



Llywodraeth Cymru
Welsh Government

GUIDANCE

Major sporting events 2022 to 2030 subsidy scheme

Scheme SXXXXXX is a UK-only scheme and cannot be used to provide cover for awards of EU funds.

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Contents

Region

Title

Legal basis

Definitions

Objectives

Authorised body

Scope

Duration

Budget

Form of support

Eligible activities

Incentive effect

Cumulation

Monitoring

Schedule 1

1. Region

Wales

2. Title of subsidy scheme

Major sporting events 2022 to 2030

3. UK legal basis

Powers of the Welsh Ministers which allow the Welsh Government to support enterprises under the scheme are contained in:

- The Welsh Development Agency Act 1975 (section 1) (as amended), and
- The Government of Wales Act 2006 (sections 58A, s60 and s61(j) (Sport and recreational activities)

All subsidies provided under this scheme must comply with the **UK subsidy control regime** and limits set out in the attached subsidy schedules below align with current EU thresholds to ensure compliance with the TCA. Any subsidies that exceed the specified limit must seek further approval.

4. Definitions

Ailing or insolvent

Means a deposit taker, insurance company or other enterprise that:

- a. would almost certainly go out of business in the short to medium term without subsidies,
- b. is unable to pay its debts as they fall due, or
- c. where the value of its assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities.

Date of granting of the subsidy

Means the date when the legal right to receive the aid is conferred on the beneficiary under the applicable national legal regime.

Major sporting events

Means events defined by their scale and appeal to attract and influence large scale international audiences and extensive media coverage, and to deliver economic impact and significant visitor numbers for the host destination. They can command global TV audiences and involve major international sponsors. They can have a positive impact in influencing specific market segments and in changing attitudes and behaviours. These international events are not “owned” by Wales and would have to choose Wales in the face of international competition. Examples include an Ironman Triathlon, Ashes Test Match, World Half Marathon and golf’s Senior Open Championship.

Mega sporting events

Are likely to be peripatetic events with a global reach, distinguished by the fact that they are normally preceded by large scale capital projects, often involving building new venues and supporting infrastructure. They involve a major bidding effort and demand a high level of government resource and support at all stages from bidding to delivery. Typically, this means the creation of a stand-alone organisation (special purpose vehicle) with a dedicated budget to manage the entire process from start to finish. Examples include the UEFA European Championship, Rugby World Cup and the Ryder Cup.

Start of works

Means the earlier of either the start of construction works relating to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered start of works. For take-overs ‘start of works’ means the moment of acquiring assets directly linked to the acquired establishment;

Subsidy

There are 4 key characteristics of a support measure that are likely to indicate that it would be considered a subsidy:

- Firstly, a subsidy must constitute a financial (or in kind) contribution such as a grant, loan or guarantee.
- In addition, the financial contribution must be provided by a ‘public authority’, including, but not limited to, central, devolved, regional or local government.
- Thirdly, the award of the subsidy must also confer a selective benefit on the

- recipient in the sense of an economic advantage that is not available on market terms.
- Finally, the subsidy must cause a distortion in or harm to competition, trade or investment.

5. Objectives of the scheme

To provide support for the successful preparation, marketing and delivery of major and mega sporting events in order to maximise the economic, socio-cultural, environmental and media (global profile) benefits to Wales and to help protect sustainable organisations and jobs in the events sector.

Event Wales exists primarily to support a strong cultural, sporting and business events portfolio across the whole of Wales. For over a decade this work has been underpinned by a ‘major events strategy’ which was published in 2010 and has now been refreshed with a new 2022-2030 strategy launched in July 2022. This subsidy scheme duration aligns with the new Event Wales strategy to conclude in 2030.

6. Government body authorised to implement the scheme

Welsh Government

7. Scope of the scheme

The scheme will be open to domestic and international rights holders for major

and mega sporting events, and their partners.

Aid will not be given where the proposed recipient is:

- Subject to an outstanding order for the recovery of subsidy granted in the UK which has been declared to be an illegal subsidy, or
- an ailing or insolvent enterprise or an undertaking in difficulty (see definition).

8. Duration of the scheme

Support under this scheme may be granted between 1 September 2022 and 31 March 2031.

9. Budget for aid under the scheme

The estimated total expenditure on major sporting events from 1 September 2022 to 31st March 2031 will be in the region of £36 million.

10. Form of support

All subsidy awarded under the scheme will be transparent. Subsidy may be awarded by way of grants.

11. Eligible activities to be supported under the scheme

The scheme supports the hosting of major sporting events in Wales where the funding is deemed to be a subsidy.

Detailed descriptions of the eligible activities are set out in Schedule 1.

Where it is not possible to provide support for eligible recipients accordingly, Small Amounts of Financial Assistance may be awarded in line with Article 364 paragraph 4 of the UK-EU Trade and Cooperation Agreement.

12. Incentive effect

The subsidy is designed to bring about a change of economic behaviour of the beneficiary. This principle will be considered to be met where the subsidy meets all the conditions set down in the **UK's subsidy control regime**.

