

## SCHEDULE 9

Regulation 68(1)

### Amendments to retained EU law

## PART 1

### Amendments to the General Block Exemption Regulation

#### Amendments to the General Block Exemption Regulation

1. [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 Treaty is amended in accordance with this Part.

#### Article 1 (Scope)

2. In Article 1—

- (a) in paragraph 2(a)—
  - (i) for “The Commission may decide”, substitute “The CMA may decide”;
  - (ii) for “Member State to the Commission”, substitute “aid grantor to the CMA”;
- (b) in paragraph 2(c), omit “or Member States”;
- (c) in paragraph 3(b), omit “regional investment aid in outermost regions,”;
- (d) in paragraph 3(d), after “2010/787/EU”, insert “, as it had effect immediately before exit day”;
- (e) in paragraph 3, in the final subparagraph, for “Member States”, substitute “aid grantors”;
- (f) in paragraph 4(a), for “Commission decision declaring an aid granted by the same Member State illegal and incompatible with the internal market”, substitute “CMA decision not to approve unlawful or misused aid”;
- (g) omit paragraph 5.

#### Article 2 (definitions)

3. In Article 2—

- (a) before paragraph 1, insert—
  - “(A1) ‘state aid regulations’ means the State Aid (EU Exit) Regulations 2019;
  - (A2) ‘approved regional aid map’ means the regional aid map for the United Kingdom that was approved by the Commission for the period 2014-2020 in decision SA.38113, as amended by decision SA.46361 (OJNo. C 233, 18.07.2014 p. 1 and OJ No. C 83, 17.03.2017 p. 1);
  - (A3) ‘CMA’ means the Competition and Markets Authority;”;
- (b) in paragraph 4—
  - (i) in point (f)—
    - (aa) for “a Member State”, substitute “the United Kingdom”;
    - (bb) for “that Member State”, substitute “the United Kingdom”;
  - (ii) in point (g), for “a Member State”, substitute “the United Kingdom”;
- (c) in paragraph 7—

- (i) after “means”, insert “islands”;
  - (ii) omit “outermost regions, Malta, Cyprus, Ceuta and Melilla, islands”;
  - (iii) for “a Member State”, substitute “the United Kingdom”;
- (d) omit paragraph 12;
- (e) in paragraph 13, after “uncompetitive coal mines”, insert “(as it had effect immediately before exit day)”;
- (f) in paragraph 20, for “an approved regional map and which is in force on the date of granting the aid”, substitute “the approved regional aid map”;
- (g) in paragraph 27, for “an approved regional aid map for the period 1.7.2014 - 31.12.2020 in application of Articles 107(3)(a) and (c) of the Treaty”, substitute “the approved regional aid map”;
- (h) in paragraph 35, for “Member State concerned”, substitute “United Kingdom”;
- (i) in paragraph 48, for “by the Commission as such in an individual decision on a regional aid map in force at the time the aid is granted”, substitute “as such in the approved regional aid map”;
- (j) in paragraph 48a, for “by the Commission as such in an individual decision on a regional aid map in force at the time the aid is granted”, substitute “as such in the approved regional aid map”;
- (k) in paragraph 50, omit “as laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains”;
- (l) in paragraph 55, omit “an outermost region referred to in Article 349 of the Treaty”;
- (m) in paragraph 61a, for “another contracting party to the EEA Agreement”, substitute “the United Kingdom”;
- (n) in paragraph 79—
  - (i) for “a Member State”, in both places it occurs, substitute “the United Kingdom”;
  - (ii) for “the provisions of Directive 2004/18/EC on”, substitute “retained EU law relating to”;
  - (iii) for “and public service contracts”, substitute “, public service contracts and concession contracts”;
  - (iv) omit “, or any subsequent legislation replacing that Directive in full or in part”;
- (o) in paragraph 81, for “a multilateral trading facility as defined in Article 4(1)(15) of Directive 2004/39/EC”, substitute “a UK multilateral trading facility or an EU multilateral trading facility, as those terms are defined in Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012,”;
- (p) in paragraph 91, omit “in accordance with Article 2(a) of Council Regulation (EC) No 723/2009 of 25 June 2009 on the Community legal framework for a European Research Infrastructure Consortium (ERIC)”;
- (q) in paragraph 102—
  - (i) for “‘Union standard’ means”, substitute “‘national standard’ means”;
  - (ii) in point (a), for “a mandatory Union standard”, substitute “an applicable mandatory requirement”;
  - (iii) omit point (b) and the “or” before it;

