

**PE1801/D**

Minister for Small Business, Consumers and Labour Markets submission of 10 December 2020

I write on behalf of the Secretary of State for Business, Energy and Industrial Strategy, as Minister responsible for competition and subsidies policy. I would like to offer the following response to the Public Petitions Committee and the authors of Petition PE1801, Mr Vincent Mills and the members of Radical Options for Scotland and Europe.

The Scottish Government currently has responsibility for their spending decisions, which includes the ability to grant subsidies (“State Aid” in European Commission terminology) in compliance with State Aid rules.

As is already the case now, any subsidies granted in the future by the Scottish Government will need to be consistent with subsidy control rules applicable to the UK. Until the end of the transition period, this means the European Union’s (EU) State Aid framework. After the end of the transition period, and as announced in the Secretary of State’s Written Ministerial Statement of 9th September, these subsidy control rules will be based on our commitments as a member of the World Trade Organisation, and any signed Free Trade Agreements, including any Comprehensive Free Trade Agreement with the EU.

Further to this, HM Government intends to hold a public consultation on the future UK domestic regime in the coming months.