

Subsidy Advice Unit Report on the proposed subsidy to Ryanair Holdings plc

Referred by Invest Northern Ireland

02 October 2026

Subsidy Advice Unit

Part of the Competition and Markets Authority



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1. The Referral

- 1.1 On 17 August 2026, Invest Northern Ireland (Invest NI)¹ requested a report from the Subsidy Advice Unit (the SAU)² in relation to its proposed subsidy to Ryanair Holdings plc (the Subsidy) under section 52 of the Subsidy Control Act 2022 (the Act).³
- 1.2 This report evaluates Invest NI's assessment of compliance (the Assessment) of the Subsidy with the requirements of Chapters 1 and 2 of Part 2 of the Act.⁴ It is based on the information and evidence included in the Assessment.
- 1.3 This report is provided as non-binding advice to Invest NI. It does not consider whether the Subsidy should be given or directly assess whether it complies with the subsidy control requirements.

Summary

- 1.4 The Assessment uses the four-step structure described in the Statutory Guidance for the United Kingdom Subsidy Control Regime (the [Statutory Guidance](#)) and as reflected in the SAU's Guidance on the operation of the subsidy control functions of the Subsidy Advice Unit (the [SAU Guidance](#)).
- 1.5 In our view, Invest NI has considered in detail certain aspects of the compliance of the Subsidy with the subsidy control principles. In particular, the Assessment clearly articulates the policy objective and, in the context of the balancing exercise, clearly explains the methodology underpinning the Economic Efficiency Test.
- 1.6 However, we have identified the following areas for improvement. The Assessment should:
- (a) include documentary evidence to support its identification of the most likely counterfactual (Principle C);
 - (b) when considering additionality, include more direct evidence or market benchmarking to substantiate the inferred hurdle rate for Ryanair to invest in the Project (Principle D);
 - (c) when considering proportionality:

¹ The regional business development agency for Northern Ireland, whose goal is to grow Northern Ireland's economy.

² The SAU is part of the Competition and Markets Authority.

³ [Referral of the proposed subsidy to Ryanair Holdings plc by Invest Northern Ireland - GOV.UK](#).

⁴ Chapter 1 of Part 2 of the Act requires a public authority to consider the subsidy control principles and energy and environment principles before deciding to give a subsidy. The public authority must not award the subsidy unless it is of the view that it is consistent with those principles. Chapter 2 of Part 2 of the Act prohibits the giving of certain kinds of subsidies and, in relation to certain other categories of subsidy creates a number of requirements with which public authorities must comply.

- (i) discuss in further detail the four identified factors that would influence the investment decision and consider their relative importance in Ryanair's decision-making process;
- (ii) clarify whether there is a cap on the Subsidy intensity; and
- (iii) explain how Invest NI satisfied itself that the underlying cost estimates and assumptions are robust (Principle B);
- (d) explain how the design features mentioned in the Assessment minimise distortions to competition (Principle F); and
- (e) consider how Ryanair could benefit from maintaining its own engines, as a result of the Subsidy, and how that could impact other competing airlines, as well as the likelihood and market impact of Ryanair offering third-party engine MRO services (Principle F).

1.7 We discuss these areas below, along with other issues, for consideration by Invest NI in finalising its assessment.

The referred subsidy

- 1.8 Invest NI proposes to award Ryanair Holdings plc (Ryanair) a grant of £67 million to support the establishment of a large-scale maintenance, repair and overhaul (MRO) facility for its aircraft engines in Northern Ireland (the Project).
- 1.9 The Subsidy comprises a capital grant of up to £60 million, paid in arrears against eligible expenditure and agreed milestones, and an employment grant of up to £6.99 million, limited to a grant per additional worker Ryanair employ and maintain for a specified period after implementation. The Subsidy will be issued over a seven-year period with capital grant drawdown expected over years 1-4 and employment grant drawdown expected over years 3-7. All funds are expected to be drawn down by financial year 2035/36.
- 1.10 Invest NI explained that the Subsidy is a Subsidy of Particular Interest because it exceeds £25 million in value.

