

### **Submission from Client Earth**

The SI appears to remove key parts of the EU state aid regime and does not provide any comparable replacement. In particular, the revocation of the 2010 Council Decision seems very concerning – the decision aimed at limiting the aid that uncompetitive coal mines could receive and did not allow aid for closure costs (except benefits to employees) to be paid after 2018. We are unclear why these changes have been made, which appear to go beyond mere “corrections” and instead appear to constitute policy changes. They could have serious consequences for the environment, and in particular the UK’s achievement of its net zero commitments.

**8 October 2020**

### **Response from BEIS**

“At the end of the transition period, the EU law on State aid which would otherwise be retained by the European Union (Withdrawal) Act 2018 would contain fundamental deficiencies which would make it inoperable in the UK. The State Aid (Revocations and Amendments) Regulations 2020 will revoke this deficient law, which will not have practical application in the UK after the end of the transition period (save as far as necessary to give effect to the Withdrawal Agreement). This includes the 2010 Council Decision. This Decision sets out the circumstances in which the European Commission may approve aid to facilitate the closure of uncompetitive coal mines as being compatible with the EU internal market. The Decision will be redundant after the end of the transition period when the UK is no longer bound by the EU State aid regime regulated by the European Commission. The State Aid (Revocations and Amendments) Regulations 2020 do not make any changes to Government policy, which is to cease unabated coal power generation by 2025. As announced in February this year, the Government intends to consult on bringing forward this deadline to 2024.”

**12 October 2020**