

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

First Delegated Legislation Committee

BIONTECH UK: FINANCIAL ASSISTANCE

Monday 24 March 2025

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Friday 28 March 2025

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The Committee consisted of the following Members:

Chair: CHRISTINE JARDINE

- | | |
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| † Anderson, Callum (<i>Buckingham and Bletchley</i>)
(Lab) | † Nichols, Charlotte (<i>Warrington North</i>) (Lab) |
| † Clark, Feryal (<i>Parliamentary Under-Secretary of
State for Science, Innovation and Technology</i>) | † Race, Steve (<i>Exeter</i>) (Lab) |
| † Collins, Victoria (<i>Harpenden and Berkhamsted</i>)
(LD) | † Scrogham, Michelle (<i>Barrow and Furness</i>) (Lab) |
| † Craft, Jen (<i>Thurrock</i>) (Lab) | † Simons, Josh (<i>Makerfield</i>) (Lab) |
| † Dixon, Anna (<i>Shipley</i>) (Lab) | † Spencer, Dr Ben (<i>Runnymede and Weybridge</i>) (Con) |
| † Fortune, Peter (<i>Bromley and Biggin Hill</i>) (Con) | † Tugendhat, Tom (<i>Tonbridge</i>) (Con) |
| † Holden, Mr Richard (<i>Basildon and Billericay</i>) (Con) | † Turley, Anna (<i>Lord Commissioner of His Majesty's
Treasury</i>) |
| † Joseph, Sojan (<i>Ashford</i>) (Lab) | Wilkinson, Max (<i>Cheltenham</i>) (LD) |
| † Midgley, Anneliese (<i>Knowsley</i>) (Lab) | Abi Samuels, Emma Elson, <i>Committee Clerks</i> |
| | † attended the Committee |

First Delegated Legislation Committee

Monday 24 March 2025

[CHRISTINE JARDINE *in the Chair*]

BioNTech UK: Financial Assistance

4.30 pm

The Chair: It may help the Committee if I clarify from the Chair what we are debating. The motion in the name of the Secretary of State for Science, Innovation and Technology is listed in the “Future Business” section of the Order Paper, and the House will be asked to pass the motion without debate after the text has been agreed by this Committee.

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Feryal Clark): I beg to move,

That this House authorises the Secretary of State to undertake to pay, and to pay by way of financial assistance under section 8 of the Industrial Development Act 1982, a grant or grants exceeding £30 million and up to a total of £129 million to BioNTech UK Limited to support their planned expansion of research and development and artificial intelligence activities in the UK over the next 10 years.

It is an honour to serve under your chairmanship, Ms Jardine.

This investment comes at an important time for the UK’s thriving life sciences sector, which forms a key pillar of two of the Government’s missions: to kick-start economic growth; and to build an NHS fit for the future. The sector is responsible for over £100 billion of turnover in the UK, and it supports over 304,000 jobs in 6,850 businesses. In addition to supporting our economy, the sector also delivers for patients by providing the medicines and technologies that people need to live longer, healthier lives.

As we will set out in the life sciences sector plan, we must build on our world-leading R&D ecosystem and double down on rebuilding an internationally competitive business environment so that innovative companies can start, scale and stay here in the UK. To deliver that plan, we will continue to work in partnership with industry, our life sciences ecosystem and the NHS to seize opportunities that will foster innovation across the UK. To that end, through this proposed grant, we have an opportunity for the UK to secure international investment in innovative, cutting-edge R&D in the face of increasing global competition.

As the right hon. and hon. Members present know, BioNTech is an international leader in the biotechnology industry, and the developer of the first licensed mRNA covid-19 vaccine. Building on the vaccine’s success and global impact, BioNTech has applied for a Government grant of £129 million to support its transformation and UK expansion, which will see it invest circa £1 billion over 10 years. Supported by the grant, BioNTech research activities will focus on structural biology, regenerative

medicine, oncology and AI-driven drug discovery, spanning three locations and creating about 460 new, directly-employed, highly skilled jobs.

In Cambridge, BioNTech will set up a new centre of excellence to focus on drug discovery and development of new treatments for cancer and other serious diseases. That directly supports the Government’s ambition to boost the Oxford-Cambridge growth corridor. In London, BioNTech intends to establish a major hub, including a centre of AI expertise to leverage this game-changing technology and to enhance our understanding of diseases, their causes and drug targeting. At a third site—to be announced shortly—BioNTech plans to undertake R&D into vaccines, including for diseases with high pandemic potential.