2. The SAU's Evaluation

2.1 This section sets out our evaluation of the Assessment, following the four-step structure used by Invest NI.

Step 1: Identifying the policy objective, ensuring it addresses a market failure or equity concern, and determining whether a subsidy is the right tool to use

2.2 Under Step 1, public authorities should consider compliance of a subsidy with:

- (a) Principle A: Subsidies should pursue a specific policy objective in order to remedy an identified market failure or address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns); and
- (b) Principle E: Subsidies should be an appropriate policy instrument for achieving their specific policy objective and that objective cannot be achieved through other, less distortive, means.⁵

Policy objectives

2.3 The Assessment states that the policy objective of the Subsidy is to construct a large-scale aircraft engine MRO facility in Northern Ireland, creating semi-skilled, skilled and professional jobs with the aim of reducing Northern Ireland's regional productivity⁶ disadvantage by increasing the amount of capital investment in Northern Ireland.

2.4 The Assessment explains that the Subsidy aims to address the negative effects of low levels of productivity and improve outcomes for Northern Ireland's working-age population. It states that the Subsidy will do so by increasing productive capital investment and its associated effects on employment, and by improving opportunities for social and labour mobility through skills training for groups such as the economically inactive and those not in employment, education or training. The Assessment considers that these effects will help reduce the productivity gap between Northern Ireland and the rest of the UK.

2.5 In our view, the Assessment clearly describes and evidences the specific policy objective of the Subsidy.

⁵ See [Statutory Guidance](#), paragraphs 3.33–3.59 and the [SAU Guidance](#), paragraphs 3.6–3.10 for further detail.

⁶ Productivity refers to labour productivity, meaning the efficiency of the UK workforce, including output per job and per hour worked.

Equity Objective

- 2.6 Equity objectives seek to reduce unequal or unfair outcomes between different groups in society or geographic areas.⁷
- 2.7 The Assessment states that Northern Ireland has lower levels of productivity than the rest of the UK, which is a key measure of economic growth. It draws upon the Office for National Statistics' subregional productivity indices to demonstrate that in 2023 Northern Ireland had the 30th lowest level of output per hour worked⁸ ranked against other comparable regions in the UK. Supported by academic evidence, the Assessment attributes the lower level of productivity to a high concentration of low productivity sectors, a lack of investment in capital works and the low productivity of firms.
- 2.8 The Assessment explains and evidences that this low level of productivity results in slow wage growth, limited options in the labour market due to a lack of churn,⁹ and lower living standards.
- 2.9 The Assessment explains that, as part of their economic appraisal of the Subsidy, Invest NI undertook a labour productivity assessment which identified that the MRO facility would contribute to a higher level of productivity within the Northern Ireland economy as a whole, in turn reducing economic inequality by stimulating economic growth.
- 2.10 The Assessment describes how the Project will increase demand for skilled labour in the local area, creating professional, skilled and semi-skilled jobs. It is also intended to provide training opportunities for unemployed or economically inactive people, though the Subsidy will not fund training costs. The Assessment states that this will create potential for individuals to learn transferable skills and therefore generate labour mobility opportunities for those in the area.
- 2.11 Whilst the Assessment recognises that the Project will not, in isolation, address the productivity gap, Invest NI anticipates that there will be knock-on effects on productivity in related sectors, in the local area and across the wider Northern Ireland economy. It would do so by bringing a high productivity, capital intensive activity to Northern Ireland, creating skilled engineering jobs, thus benefitting Northern Ireland's working age population.
- 2.12 In our view, the Assessment clearly describes and evidences the equity objective that the Subsidy seeks to address.

⁷ [Statutory Guidance](#), paragraphs 3.52–3.56.

⁸ Out of 46 other International Territorial Levels (ITL) in the ITL 2 category.

⁹ Whereby new people enter the labour market as others retire, or people move from posts.

Appropriateness

- 2.13 Public authorities must determine whether a subsidy is the most appropriate instrument for achieving the policy objective. As part of this, they should consider other ways of addressing the market failure or equity issue.¹⁰
- 2.14 The Assessment explains that Invest NI has considered the following means to achieve the policy objective:
- (a) Legislation or regulation: The Assessment explains that such measures are not available to Invest NI to the same extent as to a government department and, while broader measures may generate productivity and employment benefits over time, they would not have the direct and more immediate effect of the Subsidy.
 - (b) Constructing the facility to lease out: The Assessment considers whether Invest NI could purchase the land and construct the MRO facility, before leasing it to Ryanair. This was discounted because construction costs were expected to be significantly higher than the Subsidy and would require Invest NI to take on a much greater management role and associated risk, contrary to the Green Book.¹¹
 - (c) Making an equity investment: The Assessment explains that the nature of the facility does not naturally lend itself to an equity solution, as the facility, though intended to be a cost saving measure, is not involved in the direct manufacture and sale of a product that then easily translates into added value for the company.
 - (d) Loan at commercial rates: This option was discounted as Invest NI did not consider it appropriate to provide a loan of this scale as opposed to a commercial bank. The Assessment further explains that a loan would not address the higher cost of locating the Project in Northern Ireland as effectively as a direct grant.
- 2.15 The Assessment states that the options set out at 2.14(b) to 2.14(d) were discounted as they would not be appealing to Ryanair and would therefore discourage its investment in Northern Ireland.
- 2.16 In our view, the Assessment demonstrates that Invest NI has considered other ways of achieving its policy objective and clearly explains why a subsidy was the most appropriate option. However, the Assessment could better evidence why these options would not be commercially attractive to Ryanair.