- (r) in paragraph 107, for “means cogeneration which satisfies the definition of high efficiency cogeneration as set out in Article 2(34) of [Directive 2012/27/EU](#) of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives [2009/125/EC](#) and [2010/30/EU](#) and repealing Directives [2004/8/EC](#) and [2006/32/EC](#)”, substitute “has the meaning given in regulation 2 of the Guarantees of Origin of Electricity Produced from High-efficiency Cogeneration Regulations 2007”;
- (s) omit paragraph 120;
- (t) in paragraph 129, for “from a Union technological and internal market perspective”, substitute “from a United Kingdom technological perspective”;
- (u) in paragraph 130—
  - (i) in the first subparagraph, for “Union”, in both places it occurs, substitute “United Kingdom”;
  - (ii) in point (a)(i), for “Article 2(3) by [Directive 2009/72/EC](#) of 13 July 2009 concerning common rules for internal market in electricity”, substitute “Article 2 of Regulation [\(EC\) No 714/2009](#) of the European Parliament and of the Council on conditions for access to the network for cross-border exchanges in electricity”;
  - (iii) in point (a)(ii), for “Article 2(5) by [Directive 2009/72/EC](#)”, substitute “Article 2 of Regulation [\(EC\) No 714/2009](#) of the European Parliament and of the Council on conditions for access to the network for cross-border exchanges in electricity”;
- (v) omit paragraph 131;
- (w) in paragraph 132—
  - (i) for “two or more Member States”, substitute “the United Kingdom and one or more Member States or EFTA States”;
  - (ii) for “living in a Member State”, substitute “living in the United Kingdom or a Member State or EFTA State”;
  - (iii) for “another Member State”, substitute “a Member State or an EFTA State”;
  - (iv) for “Member States’ national law”, substitute “national law”;
- (x) in paragraph 140—
  - (i) for “by Member States”, substitute “by aid grantors”;
  - (ii) for “a Member State”, substitute “the United Kingdom”;
- (y) in paragraph 145—
  - (i) for “Member State or”, substitute “Member State, an EFTA State,”;
  - (ii) after “a Member of the Common European Aviation Area”, insert “or the competent authority of the United Kingdom”;
- (z) in paragraph 161, for “such as electricity, hydrogen, biofuels as defined in point (i) of Article 2 of [Directive 2009/28/EC](#), synthetic and paraffinic fuels, natural gas, including biomethane, in gaseous form (compressed natural gas (CNG)) and liquefied form (liquefied natural gas (LNG)), and liquefied petroleum gas (LPG) which serve, at least partly, as a substitute for fossil oil sources in the energy supply to transport and which have the potential to contribute to its decarbonisation and enhance the environmental performance of the transport sector”, substitute “meeting the definition of alternative fuels as set out in regulation 2(1) of the Alternative Fuels Infrastructure Regulations 2017”;
- (aa) in paragraph 165, for “[Directive 2000/59/EC](#) of the European Parliament and of the Council”, substitute “regulation 2 of the Merchant Shipping and Fishing Vessels (Port Waste Reception Facilities) Regulations 2003”.

**New Article 2A****4.** After Article 2, insert—*“Article 2A**References to TFEU Articles and certain other EU instruments*

**1.** In this Regulation, a reference to Article 107(1) or 108(3) of the Treaty is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the state aid regulations.

**2.** In this Regulation, a reference to Article 107(2) or (3) of the Treaty is to be read in accordance with regulation 3(3)(b) of the state aid regulations.

**3.** In this Regulation, a reference to NUTS is a reference to the Nomenclature of Territorial Units for Statistics, as laid down in Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (as it had effect immediately before exit day).

**4.** In this Regulation, a reference to NACE is a reference to the NACE Rev. 2 statistical classification of economic activities, as laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (as it had effect immediately before exit day).”.

**Article 3 (Conditions for exemption)**

**5.** In Article 3, for “be compatible with the internal market within the meaning of”, substitute “be deemed to be approved under”.

**Article 4 (Notification thresholds)****6.** In Article 4—

- (a) in paragraph 1(ee), omit “(or EUR 150 million per project in a maritime port included in the work plan of a Core Network Corridor as referred to in Article 47 of Regulation (EU) No 1315/2013 of the European Parliament and of the Council)”;
- (b) in paragraph 1(ff), omit “(or EUR 50 million per project in an inland port included in the work plan of a Core Network Corridor as referred to in Article 47 of Regulation (EU) No 1315/2013)”.