BioNTech’s decision to invest in the UK and to expand its R&D activities builds on the Government’s existing strategic partnership with the company. That includes BioNTech’s work to provide up to 10,000 NHS patients with personalised immunotherapies by 2030, which is already transforming health outcomes by enabling UK patients to be among the first in the world to benefit from cancer vaccines. That support for BioNTech is further evidence of the Government’s backing of a world-leading life sciences sector. Working together, we are driving growth, creating jobs and fostering innovation that will translate into positive outcomes for patients. Supporting BioNTech’s investment is another signal of our commitment to this crucial sector ahead of launching our ambitious life sciences sector plan in the spring.

I commend the motion to the Committee.

4.36 pm

Dr Ben Spencer (Runnymede and Weybridge) (Con): It is a pleasure to serve under your chairmanship, Ms Jardine.

With businesses warning that they are cutting investment because of the actions of this Government, the Confederation of British Industry warning in January that investment is at its lowest level since 2009 outside of the pandemic, and AstraZeneca recently pulling £450 million of investment because of the actions of this Government, it is reassuring to see today’s motion. Of course, this investment was secured at the global investment summit under the Conservatives, which makes sense.

We, of course, welcome BioNTech’s investment, and we welcome that the Government have continued our support. In the interest of scrutiny, can the Minister outline the negotiations with BioNTech on the subsidy, and whether BioNTech raised concerns about the poor investment environment that this Government have created, including with the increase in employer national insurance contributions?

4.37 pm

Victoria Collins (Harpenden and Berkhamsted) (LD): It is a pleasure to serve under your chairmanship, Ms Jardine.

Up and down this country, people are facing the daily reality of cancer and infectious diseases. It is no different in Harpenden and Berkhamsted, where Catherine has been diagnosed with ovarian cancer and Jennie with breast cancer. They are the tip of the iceberg, with many

people awaiting diagnosis. Not only are many patients awaiting diagnosis; even afterwards, many patients are awaiting treatment.

The NHS target following an urgent cancer referral is for treatment to start within 62 days for 85% of patients. At West Hertfordshire teaching hospitals NHS trust in my area, however, 43.5% of cancer patients were not treated within the 62-day window last August. Urgent treatment following a cancer diagnosis is vital for improving patient outcomes.

We welcome investment in improving patient outcomes. That is why we welcome this investment by BioNTech UK, which has previously worked on immunotherapies, oncology, infectious diseases, vaccines—including covid vaccines—and AI-driven drug discovery, and is now funding the expansion of its research and development and AI activity. We, of course, support funding in research and development, especially in healthcare and the life sciences.

How will the Government monitor BioNTech's use of this funding to ensure it delivers high-quality jobs and innovation for the UK and the UK economy?

4.38 pm

Feryal Clark: I thank the Opposition and Liberal Democrat spokespeople. The funding we have discussed today will unlock around £1 billion to further boost the UK's life sciences sector and, in turn, support the Government's missions to kick-start economic growth and build an NHS fit for the future. It will also build on our significant progress and commitments to date, including the life sciences innovative manufacturing fund of up to £520 million announced by the Chancellor in October 2024, and our landmark partnerships with Oxford Nanopore and Eli Lilly.

The hon. Member for Runnymede and Weybridge (Dr Spencer) commented on the investment environment. I am sure he did not miss the fact that this Government attracted £63 billion-worth of investment at the last international investment summit. We have done the hard work to make that investment a reality. He may be interested to hear that, according to the latest CEO survey by PricewaterhouseCoopers, the UK is the second best country in the world in which to invest. However, we are not complacent, and we are fully committed to making the UK the best place to invest. The life sciences are an area of huge UK expertise, and they are key to that commitment. Securing this investment will send a clear message to innovative companies that the UK is open for business.

The hon. Member for Harpenden and Berkhamsted (Victoria Collins) asked about monitoring. The financial assistance will be monitored through the normal procedures used for any investment made by the Government. I am happy to send her details of that process and the timeline for this investment.

Working together with industry, this Government are delivering better patient outcomes and driving economic growth. I look forward to continuing that work, and to building on that momentum through the publication and rapid delivery of the life sciences sector plan and industrial strategy in the spring.

I commend the motion to the Committee.

Question put and agreed to.

4.42 pm

Committee rose.