¹⁰ [Statutory Guidance](#), paragraphs 3.57–3.59.

¹¹ [The Green Book \(2026\) – GOV.UK](#).

Step 2: Ensuring that the subsidy is designed to create the right incentives for the beneficiary and bring about a change

2.17 Under Step 2, public authorities should consider compliance of a subsidy with:

- (a) Principle C: Subsidies should be designed to bring about a change of economic behaviour of the beneficiary. That change should be something that would not happen without the subsidy and be conducive to achieving its specific policy objective; and
- (b) Principle D: Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.¹²

Counterfactual

- 2.18 In assessing the counterfactual, public authorities should consider what would likely happen in the future – over both the long and short term – if no subsidy were awarded (the ‘do nothing’ scenario).¹³
- 2.19 The Assessment states that, without the Subsidy, the MRO facility will not be built in Northern Ireland but would go ahead in another location.
- 2.20 The Assessment notes that this is a demonstrably mobile investment decision. The MRO facility is not intrinsically tied to Northern Ireland, the engines can be transported to whichever location that Ryanair selects, and the decision will be driven by four identified factors.¹⁴
- 2.21 The Assessment states that, without the Subsidy, Northern Ireland will be significantly less competitive than alternative locations due to its higher construction, labour, and energy costs. Competing locations may also offer public financial assistance. The supporting evidence notes that, while Northern Ireland has strengths in skills availability and site characteristics, these non-financial advantages are insufficient to offset the cost gap that disfavors Northern Ireland.
- 2.22 In our view, the Assessment describes what would be likely to happen if the Subsidy was not awarded. However, the Assessment should include documentary evidence to support its identification of the most likely counterfactual. For example, it could:

¹² See [Statutory Guidance](#), paragraphs 3.60–3.74 and the [SAU Guidance](#), paragraphs 3.11–3.13 for further detail.

¹³ [Statutory Guidance](#), paragraphs 3.63–3.65.

¹⁴ The four identified factors are [§<]. The SAU has excluded from this published version of the report information which it considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [§<]. Some numbers have been replaced by a range, which are shown in square brackets.

- (a) Include independent or third-party evidence to demonstrate Northern Ireland's relative attractiveness against the competing locations under consideration, both with and without the Subsidy, covering both financial and non-financial factors.
- (b) Include evidence, to the extent available, that the competing locations are likely to offer, or have offered, comparable subsidies (eg letters, feasibility studies, or government documentation).
- (c) Clarify, with further evidence and by reference to the analysis in point (a) above, where and how Ryanair would be likely to proceed if no country offered a subsidy.

Changes in economic behaviour of the beneficiary and additionality

- 2.23 Subsidies must bring about something that would not have occurred without the subsidy.¹⁵ They should not be used to finance a project or activity that the beneficiary would have undertaken in a similar form, manner, and timeframe without the subsidy ('additionality').¹⁶
- 2.24 The Assessment explains that the Subsidy is expected to influence Ryanair's location decision and attract the MRO facility to Northern Ireland. The claimed behavioural change is therefore the location of the investment, rather than the decision to develop engine MRO capacity itself. The Assessment explains that this change would support specified capital and employment costs rather than Ryanair's normal operating expenditure.
- 2.25 The Assessment reports a significant multi-year cost difference between Northern Ireland and the most likely alternative location, before public support. It notes that the proposed Subsidy would not fully eliminate the cost difference. However, an increase in public support beyond the Subsidy would not provide a net economic benefit to Northern Ireland. It therefore presents the Subsidy amount as the minimum level sufficient to keep Northern Ireland under consideration while retaining sufficient economic benefit.
- 2.26 The Assessment details the methodology used to estimate the cost gap between Northern Ireland and the other most likely location, incorporating capital, employment, and operational costs. The Assessment notes that the Subsidy would raise Ryanair's internal rate of return (IRR)¹⁷ to achieve the inferred hurdle rate, thereby increasing the attractiveness of Northern Ireland as a location for the Project.

