



Gordon Lindhurst MSP
Convener
Economy, Energy and Fair Work Committee
Scottish Parliament
Edinburgh
EH99 1SP

27 June 2019

Dear Convener,

In response to your request for further information following the recent evidence session on BiFab, the offshore wind sector and Scottish supply chain, I am pleased to provide the relevant information below.

I can confirm that Scottish Enterprise was not aware of any potential state aid breach at the time of the bidding process.

Scottish Enterprise works closely with Government on certain matters, for example where there is wider interest or on issues which may involve relations with other Member States. With regards to State Aid compliance, in this specific case or in any other, Scottish Enterprise has not, and would not, provide recommendations to Ministers on pursuing a complaint. Nor have we provided any advice to Ministers on the likelihood of success of any challenge that may be brought about to the European Commission.

Bi-Fab are correct in their assessment that if they were to receive subsidies at 35% from either Scottish or UK Government to help absorb 35% revenue losses, they would be in contravention of State Aid rules. The Scotland Act states that Scottish Ministers must act in accordance with EU law and the Scottish Government State Aid Team has advised Scottish Enterprise that where an undertaking (business) feels that it has been disadvantaged by alleged unlawful state aid it would normally be for that undertaking to decide whether they had sufficient evidence to make a complaint to the European Commission. The attached [link](#) to the Commission website explains how a claim can be made.

Scottish Enterprise continues to work closely with BiFab and we stand ready to assist Scottish Government as appropriate on further considering the position.

I trust that the Committee finds this information helpful, please do not hesitate to contact me if I can assist in any other way.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Andy McDonald".

Andy McDonald