**Article 5 (Transparency of aid)****7.** In Article 5—

- (a) in paragraph 2(c)(i), for “Commission notice”, substitute “CMA statement of policy”;
- (b) in paragraph 2(c)(ii)—
  - (i) for “Commission Notice on the application of Articles 87 and 88 of the EC Treaty to State aid in the form of guarantees, or any successor notice”, substitute “CMA statement of policy on State aid in the form of guarantees, or any successor statement of policy”;
  - (ii) for “the Commission under any regulation adopted by the Commission in the State aid area applicable at the time”, substitute “the CMA under the state aid regulations”;

- (c) in paragraph 2(j), for “Commission”, substitute “CMA”.

#### **Article 6 (Incentive effect)**

- 8. In Article 6—
  - (a) in paragraph 2, for “Member State”, substitute “aid grantor”;
  - (b) in paragraph 3, for “Member State”, substitute “aid grantor”;
  - (c) in paragraph 4(a), for “Member State”, substitute “aid grantor”.

#### **Article 7 (Aid intensity and eligible costs)**

- 9. In Article 7(1), omit the second subparagraph.

#### **Article 8 (Cumulation)**

- 10. In Article 8—
  - (a) omit paragraph 2;
  - (b) in paragraph 4, for “Commission”, substitute “CMA”;
  - (c) omit paragraph 7.

#### **Article 9 (Publication and information)**

- 11. Omit Article 9.

#### **Article 10 (Withdrawal of benefit of the block exemption)**

- 12. Omit Article 10.

#### **Article 11 (Reporting)**

- 13. Omit Article 11.

#### **Article 12 (Monitoring)**

- 14. Omit Article 12.

#### **Article 13 (Scope of regional aid)**

- 15. In Article 13, in point (b), omit “regional investment aid in outermost regions and”.

#### **Article 14 (Regional investment aid)**

- 16. In Article 14—
  - (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
  - (b) in paragraph 12, for “regional aid map which is in force at the time the aid is granted”, substitute “approved regional aid map”;
  - (c) in paragraph 14, omit from “In the outermost regions” to the end.

#### **Article 15 (Regional operating aid)**

17. In Article 15—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 2(b), for “Member State concerned”, substitute “United Kingdom”;
- (c) omit paragraph 4.

#### **Article 16 (Regional urban development aid)**

18. In Article 16—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 2(b), after “Investment Funds”, insert “or an equivalent fund set up on or after exit day that is accepted by the CMA as eligible to co-finance urban development projects for the purposes of this Article”;
- (c) in paragraph 4, after “of the Council”, insert “or any eligible costs requirements included in the equivalent fund referred to in paragraph 2(b)”;
- (d) in paragraph 8—
  - (i) in point (a)—
    - (aa) omit “Union and”;
    - (bb) after “incorporation in”, insert “the United Kingdom, any EFTA State or”;
  - (ii) in point (b), omit “Union and”;
  - (iii) in point (d), for “a Member State”, substitute “an aid grantor”;
  - (iv) in point (f), for “Member State”, substitute “aid grantor”;
- (e) in paragraph 11, for “Member State”, substitute “aid grantor”.

#### **Article 17 (Investment aid to SMEs)**

19. In Article 17(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 18 (Aid for consultancy in favour of SMEs)**

20. In Article 18(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 19 (Aid to SMEs for participation in fairs)**

21. In Article 19(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 20 (Aid for cooperation costs incurred by SMEs participating in European Territorial Cooperation projects)**

22. In Article 20(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

### **Article 21 (Risk finance aid)**

23. In Article 21—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 12, after “incorporation in”, insert “the United Kingdom, any EFTA State or”;
- (c) in paragraph 13(b), omit “Union and”;
- (d) in paragraph 13(d), for “a Member State”, substitute “an aid grantor”;
- (e) in paragraph 14(b), for “Member State”, substitute “aid grantor”;
- (f) in paragraph 17, for “A Member State”, substitute “An aid grantor”.

### **Article 22 (Aid for start-ups)**

24. In Article 22(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

### **Article 23 (Aid to alternative trading platforms specialised in SMEs)**

25. In Article 23(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

### **Article 24 (Aid for scouting costs)**

26. In Article 24(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

### **Article 25 (Aid for research and development projects)**

27. In Article 25—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 6(b)(i)—
  - (i) for “at least two Member States”, substitute “the United Kingdom and at least one Member State”;
  - (ii) for “or in a Member State and in a”, substitute “or in the United Kingdom and either a Member State or a”.