¹⁵ [Statutory Guidance](#), paragraph 3.67.

¹⁶ [Statutory Guidance](#), paragraphs 3.66–3.70.

¹⁷ The annual rate of return an investment generates over its lifetime.

- 2.27 The Assessment states that the IRR would not be the only factor determining the investment decision, which will be influenced by a combination of financial factors (eg the cost gap and the IRR) and non-financial considerations. The Assessment notes that, while the Subsidy improves the financial case for Northern Ireland, the overall attractiveness of Northern Ireland as a location depends on meeting all of Ryanair's requirements, not just achieving a target IRR.
- 2.28 The Assessment and supporting evidence also explain how the employment grant is structured to ensure that the Subsidy incentivises the creation of new jobs at the Ryanair MRO facility in Northern Ireland. It explains that the design means that the grant is not compensating for Ryanair's normal operating or payroll costs, but a targeted incentive to secure new, high-value employment in Northern Ireland that would not otherwise occur. Both the Assessment and the supporting annexes are clear that, without the Subsidy, the Project and the associated jobs would happen in another location, making the employment grant fully additional rather than a BAU cost.
- 2.29 In our view, the Assessment partially explains how the Subsidy would change the beneficiary's economic behaviour and that the Subsidy brings about changes that would not have occurred absent the Subsidy. However, the Assessment should provide direct evidence or market benchmarking to justify Ryanair's inferred hurdle rate. For example, Invest NI could:
- (a) stress-test the Ryanair cost model and IRR assumptions;
 - (b) include evidence that the inferred IRR is aligned with market rates for comparable investments, ideally through benchmarking or independent expert validation; and/or
 - (c) document the process and rationale by which Invest NI satisfied itself that the inferred IRR is a reasonable and proportionate hurdle rate for Ryanair and for the sector.

Step 3: Considering the distortive impacts that the subsidy may have and keeping them as low as possible

- 2.30 Under Step 3, public authorities should consider compliance of a subsidy with:
- (a) Principle B: Subsidies should be proportionate to their specific policy objective and limited to what is necessary to achieve it; and

- (b) Principle F: Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.¹⁸

Proportionality

- 2.31 The Assessment states that the £67 million Subsidy is the minimum required to give Northern Ireland an opportunity to secure the Project.
- 2.32 The Assessment explains that the Subsidy represents [15% to 25%] of total eligible project costs,¹⁹ with Ryanair funding the remainder. The Assessment relies on a Ryanair cost model which identified a net present value²⁰ cost gap between Northern Ireland and the most likely alternative location, reflecting higher construction, employment and energy and transportation costs in Northern Ireland.
- 2.33 The Subsidy is targeted at providing only additional support to make Northern Ireland a viable location, and the Assessment notes that increasing public support to the level needed to close the cost gap fully would produce a net economic cost to Northern Ireland.
- 2.34 The Assessment details design features which help ensure that the Subsidy is both proportionate and limited to the minimum necessary. It states that the Subsidy will take the form of two grants and discusses their timespan and the type of costs that they will cover (see paragraph 1.9). It explains that the Subsidy will not support routine operating expenditure as the employment grant is a one-off contribution to job creation rather than continuing payroll support. It further sets out that grant claims will be paid in arrears only after the relevant evidence and milestones have been verified; payments will depend on specified performance criteria and verified by a suitably qualified independent consultant; the Subsidy will be ringfenced to agreed eligible costs; and clawback mechanisms will be in place where commitments or other conditions are not met. There will also be a formal monitoring framework, including a control-period and post-project evaluation.
- 2.35 The Assessment notes that the proposed investment was subject to scrutiny throughout the negotiation process. This included a review of the potential impact on the MRO market, a financial assessment of the company, examination of relevant casework, consideration of the economic efficiency test and value for money assessment. Ryanair's financial model was reviewed, including net present value calculations, and validated by officials and subsequently updated following clarifications provided during the negotiations. As part of Invest NI's internal analysis process across multiple departments, officials reviewed evidence on

¹⁸ See [Statutory Guidance](#) paragraphs 3.75–3.112 and the [SAU Guidance](#), paragraphs 3.14–3.18 for further detail.

¹⁹ Including both the capital costs of establishing the engine MRO facility, and the costs of creating the jobs.