Recipients must submit a written application questionnaire to assess whether the event meets the strategic priorities of Event Wales for support via this scheme and before work on the project activity has started. Proposals will be assessed against a set of criteria, which is appropriate to the nature, and scale of the event. The application will as a minimum contain the following information:

- a. Overview and location of the event
- b. Organisation details
- c. Delivery Partners
- d. Economic Criteria
- e. International Profile and Reputation Criteria
- f. Socio-Cultural Criteria (in particular, alignment to the Well-being goals)

g. Statutory Policies

If officials are satisfied that event proposals are closely aligned to the strategic priorities of Event Wales, as set out in the Event Strategy, a detailed business plan will be requested setting out their experience of managing major events and the overall viability of the proposals both financially and in terms of delivering a long-term positive impact for Wales. Normally, recurring events will need to demonstrate how the government's strategic investment will lead to financial sustainability within a defined period, usually at the end of 3 years.

13. Cumulation

In determining whether the individual intensity thresholds and the maximum subsidy intensities are respected, the total amount of public support for the aided activity or project shall be taken into account, regardless of whether that support is financed from local, regional, national or international sources.

Subsidy provided under this Scheme will not be cumulated with other forms of subsidy or with subsidies classed as 'Small Amounts of Financial Assistance' in regard to the same eligible costs if the result would breach any applicable subsidy intensities.

Due diligence checks will be carried out during the awarding process.

14. Monitoring and reporting requirements

All recipients of subsidy under the Scheme will be informed that aid has been provided under the scheme, registered under SX.XXXXX, 'MAJOR SPORTING EVENTS 2022-2030'.

Records will be kept for 10 years from the date of the last award of subsidy under the scheme. Records will be sufficiently detailed to establish that the conditions of the scheme are met.

Details of any award exceeding £500,000 given under this scheme will be made publicly available via The UK Subsidy Transparency Database website within 6 months of granting.

Annual or biennial reports on expenditure under this scheme will be published in order to comply with the UK's international subsidy commitments.

In line with the UK's commitments under the UK-EU Trade and Cooperation Agreement, the Welsh Government shall provide interested parties with all the information and documentation considered necessary to demonstrate compliance with the UK subsidy control regime within one month of such a request being made.

Contact information:

Subsidy Control Unit

Welsh Government
Cathays Park
Cardiff CF10 3NQ
United Kingdom

Telephone: + 44 (0)3000 253568

Email: State.Aid@gov.wales

Rydym yn croesawu galwadau a gohebiaeth yn Gymraeg / We welcome calls and correspondence in Welsh.

Schedule 1: Guiding principles for major sporting event support and eligible activities to be considered for major sporting event subsidies

In this section you will need to outline the parameters of the support package you intend to provide, including any geographical or thematic restrictions, subsidy intensities and maximum allowable subsidies.

The [Event Wales strategy](#) is based on a set of basic principles including encouraging a fair and equitable spread of event hosting opportunities across Wales, and an even spread of events across the calendar.

There are no maximum allowable subsidies (defined funding limits). An appropriate level of funding from Event Wales is negotiated following consideration of a full business plan and the range of benefits and strategic outputs which Event Wales would expect to be delivered for the investment. Support for major sporting events will generally be in the order of £500,000 or less, however Event Wales remains open to providing higher levels of support where the return benefit to Wales is considered justifiable. Higher levels of funding are required to attract the highest profile sporting events to Wales. It is also the case that sometimes the Welsh Government will be a partner with other devolved administrations in the UK to bid for events (e.g. Tour de France and UEFA European Championships). Where this is the case, devolved administrations will separately be responsible in complying with the UK subsidy control regime.

In line with the Welsh Government's drive to strengthen the conditions that will enable business to create jobs and sustainable economic growth and meet our Well-being goals the assessment criteria and Key Performance Indicators (KPIs) for all categories of supported events will be refined, and strengthened, as part of the implementation plan, to place a greater emphasis on support for those

events which demonstrate strong alignment with these goals.

Example KPIs are included on pages 21-22 of the Event Wales Strategy.

Grant funding may be used to support a wide range of major event related activities and costs, which drive economic impact and raise Wales' international profile such as:

- Commercial marketing and promotion
- Professional fees
- TV/Online Streaming production
- Production and staging costs (e.g. venue and equipment hire)
- Sports Presentation
- Competition management
- Health and Safety
- Accommodation, Travel and Welfare
- Licensing and Permits
- IT support
- Event logistics
- Staffing
- Environmental Services
- Rights fees
- Major Event related training and development/creation of new jobs
- Legacy
- Delivery of sustainability and Well-being goals

Impacts of Event Wales Strategy 2010-2020

Event Wales has reported on the cumulative impact of major event investment since 2012. Economic benefits include number of new FTE jobs created/ supported, number of visitors/spectators from outside Wales, net additional contribution to the Welsh economy, other public and private sector investment

leveraged and use of local (Welsh) products and services. The following impacts were measured between 2012 and 2019 (impacts were not captured consistently prior to 2012 and the majority of events were cancelled in 2020 due to the Covid-19 pandemic):

- Almost 3m visitors were attracted to Wales, generating a total of over £512 million net additional spend into the Welsh economy.
- A total of 11,499 jobs in the wider tourism economy were supported
- Over 1,000 work experience opportunities were offered to students in Further or Higher Education
- Over 33,000 volunteer opportunities were made available

Socio-cultural benefits include the number and diversity of people attending (participating teams and spectators), volunteers recruited/trained/deployed, provision of core activities through medium of Welsh and outreach programmes.

Environmental benefits include steps taken to work towards the BS ISO 20121 Standard on Sustainable Event Management.

Media benefits include national and international TV/streaming coverage, social media and online engagement with the events.

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Go to <https://gov.wales/major-sporting-events-2022-to-2030-subsidy-scheme-html> for the latest version.

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