### **Article 26 (Investment aid for research infrastructures)**

28. In Article 26—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 7, for “Member States”, substitute “aid grantors”.

### **Article 27 (Aid for innovation clusters)**

29. In Article 27(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 28 (Innovation aid for SMEs)**

30. In Article 28(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 29 (Aid for process and organisational innovation)**

31. In Article 29(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 30 (Aid for research and development in the fishery and aquaculture sector)**

32. In Article 30(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 31 (Training aid)**

33. In Article 31—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 5(b), after “Union registers”, insert “, registers in the territories covered by the EEA Agreement or United Kingdom registers”.

**Article 32 (Aid for the recruitment of disadvantaged workers in the form of wage subsidies)**

34. In Article 32(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 33 (Aid for the employment of workers with disabilities in the form of wage subsidies)**

35. In Article 33(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 34 (Aid for compensating the additional costs of employing workers with disabilities)**

36. In Article 34(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 35 (Aid for compensating the costs of assistance provided to disadvantaged workers)**

37. In Article 35(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 36 (Investment aid enabling undertakings to go beyond Union standards for environmental protection or to increase the level of environmental protection in the absence of Union standards)**

38. In Article 36—

- (a) in the heading, for “Union standards”, in both places it occurs, substitute “national standards”;
- (b) in paragraph 1—
  - (i) for “Union standards”, in both places it occurs, substitute “national standards”;



- (ii) for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (c) in paragraph 2—
  - (i) in point (a), for “Union standards, irrespective of the presence of mandatory national standards that are more stringent than the Union standards”, substitute “national standards”;
  - (ii) in point (b), for “Union standards”, substitute “national standards”;
- (d) omit paragraphs 3 and 4;
- (e) in paragraph 5, for “Union standards” in both places it occurs, substitute “national standards”.

**Article 37 (Investment aid for early adaptation to future Union standards)**

**39.** Omit Article 37.

**Article 38 (Investment aid for energy efficiency measures)**

- 40.** In Article 38—
- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
  - (b) in paragraph 2, for “Union standards already adopted, even if they are not yet in force”, substitute “national standards”.

**Article 39 (Investment aid for energy efficiency projects in buildings)**

- 41.** In Article 39—
- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
  - (b) in paragraph 8—
    - (i) for “Member States can set up”, substitute “Aid grantors can set up”;
    - (ii) in point (a)—
      - (aa) omit “Union and”;
      - (bb) after “incorporation in”, insert “the United Kingdom, any EFTA State or”;
    - (iii) in point (b), omit “Union and”;
    - (iv) in point (d), for “a Member State”, substitute “an aid grantor”;
    - (v) in point (f), for “Member State”, substitute “aid grantor”;
  - (c) omit paragraph 10.

**Article 40 (Investment aid for high-efficiency cogeneration)**

**42.** In Article 40(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 41 (Investment aid for the promotion of energy from renewable sources)**

**43.** In Article 41—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 4, for “that do not comply with”, substitute “if the aid would prevent the achievement of an environmental objective in accordance with retained EU law which implemented Article 4 of”.

#### **Article 42 (Operating aid for the promotion of electricity from renewable sources)**

**44.** In Article 42—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 3—
  - (i) for “Member States”, substitute “Aid grantors”;
  - (ii) for “the Commission according to the modalities in described in Article 11(a)”, substitute “the CMA”.

#### **Article 43 (Operating aid for the promotion of energy from renewable sources in small scale installations)**

**45.** In Article 43(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 44 (Aid in the form of reductions in environmental taxes under [Directive 2003/96/EC](#))**

**46.** In Article 44—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) after paragraph 4, insert—
 

“**5.** For the purposes of this Article and Article 6(5)(e), references to [Directive 2003/96/EC](#) are to be read:

  - (a) as references to that Directive as it had effect immediately before exit day; and
  - (b) as if the conditions in, and the minimum levels of taxation set by, that Directive (read in accordance with point (a)) were binding on the United Kingdom on and after exit day.”.

#### **Article 45 (Investment aid for remediation of contaminated sites)**

**47.** In Article 45—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 3, omit from “applicable in each Member State” to “amending [Directive 2004/35/EC](#) —”.

#### **Article 46 (Investment aid for energy efficient district heating and cooling)**

**48.** In Article 46(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 47 (Investment aid for waste recycling and re-utilisation)**

**49.** In Article 47—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 4, for “Union law”, substitute “national law”.

