



Subsidy Control Act 2022

2022 CHAPTER 23

PART 2

SUBSIDY CONTROL REQUIREMENTS

CHAPTER 2

PROHIBITIONS AND OTHER REQUIREMENTS

General prohibitions

18 Relocation of activities

- (1) A subsidy is prohibited by this section if—
 - (a) it is given to an enterprise subject to a condition that the enterprise relocates all or part of its existing economic activities, and
 - (b) the relocation of those activities would not occur but for the giving of the subsidy.
- (2) For the purpose of subsection (1), an enterprise relocates existing activities if—
 - (a) it is carrying on activities in an area of the United Kingdom before the subsidy is given, and
 - (b) it ceases to carry on those activities in that area after the subsidy is given and instead carries them on in another area of the United Kingdom.
- (3) The reference in subsection (1) to economic activities is a reference to any economic activity that entails offering goods or services on a market.
- (4) The prohibition in subsection (1) does not apply if the public authority giving the subsidy is satisfied that the conditions in subsections (5) to (7) are met.
- (5) The condition in this subsection is that the effect of the subsidy is to reduce the social or economic disadvantages of the area that would benefit from the giving of the subsidy.

Changes to legislation: There are currently no known outstanding effects for the Subsidy Control Act 2022, Section 18. (See end of Document for details)

- (6) The condition in this subsection is that the giving of the subsidy results in an overall reduction in the social or economic disadvantages within the United Kingdom generally.
- (7) The condition in this subsection is that the subsidy is designed to bring about a change in the size, scope or nature of the existing economic activities referred to in subsection (1)(a).

Commencement Information

- I1** S. 18 not in force at Royal Assent, see [s. 91](#)
- I2** [S. 18](#) 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, Section 18.