

Sheinberg, Samuel I.

From: HSRHelp
Sent: Tuesday, March 25, 2025 3:54 PM
To: HSR Auto Forward List
Subject: FW: Subsidies Question

From: Whitehead, Nora
Sent: Tuesday, March 25, 2025 3:54:13 PM (UTC-05:00) Eastern Time (US & Canada)
To: [REDACTED]
Cc: HSRHelp
Subject: RE: Subsidies Question

Filers are required to report subsidies (or the commitment to provide a subsidy in the future) from any foreign entity or government of concern (which includes foreign terrorist organizations, those on the SDN list (i.e., specially designated nationals and blocked persons), and those convicted under various other acts (Espionage Act, Arms Export Control, etc.)). The Q&A posted was meant to provide additional guidance on subsidies provided by government entities, not to limit the required response to such public entities.

From: [REDACTED]
Sent: Monday, March 24, 2025 8:41:17 PM (UTC-05:00) Eastern Time (US & Canada)
To: HSRHelp
Subject: Subsidies Question

Hi PNO,

I have a question about your 3/20/25 post on subsidies, which says:

Question

The amended HSR Rules provide that the term “subsidy” “has the meaning given to the term in part IV of title VII of the Tariff Act of 1930 (19 USC 1677(5)(B)),” which defines “subsidy” as: the case in which an authority (“a government of a country or any public entity within the territory of the country”) —

(i) provides a financial contribution, (ii) provides any form of income or price support within the meaning of Article XVI of the GATT 1994, or (iii) makes a payment to a funding mechanism to provide a financial contribution or entrusts or directs a private entity to make a financial contribution, if providing the contribution would normally be vested in the government and the practice does not differ in substance from practices normally followed by governments to a person and a benefit is thereby conferred.

For the purposes of Rule §801.1(r)(1), then, can a “subsidy” only exist where it is provided by “a government of a country or any public entity within the territory of the country”?

Answer

For the purposes of Rule §801.1(r)(1), a “subsidy” can exist where it is provided by “a government of a country or any public entity within the territory of the country” or where an authority “makes a payment to a funding mechanism to provide a financial contribution, or entrusts or directs a

