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Rt Hon Kwasi Kwarteng MP Secretary of State Department for Business, Energy & Industrial Strategy 1 Victoria Street London SW1H 0ET

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Dear Darren,

I am writing to inform the Committee that, following our letter from the 3rd February setting out the purpose and terms of the consultation '<u>Subsidy control – Designing a new</u> <u>approach for the UK"</u>., BEIS has today published an Impact Assessment relating to the consultation. This provides the Government's initial assessment of the rationale for intervention and the consultation options.

Given that the Government is openly consulting on a broad range of possible policy options, the consultation stage Impact Assessment takes a qualitative approach in setting out the potential costs and benefits of the policy decisions being consulted on. In light of this, a Regulatory Policy Committee (RPC) opinion has not been sought at this consultation stage, but once the consultation has closed and the final policy options have been narrowed, a more detailed final Impact Assessment will be undertaken to inform passage of the Subsidy Control Bill, to be accompanied by RPC opinion.

The consultation period lasts for 8 weeks, closing on 31 March. Following the consultation, the Government will bring forward primary legislation to establish in domestic law a system of subsidy control that works throughout the UK.

I will place copies of this letter and the Impact Assessment in the Libraries of the House.

Yours sincerely,

THE RT HON KWASI KWARTENG MP

Secretary of State for Business, Energy & Industrial Strategy