²⁰ The difference between the present value of cash inflows and the present value of cash outflows over a period of time.

construction, employment, energy and transport costs to assess the relative cost disadvantage of Northern Ireland compared with the most likely alternative location.

- 2.36 In our view, the Assessment partially demonstrates and evidences that the Subsidy is proportionate and limited to the minimum necessary to achieve its specific policy objective, in line with the Statutory Guidance. However, the Assessment should:
- (a) discuss in further detail the four identified factors (referred to above in paragraph 2.20), that would influence the investment decision and their relative importance in Ryanair's decision-making process;
 - (b) clarify whether there is a cap on the Subsidy intensity; and
 - (c) explain how Invest NI satisfied itself that the cost estimates and underlying assumptions are robust, as the estimated cost differential between Northern Ireland and the alternative location is central to the Assessment. Such an explanation could include evidence of independent cost assurance, benchmarking against comparable projects or market rates, and analysis of the impact of changes in key assumptions on the subsidy requirement.

Design of subsidy to minimise negative effects on competition and investment

- 2.37 The Assessment states that the Subsidy is designed to minimise distortive effects on competition. It considers design features of the Subsidy which could limit distortions (many of which overlap with Principle B, see paragraph 2.34) such as ringfencing to eligible costs only; clawback mechanisms; performance criteria against agreed milestones; payments in arrears once evidence is provided and independently verified; as well as limiting the Subsidy amount to [15% to 25%] of total eligible costs with Ryanair funding the remaining amount.
- 2.38 The Assessment considers that impacts on competition and investment will be limited due to the nature of the current market, with Ryanair's engine repair business with CFM²¹ being relatively small and therefore unlikely to have a significant impact. The facility is not intended to tender for third-party MRO contracts. The Assessment considers that the potential impact on competing employers in Northern Ireland could be mitigated by the time span of the Subsidy, as well as Ryanair's Assured Skills Program to train new workers.
- 2.39 In our view, the Assessment describes a number of design features of the Subsidy which could contribute to minimising negative effects of the Subsidy on

²¹ Ryanair's engines are all supplied and repaired by CFM International.

competition and investment within the United Kingdom. However, it should explain how these design features would minimise potential distortions.

Assessment of effects on competition or investment

- 2.40 The Assessment considers the principal product market to be aircraft engine maintenance, repair and overhaul. The Assessment identifies the main impacted business to be CFM, noting that CFM currently undertakes approximately one-third of CFM56 engine overhauls, with third parties undertaking the remainder. The Assessment explains that Ryanair's maintenance is predominantly carried out at CFM facilities outside the UK, and that the main UK CFM maintenance location (in Wales) receives most of its business from US clients.
- 2.41 The Assessment states that Ryanair plan to maintain their own engines at the new facility and has no intention to supply services to third parties. It will therefore replace part of Ryanair's current outsourced demand to CFM (the engine manufacturer).
- 2.42 The Assessment identifies possible displacement from CFM facilities but considers the impact on concentration or competitive conditions limited because the Project represents a low proportion of forecast global engine restoration demand; CFM supports an open MRO ecosystem and has endorsed Ryanair's move to in-house provision; and demand for engine MRO services is expected to grow, which could fill the capacity released by Ryanair's decision.
- 2.43 The Assessment considers there to be potential indirect impacts on airlines competing with Ryanair, stemming from shorter turnaround times and greater engine availability which could improve Ryanair's operational efficiency and enable it to operate more flights. The Assessment states that it cannot quantify that effect but expects it to be limited in a growing air travel market, noting that Ryanair intends to establish two in-house engine facilities irrespective of whether Northern Ireland is selected.
- 2.44 The Assessment considers the geographical markets to be Northern Ireland, the wider United Kingdom and international. There are no aircraft engine MRO facilities in Northern Ireland, so the Project would introduce a new activity rather than displace an existing local supplier. Across the United Kingdom, engine MRO activity is concentrated particularly in the East, South West and South East of England, reflecting proximity to major airports, manufacturing bases and skilled labour. Ryanair's current engine maintenance may be allocated across CFM facilities internationally.
- 2.45 The Assessment considers input and related markets. Ryanair will remain dependent on CFM's ecosystem for parts and technical support even after bringing overhaul work in-house. The Project may also increase demand in

Northern Ireland for construction, civil engineering, mechanical and electrical installation, logistics, inspection, facilities management and professional services. In the labour market, the Project will create demand for semi-skilled, skilled and professional workers and provide accredited aircraft engineering training. The Assessment considers that this could strengthen the local skills base and aerospace supply chain, while recognising that, while there could be some displacement of labour from competitors, the risk should be limited.

