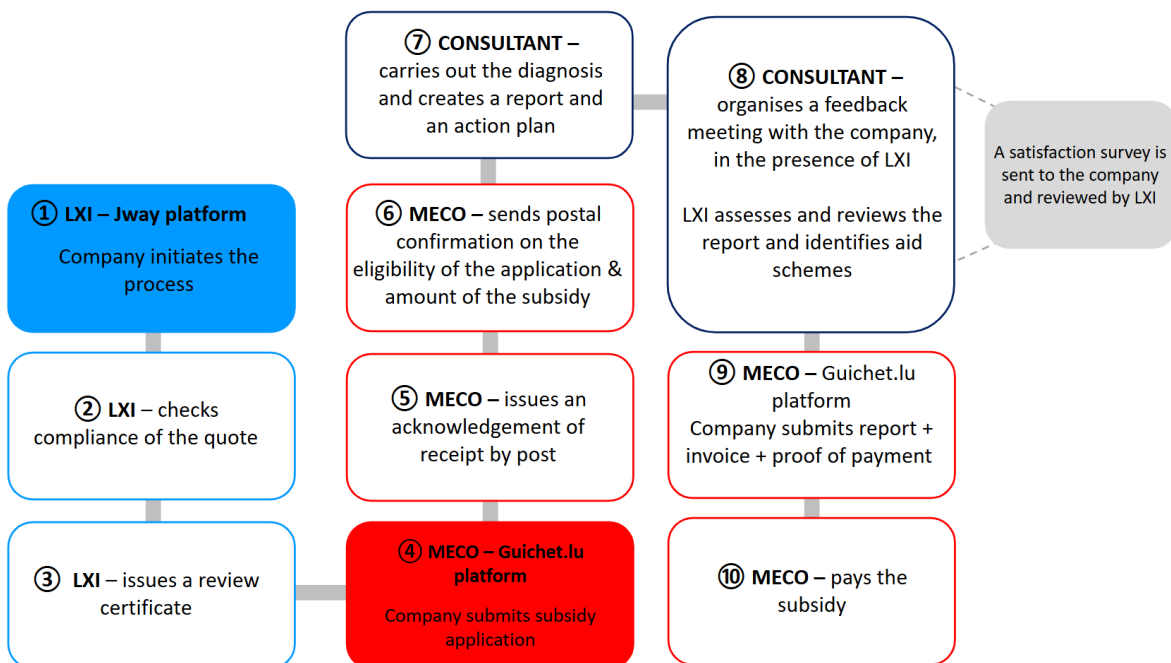
The total duration of the assignment is limited to 6 months; in the event of an extension, a request must be submitted to this effect to the instructor in charge of the file at the Ministry of the Economy.

Type of aid

This programme will be covered by state aid, provided in the form of a capital subsidy.

5. Procedure

To apply for the subsidy provided for under these specifications, the procedure is as follows:



- ① The company submits the unsigned quote on Luxinnovation's (Jway) platform, together with the documents needed to verify its eligibility ((balance sheet, etc.).
- ② Luxinnovation checks the amount of the eligible expenses and compliance of the services with the description of the tasks and deliverables outlined above, then
- ③ issues a certificate accordingly.

④ The company submits its subsidy application form on the MyGuichet platform, together with the requested documents (financial results, etc.), the unsigned quote and the certificate issued by Luxinnovation.

NB: the project start date must be later than the submission date on the MyGuichet platform.

⑤ The Ministry of the Economy confirms receipt of the application and starts to review it.

⑥ The Ministry confirms or rejects the eligibility of the application, specifying the amount of the subsidy granted, where applicable.

⑦ The consultant chosen by the company carries out the diagnostic work with the company, based on the requirements of these specifications. The result is presented in the form of a diagnostic report and a structured, costed action plan, which will serve as a basis for the possible implementation of the recommendations put forward.

⑧ The consultant organises a feedback meeting with the company and Luxinnovation. The company submits the final report to Luxinnovation in order to identify any available aid schemes that could help co-finance the various recommendations outlined in the action plan. Luxinnovation ensures the relevance of the work carried out by the consultant and assesses the company's satisfaction by means of a satisfaction survey sent to the latter.

⑨ To receive the subsidy payment, the company submits a payment request on the MyGuichet platform, attaching the final report, the corresponding invoice and proof of payment.

⑩ The Ministry of the Economy pays the subsidy to the company.

6. Implementation

The assignments described above are carried out by **service providers** approved by Luxinnovation, which have demonstrated that they employ **experts with the required skills and qualifications**, under the following conditions:

Skills and qualifications

Legal entities duly registered with the Luxembourg Trade and Companies Register (RCS) may submit their application. The same applies to legal entities duly registered in another European Union country, provided they meet the skills requirements listed below and they submit a quote addressed to a Luxembourgish company.

Service providers must demonstrate that they employ experts with the following skills:

General skills and experience

- Proficiency in business audit methodology (preferably meeting the requirements of EN/ISO 17021-2: 2018: SME audit);
- Proficiency in one or more project management methods (Agile methods: Scrum, Kanban, Lean agile etc., or classic methods: Waterfall, Prince2®, etc.);
- Each expert is expected to have at least 3 years' experience in carrying out identical assignments;

- Independence from software publishers.

