



Subsidy Control Act 2022

2022 CHAPTER 23

PART 3

EXEMPTIONS

CHAPTER 4

OTHER MISCELLANEOUS EXEMPTIONS

45 National security

The subsidy control requirements do not apply to the giving of a subsidy for the purpose of safeguarding national security.

Commencement Information

- I1** S. 45 not in force at Royal Assent, see [s. 91\(2\)](#)
I2 [S. 45](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

46 Bank of England monetary policy

The subsidy control requirements do not apply to the giving of a subsidy by or on behalf of the Bank of England in pursuit of monetary policy.

Commencement Information

- I3** S. 46 not in force at Royal Assent, see [s. 91\(2\)](#)
I4 [S. 46](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

Changes to legislation: There are currently no known outstanding effects for the Subsidy Control Act 2022, CHAPTER 4. (See end of Document for details)

47 Financial stability

- (1) The subsidy control requirements do not apply to the giving of a subsidy, or the making of a subsidy scheme, so far as a financial stability direction so provides.
- (2) “Financial stability direction” means a direction given by the Treasury providing for specified subsidy control requirements not to apply to—
 - (a) the giving of a specified subsidy or making of a specified subsidy scheme, or
 - (b) the giving of subsidies, or the making of subsidy schemes, of a specified description.
- (3) The Treasury may give a financial stability direction only if it considers it appropriate for prudential reasons, for example—
 - (a) the protection of investors, depositors, policy-holders or persons to whom a fiduciary duty is owed by a financial service supplier, or
 - (b) ensuring the integrity and stability of the financial system of the United Kingdom.
- (4) The Treasury must consult the Bank of England before giving a financial stability direction.
- (5) The Treasury may give a financial stability direction that relates only to a subsidy given, or subsidy scheme made, by the Bank of England only if the Bank of England has requested the Treasury to give the direction.
- (6) Subject to subsection (7), a financial stability direction must—
 - (a) be published in whatever manner the Treasury considers appropriate, and
 - (b) be laid before Parliament.
- (7) If the Treasury considers that the steps required by subsection (6) would have the effect of undermining the purpose for which the direction is given, the Treasury may delay the carrying out of those steps until such time as it is satisfied that to do so would not have that effect.
- (8) In this section—

“financial service supplier” has the meaning given by Article 183 of the Trade and Cooperation Agreement;

“specified” means specified in a financial stability direction.

Commencement Information

- I5** S. 47 not in force at Royal Assent, see [s. 91\(2\)](#)
- I6** [S. 47](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

48 Legacy and withdrawal agreement subsidies

- (1) The subsidy control requirements do not apply to the following legacy subsidies and schemes—
 - (a) a subsidy given on or after the day on which this section comes into force, under a subsidy scheme made before that day;
 - (b) a subsidy given in accordance with Regulation [\(EC\) No 1370/2007](#) of the European Parliament and of the Council on public passenger transport

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services by rail and by road (and any such subsidy is to be treated for the purposes of this Act as if it were given in accordance with a subsidy scheme).

- (2) In subsection (1), the reference to the subsidy control requirements, so far as it relates to subsection (1)(a), does not include the requirements as to transparency in Chapter 3 of Part 2, except in relation to—
 - (a) subsidies given that are subject to the provisions of Part IV or Annex 2 of the Agreement on Agriculture;
 - (b) subsidies given in relation to trade in fish and fish products;
 - (c) subsidies given in relation to the audiovisual sector.
- (3) The subsidy control requirements do not apply to the following withdrawal agreement subsidies and schemes—
 - (a) a subsidy given, or a subsidy scheme made, in accordance with Article 10 of the Northern Ireland Protocol;
 - (b) a subsidy or subsidy scheme to which Article 138 of the EU withdrawal agreement applies.
- (4) In Regulation [\(EC\) No 1370/2007](#) of the European Parliament and of the Council on public passenger transport services by rail and by road, omit Article 9 (transport sector provisions).
- (5) In this section “the Agreement on Agriculture” means the Agreement on Agriculture, contained in Annex 1A to the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994 (read with any adjustments necessary for context).

Commencement Information

- I7** S. 48 not in force at Royal Assent, see [s. 91\(2\)](#)
I8 [S. 48](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

49 Tax measures

The subsidy control requirements do not apply to the giving of a subsidy where the giving of the subsidy is permissible by virtue of Article 413 of the Trade and Cooperation Agreement (taxation).

Commencement Information

- I9** S. 49 not in force at Royal Assent, see [s. 91\(2\)](#)
I10 [S. 49](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

50 Large cross-border or international cooperation projects

- (1) Section 12(1) does not apply to a subsidy if—
 - (a) it is given in the context of a large cross-border or international cooperation project, and
 - (b) the public authority giving the subsidy is satisfied that the project meets the condition in subsection (3).

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- (2) Section 12(3) does not apply to a subsidy scheme if—
 - (a) the subsidies provided for by the scheme are to be given in the context of a large cross-border or international cooperation project, and
 - (b) the public authority making the scheme is satisfied that the project meets the condition in subsection (3).
- (3) A project meets the condition in this subsection if—
 - (a) the benefits of the project are not limited to the enterprise or to the sector or the States participating, and
 - (b) the project has wider benefits and relevance through spillover effects that do not exclusively accrue to—
 - (i) the United Kingdom,
 - (ii) the relevant sector, and
 - (iii) the beneficiary of the subsidy or subsidies concerned.
- (4) The projects that may be regarded as large cross-border or international cooperation projects include—
 - (a) those for transport, energy, the environment or research and development, and
 - (b) first development projects to incentivise the emergence and deployment of new technologies (excluding manufacturing technologies).

Commencement Information

- I11** S. 50 not in force at Royal Assent, see [s. 91\(2\)](#)
- I12** [S. 50](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

51 Nuclear energy

- (1) Section 13(1) does not apply to a subsidy in relation to nuclear energy.
- (2) Section 13(3) does not apply to a subsidy scheme that provides for subsidies in relation to nuclear energy.

Commencement Information

- I13** S. 51 not in force at Royal Assent, see [s. 91\(2\)](#)
- I14** [S. 51](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

Changes to legislation:

There are currently no known outstanding effects for the Subsidy Control Act 2022, CHAPTER 4.