2.46 In our view, the Assessment considers to some extent the effect of the Subsidy on competition and investment, in line with Annex 3 of the Statutory Guidance. However, it should consider further:

- (a) how Ryanair could benefit from maintaining its own engines compared to using a third-party supplier (eg through lower costs and increased efficiencies compared to competitors without access to a subsidy), and how that could impact other competing airlines; and
- (b) the likelihood of Ryanair offering third-party services in the engine MRO market, and the potential effects on competition if it did so.

Step 4: Carrying out the balancing exercise

2.47 Under Step 4 (Principle G), public authorities should establish that the benefits of the subsidy (in relation to the specific policy objective) outweigh its negative effects, in particular negative effects on competition or investment within the United Kingdom and on international trade or investment.²²

2.48 The Assessment sets out the expected benefits, including:

- (a) Securing a significant capital investment outfitting a high productivity facility which will provide a significant contribution to Northern Ireland's Gross Fixed Capital Formation and improve the regions productivity.
- (b) Creating [over 500] new jobs (and the potential entry into employment of 99 people who are currently economically inactive) with a total salary benefit for Northern Ireland of £20.8 million per annum, of which £16.5 million is a wage premium, and encouraging wage growth, labour and social mobility by introducing a new competitor for skilled workers.
- (c) Upskilling the local population through the provision of the Assured Skills Academy and Ryanair Engineering Academy, accredited courses which provide transferrable skills.

²² See [Statutory Guidance](#), paragraphs 3.113–3.121 and the [SAU Guidance](#), paragraphs 3.19–3.21 for further detail.

- (d) Supply chain benefits in Northern Ireland, including for the construction of the facility and the supply of equipment and inventory, contributing to a higher output per worker across the wider supply chain.
 - (e) Potential longer-term indirect benefits from: clustering and collaboration in the Aerospace, Defence, Security and Space sectors and for research, development and innovation and local further education colleges; the potential to secure further MRO investment in NI and drive broader productivity improvements; and to regenerate a landfill site.
- 2.49 It explains in Step 1 that productivity benefits lead to positive outcomes for Northern Ireland's working age population by increasing opportunities for social mobility, wage growth and employment opportunities.
- 2.50 It sets out the following expected negative effects:
- (a) Potential displacement effects for other UK and EU MRO sites, however it explains that the scale of activity will be too low to have a significant impact on these sites.
 - (b) Potential staff displacement from other aerospace companies, though it notes that this is mitigated by Ryanair's well-established approach to recruiting and training inexperienced staff, and the ramp up of recruitment over 5 years.
 - (c) An increase in greenhouse gas emissions from the testing of aircraft engines, and an impact on Northern Ireland's Climate Act targets, mitigated by systems to capture particulate matter and Ryanair's long-term target of net-zero emissions by 2050, and requirements to comply with Northern Ireland's regulations.
- 2.51 Invest NI carried out an Economic Efficiency Test, explaining that the construction of the MRO will result in a positive benefit cost ratio with a net benefit to Northern Ireland's economy of [£10-20 million] over the first 10 years of operation. In addition, it will create an increase in productivity at a Belfast, Northern Ireland engineering and Northern Ireland economy level.
- 2.52 The Assessment sets out that there is likely to be limited to no impact on international trade and investment in MRO facilities, due to the oversubscribed nature of external MRO facilities.
- 2.53 It sets out that in its view, the benefits of the Subsidy outweigh the negative effects, and that the Project has sought to address any negative impacts where possible.
- 2.54 In our view, the Assessment clearly sets out the positive effects of the Subsidy in relation to the policy objectives, its geographic impacts, as well as some potential

negative impacts, and conducts a balancing exercise between them in line with the Statutory Guidance. In particular, it clearly sets out the methodology for the Economic Efficiency Test underpinning its balancing test.

- 2.55 However, it should include any potential negative impacts on competition and investment, or international trade or investment, for air carriers (see paragraph 2.46) in its balancing test. The Assessment could also consider, as part of the balancing exercise, whether the Subsidy could have a negative effect on investment at the alternate locations that Ryanair is considering.

Other Requirements of the Act

- 2.56 Invest NI confirmed that no other requirements or prohibitions set out in Chapter 2 of Part 2 of the Act apply to the Subsidy.

2 October 2026