Special skills

- **Digitalisation of operations:** understanding business needs by identifying the necessary functionalities to meet commercial objectives, analysing business processes, analysing the technologies used, and having a solid grasp of the various technologies available for digitalising operations. Familiarity with industry standards and best practices in digitalisation, as well as applicable regulations (such as GDPR for data protection), is also required;
- **Data analytics & AI:** knowledge of the latest advancements and technologies in AI and data intelligence, awareness of both national and international AI ecosystems, and familiarity with applicable standards and legal frameworks for AI usage (such as GDPR and the AI Act), as well as upcoming regulatory perspectives, experience in implementing AI-based projects or using AI solutions.

Application file

Interested companies should submit an application file to Luxinnovation containing the following elements:

- Information sheet,
- Logo (png, jpeg),
- Company presentation (template attached),
- CVs of the experts involved,
- Various supporting documents (ISO certification, training certificates, proof of professional insurance, etc.),
- Balance sheets and income statements for the last 3 financial years,
- References of identical projects (template attached),
- Sworn statement (template attached).

Procedure

An initial call for applications will be posted online on Luxinnovation's website.

Application files should be submitted on Luxinnovation's designated platform (Jway). Afterwards, it will be possible to submit an application at any time, provided that the applicant can **justify being called upon by a company, i.e. they must attach the quote addressed to a company in addition to the application file.**

The approval may be granted based solely on the application file or after an additional interview.

Approval duration

Luxinnovation will grant the approval until 31 December of the current year, when it will automatically expire.

It will be renewed for a new calendar year based on the work completed during the year, taking into account:

- Compliance with the obligations set out in these specifications;
- Feedback provided by companies;
- Luxinnovation's evaluation of the quality of the assignments carried out over the past year.

Luxinnovation also reserves the right to revoke the approval prior to its expiry pursuant to the conditions set out below. The service provider may also relinquish its approval at any time: in this case, all ongoing projects must be completed first.

Deletion

Failure to comply with any of the obligations set forth in these specifications, or any violation which is detrimental to the company, Luxinnovation or the Ministry of the Economy, is liable to result in the deletion of the service provider's approval.

Luxinnovation will notify the service provider by e-mail of the non-compliance in question and invited to provide whatever explanation it deems useful within seven days. Luxinnovation will then e-mail the service provider again to let it know its decision in light of the explanations provided.

Any exclusion will result in an immediate ban on making use of the approval.

Any projects in progress must be completed within the established schedule and in accordance with the signed quote (unless the company wishes to terminate its relationship with the consultant immediately. In this case, the termination conditions shall be governed by general contract law).

Service provider's obligations

Reminder: the relationship between the service provider and the company are governed by the special terms and conditions set out in the quote, the general terms and conditions of sale, and general contract law.

The Ministry of the Economy and Luxinnovation cannot be held liable in the event of failure to perform or improper performance of the services provided, or for any other reason whatsoever.

Furthermore, in addition to complying with the provisions of these specifications, which will be sent to it for signature, the service provider undertakes to:

- Invoice a maximum daily rate of €1,300 excl. taxes;
- Carry out at least two assignments during the year;
- Carry out its assignment within 6 months (following the Ministry of the Economy's acknowledgement of receipt of the subsidy application), any delay must be justified;
- Provide the company in advance with a detailed quote that includes at least the following information:

- The organisational and operational scope of the assignment,
 - The deadlines: kick-off, intermediate stages, closing meeting,
 - The composition of the project team,
 - Details of the deliverables,
 - The duration of the assignment (number of days),
 - The daily rate (excl. taxes).
- Notify Luxinnovation at least eight (8) days in advance of the scheduled date for the presentation of conclusions. Luxinnovation reserves the right to attend the report presentation;
- Draft the final report in a language that is understandable to a non-expert.

Ethics

Service providers seek to promote the “Fit 4 AI” programme by following the basic rules of good conduct, particularly by refraining from aggressive canvassing, and by providing information about the programme in a clear and transparent manner.

They must also ensure that the “Fit 4 AI” programme meets the company’s requirements.

Service providers must respect the confidentiality of any information communicated to them as part of their assignment.

They undertake to report any potential conflicts of interest, whether capitalistic (equity participation in the capital of a company that wishes to benefit from the programme) or relating to the exercise of functions (the consultant belongs to the managing bodies of this company), directly or through the intermediary of a legal entity.

Conflicts of interest do not necessarily prohibit the service provider from being commissioned within the scope of “Fit 4 AI” to work with the company with which there is a conflict of interest. However, Luxinnovation reserves the right to exclude the service provider on a case-by-case basis.

Company’s obligations

To ensure proper execution of the programme, the company undertakes to:

- Provide the service provider with the necessary material and human resources for the performance of its assignment,
- Complete the programme and consultant satisfaction survey provided by Luxinnovation when the work is delivered.

The company is also recommended, with Luxinnovation’s assistance, to conduct a digital maturity analysis across various dimensions, including AI, before starting the “Fit 4 AI” assignment.

Access to information

The company undertakes to send the diagnostic report and action plan to Luxinnovation.

The information contained in these documents will be analysed to identify any relevant connections, support and funding for their implementation.

The Ministry of the Economy and Luxinnovation reserve the right to modify or delete the programme conditions at any time and without notice.

Assignment of skills

This programme is governed by Luxembourg law.

In the event of a dispute regarding its existence, interpretation or execution, the Luxembourg courts shall have exclusive jurisdiction.