

The Government confirms 18 month EU delay on state aid requests and “astonishing list” of outstanding applications

News Release

THE PRESS OFFICE OF The Lord Stoddart of Swindon (Independent Labour)

In reply to the third in a series of written questions on state aid from the independent Labour peer, Lord Stoddart of Swindon (24.02.14), the Government has confirmed that there are 25 outstanding applications for European Commission approval of state aid. It has also confirmed a delay of up to 18 months in order to receive clearance from Brussels and provided a full list of the outstanding applications (see below).

Lord Stoddart, commenting on the Government's response said: “This astonishing list confirms that our democratically elected Government has to go cap in hand to unelected EU bureaucrats in Brussels for permission to give state aid grants for everything from supporting the building of a nuclear power plant at Hinckley Point to film and video games tax relief and even a Welsh red meat advertising scheme!

“We no longer have a Government in this country. It has become little more than a fawning subsidiary of the European Commission.”

Ends

The full text of Lord Stoddart's question and the Government's answer is as follows:

**Hansard 24.02.14 – State Aid
Question**

Asked by Lord Stoddart of Swindon

To ask Her Majesty's Government, further to the Written Answer by Viscount Younger of Leckie on 23 January concerning

European Union powers relating to state aid to United Kingdom undertakings (WA 166), what are the 26 cases before the European Commission; and what is the timescale for discussion of those cases.[HL5231]

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Viscount Younger of Leckie)

(Con): Since the previous Written Answer, 4 of the 26 cases have received approval from the European Commission. These are:

– All-Island Collaborative R&D Scheme (Innova) – prolongation-Enterprise Capital Funds

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– Scottish R&D&I Scheme- Support for land remediation – prolongation

One further case has been put on hold by the UK, and 4 new cases have been notified. The 25 cases currently before the Commission are therefore as follows:

1. Agricultural and Horticultural Levy Board Market Research Scheme
2. Agricultural and Horticultural Levy Board Technical Support Scheme
3. Aid for indirect carbon price floor costs
4. Amendment to SA.35565 – Renewables Obligation (RO) scheme
5. Electricity Market Reform: Capacity Market
6. Electricity Market Reform – Investment Contract (early Contract for Difference) for the Hinkley Point C New Nuclear Power Station
7. Electricity Market Reform – Renewables Contract for Difference
8. English Woodland Grant Scheme
9. Government support to the Thames Tideway Tunnel project
10. Green Bus Fund
11. Isles of Scilly Airlinks
12. Isles of Scilly and Penzance searlinks
13. Liverpool City Council Cruise Liner Terminal
14. The Marine Energy Array Demonstrator (MEAD) Scheme
15. Modifications to NEST pension scheme
16. Northern Ireland Gas Pipeline – extension to the West and the North West
17. Partnership support for regeneration
18. R&D&I Scheme for Northern Ireland – extension to 31 December 2019
19. Regional Stadia Development in Northern Ireland
20. Renewables Obligation in Northern Ireland
21. Regional Growth Fund – Jaguar LandRover (JLR)
22. Update to the UK Film Tax Relief
23. Video games tax relief
24. Waste Contract to provide waste disposal services for spent fuel and intermediate level waste (ILW) from new nuclear power stations
25. Welsh Red Meat Advertising Scheme

As set out in the Procedural Regulation 659/1999, the Commission is required to conclude the preliminary examination of notified cases within two months of receiving the complete notification. From pre-notification to decision, cases are usually before the Commission for between 6 and 18 months.