

Green Party calls for State Aid regime to favour sustainable sectors



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- **Party demands that rules do not allow public money to be used to benefit Tory interests**

The Green Party has called for the new rules governing public subsidy for industries [1] to be used to accelerate action on the climate and ecological emergencies.

Molly Scott Cato, Green Party finance and economy spokesperson, said:

“As an MEP I tried to ensure that, rather than a level playing-field, the EU state-aid regime was tilted in favour of the industries that will build our sustainable future. Outside the EU, the government has the power to make this vision a reality. They claim that our ‘bespoke’ subsidy system can be ‘nimble’ but we insist that it is also sustainable.

“Public money should be allocated according to a system of ‘economic triage’ to ensure that state finance is directed towards businesses that have a future in the zero carbon world beyond 2030 and are based in areas of lower economic performance.

“Favouring industries that can manufacture wind turbines or electric vehicles, or that are building the skilled green workforce for the future, is the best way to make sure the UK meets net zero carbon as quickly as possible, which is essential for a sustainable future economy and society. This is not about picking winners but asking the government to put its money where its mouth is over climate and biodiversity.

“It is also essential that the Subsidy Control Bill should include a system of mandatory notification and an independent statutory regulator to prevent the government indulging in any more pork-barrel politics. Without this, we can expect to see a rush of legal claims from companies who are being disadvantaged relative to their competitors.

“We must see an end to the shameless use of public money officially intended to support jobs in areas that need ‘levelling up’ instead being spent to protect the jobs of Conservative MPs in marginal seats. This sort of politically motivated public spending must have no place in government subsidy of industry.”

ENDS

Notes

<https://www.gov.uk/government/news/new-subsidy-system-to-support-uk-jobs-and-businesses-boost-the-economy-and-strengthen-the-union>

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