#### **Article 48 (Investment aid for energy infrastructure)**

**50.** In Article 48—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 3, for “internal energy market legislation”, substitute “Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003, Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005, and network codes and guidelines adopted, or regulations made, under either of those Regulations”.

#### **Article 49 (Aid for environmental studies)**

**51.** In Article 49—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 5, for “carried out under Article 8(4) of the Directive 2012/27/EU, unless the energy audit is carried out in addition to the mandatory energy audit under that Directive”, substitute “which are mandatory under regulation 26 of the Energy Savings Opportunity Scheme Regulations 2014”.

#### **Article 50 (Aid schemes to make good the damage caused by certain natural disasters)**

**52.** In Article 50—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 2(a), omit “of a Member State”.

#### **Article 51 (Social aid for transport for residents of remote regions)**

**53.** In Article 51—

- (a) in paragraph 1, for “compatible with the internal market pursuant to”, substitute “deemed to be approved under”;
- (b) in paragraph 3, after “port within”, insert “the United Kingdom or”.

#### **Article 52 (Aid for broadband infrastructures)**

**54.** In Article 52—

- (a) in paragraph 1, for “compatible with the internal market pursuant to”, substitute “deemed to be approved under”;
- (b) in paragraph 6, for “the Member State or the Union”, substitute “the United Kingdom”;

- (c) in paragraph 7, for “Member States”, substitute “Aid grantors”.

**Article 53 (Aid for culture and heritage conservation)**

**55.** In Article 53—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 2(b), omit “of a Member State”.

**Article 54 (Aid schemes for audiovisual works)**

**56.** In Article 54—

- (a) in paragraph 1, for “compatible with the internal market pursuant to”, substitute “deemed to be approved under”;
- (b) in paragraph 2—
  - (i) for “Member State”, substitute “aid grantor”;
  - (ii) for “establish effective processes”, substitute “follow any applicable established national processes”;
- (c) in paragraph 4—
  - (i) in the first subparagraph, for “Where a Member States”, substitute “Where an aid grantor”;
  - (ii) in point (a), for “Member State granting the aid”, substitute “United Kingdom”;
  - (iii) in point (b), for “granting Member State”, substitute “United Kingdom”;
  - (iv) in the final subparagraph, for “a Member State”, substitute “an aid grantor”;
- (d) in paragraph 7(a)—
  - (i) for “funded by more than one Member State”, substitute “funded by the United Kingdom and at least one Member State or EFTA State”;
  - (ii) for “from more than one Member State”, substitute “from the United Kingdom and at least one Member State or EFTA State”.

**Article 55 (Aid for sport and multifunctional recreational infrastructures)**

**57.** In Article 55—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;
- (b) in paragraph 5, for “Member States”, substitute “aid grantors”.

**Article 56 (Investment aid for local infrastructures)**

**58.** In Article 56(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

**Article 56a (Aid for regional airports)**

**59.** In Article 56a—

- (a) in paragraph 1, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”;

- (b) in paragraph 2, for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 56b (Aid for maritime ports)**

**60.** In Article 56b(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 56c (Aid for inland ports)**

**61.** In Article 56c(1), for “compatible with the internal market within the meaning of”, substitute “deemed to be approved under”.

#### **Article 58 (Transitional provisions)**

**62.** In Article 58, omit paragraphs 2 and 4.

#### **Article 59**

**63.** In Article 59—

- (a) omit “It shall apply until 31 December 2020.”;
- (b) omit “This Regulation shall be binding in its entirety and directly applicable in all Member States.”.

#### **Annex I**

**64.** In Annex I, in Article 3(5), omit “or Union”.

#### **Annex II**

**65.** Omit Annex II.

#### **Annex III**

**66.** Omit Annex III.

## **PART 2**

### **Amendments to the general de minimis regulation**

#### **Amendments to the general de minimis regulation**

**67.** [Commission Regulation \(EU\) No 1407/2013](#) of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid is amended in accordance with this Part.

#### **Article 1 (Scope)**

**68.** In Article 1—

- (a) in paragraph 1(a), for “Council Regulation [\(EC\) No 104/2000](#)”, substitute “Regulation (EU) No 1379/2013 of the European Parliament and of the Council”;
- (b) in paragraph 1(d), omit “or Member States”;

- (c) in paragraph 2, for “Member State”, substitute “aid grantor”.

