



Subsidy Control Act 2022

CHAPTER 23

SUBSIDY CONTROL ACT 2022

PART 1

OVERVIEW AND KEY INTERPRETATION

Overview etc

1 Overview and application of Act

“Subsidy”

2 “Subsidy”

3 Financial assistance which confers an economic advantage

4 Financial assistance which is specific

5 Section 2: modification for air carriers

“Public authority”

6 “Public authority”

“Enterprise”

7 “Enterprise”

8 Persons under common control

Other key terms

9 The subsidy control principles and the energy and environment principles

10 Subsidy schemes and streamlined subsidy schemes

11 Subsidies and schemes of interest or particular interest

Status: Point in time view as at 04/01/2023.

Changes to legislation: Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART 2

SUBSIDY CONTROL REQUIREMENTS

CHAPTER 1

PRINCIPLES

- 12 Application of the subsidy control principles
- 13 Application of the energy and environment principles

CHAPTER 2

PROHIBITIONS AND OTHER REQUIREMENTS

Introductory

- 14 Introductory

General prohibitions

- 15 Unlimited guarantees
- 16 Export performance
- 17 Use of domestic goods or services
- 18 Relocation of activities

Ailing or insolvent enterprises

- 19 Rescuing
- 20 Restructuring
- 21 Restructuring deposit takers or insurance companies
- 22 Liquidating deposit takers or insurance companies
- 23 Liquidity provision for deposit takers or insurance companies
- 24 Meaning of “ailing or insolvent”
- 25 Meaning of “deposit taker”
- 26 Meaning of “insurance company”

Other specific prohibitions and requirements

- 27 Subsidies for insurers that provide export credit insurance
- 28 Subsidies for air carriers for the operation of routes
- 29 Services of public economic interest

Subsidy schemes

- 30 Effect of prohibitions etc in relation to subsidy schemes

Subsidies or schemes subject to mandatory referral

- 31 Subsidies or schemes subject to mandatory referral

CHAPTER 3

TRANSPARENCY

- 32 Subsidy database

Status: Point in time view as at 04/01/2023.

Changes to legislation: Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 33 Duty to include information in the subsidy database
- 34 Information to be included in the subsidy database

PART 3

EXEMPTIONS

CHAPTER 1

INTRODUCTORY

- 35 Introductory

CHAPTER 2

MINIMAL OR SPEI FINANCIAL ASSISTANCE

Minimal financial assistance

- 36 Minimal financial assistance
- 37 Section 36: procedural requirements

Services of public economic interest assistance

- 38 Services of public economic interest assistance
- 39 Section 38: procedural requirements

General

- 40 Mergers and acquisitions
- 41 Exemption for certain subsidies given to SPEI enterprises
- 42 Chapter 2: supplementary and interpretative provision

CHAPTER 3

EMERGENCIES ETC.

- 43 Natural disasters and other exceptional circumstances
- 44 National or global economic emergencies

CHAPTER 4

OTHER MISCELLANEOUS EXEMPTIONS

- 45 National security
- 46 Bank of England monetary policy
- 47 Financial stability
- 48 Legacy and withdrawal agreement subsidies
- 49 Tax measures
- 50 Large cross-border or international cooperation projects
- 51 Nuclear energy

Status: Point in time view as at 04/01/2023.

Changes to legislation: Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART 4

CMA: REFERRALS AND FUNCTIONS

CHAPTER 1

FUNCTIONS ON REFERRALS OF SUBSIDIES AND SCHEMES

Mandatory referrals

- 52 Mandatory referral to CMA
- 53 CMA reporting period for mandatory referral
- 54 Cooling off period following mandatory referral
- 55 Call-in direction

Voluntary referrals

- 56 Voluntary referral to CMA
- 57 CMA reporting period for voluntary referral
- 58 Call-in direction following voluntary referral

Mandatory and voluntary referrals: contents of CMA report

- 59 CMA report following mandatory or voluntary referral

Post-award referrals

- 60 Post-award referrals
- 61 CMA reporting period for post-award referrals
- 62 CMA report following post-award referral

Exemptions

- 63 Referrals in relation to subsidy schemes
- 64 Other exemptions

CHAPTER 2

GENERAL FUNCTIONS

- 65 Monitoring and reporting on subsidy control
- 66 CMA annual report
- 67 Information-gathering powers

CHAPTER 3

SUBSIDY ADVICE UNIT

- 68 Subsidy Advice Unit
- 69 References to subsidy control groups

PART 5

ENFORCEMENT

Status: Point in time view as at 04/01/2023.

Changes to legislation: Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Appeals to the Competition Appeal Tribunal

- 70 Review of subsidy decisions
- 71 Time limits for applications under section 70
- 72 CAT powers on review: England and Wales and Northern Ireland
- 73 CAT powers on review: Scotland
- 74 Recovery orders
- 75 Appeals against decisions of the CAT

Pre-action information

- 76 Duty to provide pre-action information

Misuse

- 77 Misuse of subsidies

PART 6

MISCELLANEOUS AND GENERAL

CHAPTER 1

MISCELLANEOUS

- 78 Subsidies and schemes in primary legislation
- 79 Guidance
- 80 Disclosure of information
- 81 Modifications to subsidies and schemes
- 82 Gross cash and gross cash equivalent amount of financial assistance
- 83 Minor amendment to the Financial Services Act 2021

CHAPTER 2

GENERAL

- 84 Financial provision
- 85 Crown application
- 86 Power to make consequential provision
- 87 Regulations
- 88 Directions
- 89 Interpretation
- 90 Extent
- 91 Commencement
- 92 Short title

SCHEDULES

SCHEDULE 1 — The subsidy control principles

- A Common interest
- B Proportionate and necessary
- C Design to change economic behaviour of beneficiary
- D Costs that would be funded anyway
- E Least distortive means of achieving policy objective

Status: Point in time view as at 04/01/2023.

Changes to legislation: Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- F Competition and investment within the United Kingdom
- G Beneficial effects to outweigh negative effects

SCHEDULE 2 — The energy and environment principles

- A Aim of subsidies in relation to energy and environment
- B Subsidies not to relieve beneficiary from liabilities as a polluter
- C Subsidies for electricity generation adequacy, renewable energy or cogeneration
- D Subsidies for electricity generation adequacy may be limited to installations...
- E Subsidies for renewable energy or cogeneration shall not affect beneficiaries'...
- F Subsidies in the form of partial exemptions from energy-related taxes and levies
- G Subsidies in the form of compensation for increases in electricity costs
- H Subsidies for the decarbonisation of emissions linked to industrial activities
- I Subsidies for improvements of the energy efficiency of industrial activities

SCHEDULE 3 — Subsidies provided by primary legislation

- 1 Introductory
- 2 (1) In this Schedule— “appropriate authority” means— in relation to...
- 3 (1) The definition of “subsidy” in section 2 applies for...
- 4 In this Schedule references to a subsidy provided by means...
- 5 In this Schedule— (a) references to a subsidy provided by...
- 6 Application of principles
- 7 Prohibitions etc and exemptions
- 8 Transparency
- 9 CMA referrals
- 10 Recovery orders
- 11 Pre-action information
- 12 Time limits

Status:

Point in time view as at 04/01/2023.

Changes to legislation:

Subsidy Control Act 2022 is up to date with all changes known to be in force on or before 15 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.