## **Article 2 (Definitions)**

### **69.** In Article 2—

- (a) in paragraph 1(a), for “Regulation (EC) No 104/2000”, substitute “Regulation (EU) No 1379/2013 of the European Parliament and of the Council”;
- (b) after paragraph 1(c), insert—
  - “(d) ‘state aid regulations’ means the State Aid (EU Exit) Regulations 2019;
  - (e) ‘CMA’ means the Competition and Markets Authority.”;
- (c) after paragraph 2, insert—

“3. In this Regulation, a reference to Article 107(1) or 108(3) of the Treaty is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the state aid regulations.”.

## **Article 3 (De minimis aid)**

### **70.** In Article 3—

- (a) in paragraph 2, omit “per Member State” in both places it occurs;
- (b) in paragraph 3, for “Member State”, substitute “aid grantor”;
- (c) in paragraph 5—
  - (i) omit “and regardless of whether the aid granted by the Member State is financed entirely or partly by resources of Union origin”;
  - (ii) for “Member State concerned”, substitute “United Kingdom”.

## **Article 4 (Calculation of gross grant equivalent)**

### **71.** In Article 4—

- (a) in paragraph 6(c), for “Commission notice”, substitute “CMA statement of policy”;
- (b) in paragraph 6(d)(i)—
  - (i) for “Commission under another Commission Regulation in the State aid area applicable at that time”, substitute “CMA under the state aid regulations”;
  - (ii) for “Commission as being in line with the Guarantee Notice, or any successor Notice”, substitute “CMA as being in line with the CMA statement of policy on State aid in the form of guarantees, or any successor statement of policy”.

## **Article 5 (Cumulation)**

- 72.** In Article 5(2), for “Commission”, in both places it occurs, substitute “CMA”.

## **Article 6 (Monitoring)**

### **73.** In Article 6—

- (a) in paragraph 1—
  - (i) for “a Member State”, substitute “an aid grantor”;
  - (ii) omit “and publication reference in the *Official Journal of the European Union*”;

- (iii) for “the Member State”, in both places it occurs, substitute “the aid grantor”;
- (b) in paragraph 2—
  - (i) for “a Member State”, substitute “the United Kingdom”;
  - (ii) for “that Member State”, substitute “the United Kingdom”;
- (c) in paragraph 3, for “A Member State”, substitute “An aid grantor”;
- (d) omit paragraph 4;
- (e) omit paragraph 5.

#### **Article 7 (Transitional provisions)**

74. In Article 7—

- (a) in paragraph 1, omit “Any aid which does not fulfil those conditions will be assessed by the Commission in accordance with the relevant frameworks, guidelines, communications and notices.”;
- (b) omit paragraph 4.

#### **Article 8 (Entry into force and period of application)**

75.—(1) In Article 8, omit “It shall apply until 31 December 2020.”.

(2) In the words after Article 8, omit “This Regulation shall be Binding in its entirety and directly applicable in all Member States.”.

## **PART 3**

### **Amendments to the SGEI de minimis regulation**

#### **Amendments to the SGEI de minimis regulation**

76. [Commission Regulation \(EU\) No 360/2012](#) of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest is amended in accordance with this Part.

#### **Article 1 (Scope and definitions)**

77. In Article 1—

- (a) after paragraph 1, insert—

“**1A.** In this Regulation, a reference to Article 106(2) of the Treaty is to be read in accordance with regulation 3(3)(b) of the state aid regulations.

**1B.** In this Regulation, a reference to Article 107(1) or 108(3) of the Treaty is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the state aid regulations.”;

- (b) in paragraph 2—

- (i) in point (a), for “Council Regulation [\(EC\) No 104/2000](#)”, substitute “Regulation (EU) No 1379/2013 of the European Parliament and of the Council”;
- (ii) in point (d), omit “or Member States”;

- (iii) in point (f), after “2010/787/EU”, insert “, as it had effect immediately before exit day”;
- (iv) in the final subparagraph, for “Member States”, substitute “aid grantors”;
- (c) after paragraph 3(c), insert—
  - “(d) ‘state aid regulations’ means the State Aid (EU Exit) Regulations 2019;
  - (e) ‘CMA’ means the Competition and Markets Authority.”.

## **Article 2 (De minimis aid)**

**78.** In Article 2—

- (a) in paragraph 2—
  - (i) omit “and regardless of whether the aid granted by the Member State is financed entirely or partly by resources of Union origin”;
  - (ii) for “Member State concerned”, substitute “United Kingdom”;
- (b) in paragraph 4(d)(i), for “Commission under a regulation adopted by the Commission in the State aid area”, substitute “CMA under the state aid regulations”;
- (c) in paragraph 6, for “Commission”, substitute “CMA”.

## **Article 3 (Monitoring)**

**79.** In Article 3—

- (a) in paragraph 1—
  - (i) for “a Member State”, substitute “an aid grantor”;
  - (ii) omit “and publication reference in the *Official Journal of the European Union*”;
  - (iii) for “the Member State”, in each place it occurs, substitute “the aid grantor”;
- (b) in paragraph 2—
  - (i) for “a Member State”, substitute “the United Kingdom”;
  - (ii) for “that Member State”, substitute “the United Kingdom”;
- (c) omit paragraph 3.

## **Article 4 (Transitional provisions)**

**80.** In Article 4, omit from “Any aid for the provision” to the end.

## **Article 5 (Entry into force and period of validity)**

**81.**—(1) In Article 5, omit from “It shall” to the end.

(2) In the words after Article 5, omit “This Regulation shall be Binding in its entirety and directly applicable in all Member States.”.



## PART 4

### Amendments to the SGEI decision

#### Amendments to the SGEI decision

**82.** Commission [Decision 2012/21/EU](#) of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest is amended in accordance with this Part.

#### Article 1 (Subject matter)

**83.** In Article 1—

- (a) for “compatible with the internal market”, substitute “not prohibited by Article 107(1) of the Treaty”;
- (b) after “Treaty.”, insert “In this Decision, a reference to Article 107(1) or 108(3) of the Treaty is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the State Aid (EU Exit) Regulations 2019. In this Decision, a reference to Article 106(2) of the Treaty is to be read in accordance with regulation 3(3)(b) of the State Aid (EU Exit) Regulations 2019.”.

#### Article 2 (Scope)

**84.** In Article 2(4), omit “and, respectively, Regulation [\(EEC\) No 3577/92](#) where applicable”.

#### Article 3 (Compatibility and exemption from notification)

**85.** In Article 3—

- (a) for “be compatible with the internal market”, substitute “not be prohibited by Article 107(1) of the Treaty”;
- (b) for “the requirements flowing from the Treaty or from sectoral Union legislation”, substitute “any requirements in national law”.

#### Article 4 (Entrustment)

**86.** In Article 4, for “Member State”, substitute “aid grantor”.

#### Article 5 (Compensation)

**87.** In Article 5—

- (a) in paragraph 4—
  - (i) for “Article 107”, in each place it occurs, substitute “Article 107(1)”;
  - (ii) for “Member State”, substitute “aid grantor”;
- (b) in paragraph 6—
  - (i) for “Member States”, substitute “aid grantors”;
  - (ii) for “the Member State”, substitute “the aid grantor”;
- (c) in paragraph 8—
  - (i) for “Member States”, substitute “aid grantors”;

- (ii) after “discount rates”, insert “(as published by the Competition and Markets Authority as a statement of policy under Part 6 of the State Aid (EU Exit) Regulations 2019)”;
- (iii) for “the Member State”, substitute “the aid grantor”;
- (iv) for “the Commission upon”, substitute “the Competition and Markets Authority upon”;
- (d) in paragraph 10, for “Member States”, substitute “Aid grantors”.

#### **Article 6 (Control of overcompensation)**

**88.** In Article 6—

- (a) in paragraph 1—
  - (i) for “Member States”, substitute “Aid grantors”;
  - (ii) for “Commission”, substitute “Competition and Markets Authority”;
- (b) in paragraph 2, for “Member State”, substitute “aid grantor”.

#### **Article 7 (Transparency)**

**89.** Omit Article 7.

#### **Article 8 (Availability of information)**

**90.** Omit Article 8.

#### **Article 9 (Reports)**

**91.** Omit Article 9.

#### **Article 13 (Addressees)**

**92.** Omit Article 13.

## **PART 5**

### **Amendments to the financial transparency regulations**

#### **Amendments to the financial transparency regulations**

**93.—**(1) The Financial Transparency (EC Directive) Regulations 2009<sup>(1)</sup> are amended as follows.

(2) In regulation 2(1)—

- (a) in the definition of “compensation”, for “Article 87”, substitute “Article 107(1)”;
- (b) in the definition of “entrusted”, for “Article 86(2)”, substitute “Article 106(2)”;
- (c) omit the definition of “Financial Transparency Directive”;
- (d) in the definition of “public undertaking operating in the manufacturing sector”, after “Community”, insert “(as it had effect immediately before exit day)”;

(1) [S.I. 2009/2331](#); amended by [S.I. 2011/1043](#) and [S.I. 2011/1275](#).

- (e) in the definition of “services of general economic interest”, for “Article 86(2)”, substitute “Article 106(2)”;
- (f) in the definition of “Treaty”, for “establishing the European Community”, substitute “on the Functioning of the European Union”.
- (3) In regulation 2(2), for “Article 296”, substitute “Article 346(1)”.
- (4) After regulation 2(2), insert—
  - “(3) In these Regulations—
    - (a) a reference to Article 107(1) of the Treaty is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the State Aid (EU Exit) Regulations 2019; and
    - (b) a reference to Article 106(2) or 346(1) of the Treaty is to be read in accordance with regulation 3(3)(b) of the State Aid (EU Exit) Regulations 2019.”.
- (5) In regulation 3(5)(b)—
  - (a) for “Member States”, substitute “the United Kingdom and the European Union”;
  - (b) after “meaning of”, insert “Article 107(1) of”.
- (6) In regulation 5—
  - (a) for “Secretary of State”, in each place it occurs, substitute “Competition and Markets Authority”;
  - (b) omit paragraph (b) and the “and” before it.
- (7) In regulation 6(3)—
  - (a) in sub-paragraph (a), for “the European Union”, substitute “retained EU law”;
  - (b) in sub-paragraph (b)—
    - (i) for “Member States”, substitute “the United Kingdom and the European Union”;
    - (ii) after “meaning of”, insert “Article 107(1) of”;
  - (c) in sub-paragraph (e), for “Article 86(2)”, substitute “Article 106(2)”.
- (8) In regulation 8—
  - (a) for “Secretary of State”, in each place it occurs, substitute “Competition and Markets Authority”;
  - (b) omit paragraph (b) and the “and” before it.
- (9) In regulation 9—
  - (a) for “Secretary of State”, in each place it occurs, substitute “Competition and Markets Authority”;
  - (b) omit paragraph (5).

## PART 6

### Amendments to other retained EU law

#### Amendments to the Agricultural Block Exemption Regulation

**94.**—(1) [Commission Regulation \(EU\) No 702/2014](#) of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market

in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union is amended as follows.

- (2) Omit the following—
  - (a) Articles 9 to 13;
  - (b) Annex II;
  - (c) Annex III.

#### **Amendments to the Fisheries Block Exemption Regulation**

**95.**—(1) [Commission Regulation \(EU\) No 1388/2014](#) of 16 December 2014 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union is amended as follows.

- (2) Omit the following—
  - (a) Articles 9 to 12;
  - (b) Annex II;
  - (c) Annex III.

#### **Amendments to the agricultural de minimis regulation**

**96.**—(1) [Commission Regulation \(EU\) No 1408/2013](#) of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the agriculture sector is amended as follows.

- (2) Omit Article 6(4) and (5).

#### **Amendments to the fisheries de minimis regulation**

**97.**—(1) [Commission Regulation \(EU\) No 717/2014](#) of 27 June 2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector is amended as follows.

- (2) Omit Article 6(4) and (5).

#### **Amendments to the maritime and fisheries fund regulation**

**98.**—(1) Regulation (EU) No 508/2014 of the European Parliament and of the Council of 15 May 2014 on the European Maritime and Fisheries Fund and repealing Council Regulations [\(EC\) No 2328/2003](#), [\(EC\) No 861/2006](#), [\(EC\) No 1198/2006](#) and [\(EC\) No 791/2007](#) and Regulation (EU) No 1255/2011 of the European Parliament and of the Council is amended as follows.

- (2) In Article 8—
  - (a) in paragraph 1—
    - (i) for “Articles 107, 108 and 109”, substitute “in accordance with the State Aid (EU Exit) Regulations 2019, Articles 107(1) and 108(3)”;
    - (ii) omit “by Member States”;
  - (b) in paragraph 2—
    - (i) for “Articles 107, 108 and 109”, substitute “Article 107(1) and 108(3)”;
    - (ii) omit “by Member States”;
    - (iii) after “Article 42 TFEU”, insert “(as it had effect immediately before exit day)”;

(c) after paragraph 4, insert—

“5. In this Article, a reference to Article 107(1) or 108(3) of the TFEU is a reference to that Article as it has effect in domestic law by virtue of section 4 of the European Union (Withdrawal) Act 2018 and regulation 3(1) and (2) of the State Aid (EU Exit) Regulations 2019.”;

(d) omit paragraph 4.