

Jeremy Miles MS

Counsel General and Minister for European Transition

25 June 2020

Dear Jeremy,

### **Regional investment policy in Wales after Brexit – request for an update**

Despite the unprecedented circumstances arising from the COVID-19 pandemic, both parties have indicated (most recently following the [High Level Meeting on 15 June](#)) that the Brexit process will continue at pace, with no extension to the transition period.

Our Committee has taken a keen interest in all the various implications for Wales of leaving the EU. This has included our work on EU funding programmes in Wales and the transition to any successor schemes. We would therefore welcome an update from you on the operation of current EU funding programmes in Wales and a look ahead to the future regional investment funding landscape.

### **Current EU funding programmes (2014-2020)**

We would be grateful if you could please respond to the following questions:

- What impact has the COVID-19 pandemic had on the delivery of EU funding projects in Wales?
- What impact – if any – has the COVID-19 pandemic had on the work of the Wales European Funding Office (WEFO)?
- What is the current state of play in terms of the allocation of European funding to include allocation of Structural Funds 2014-20 (broken down by region and type); the Ireland-Wales programme 2014-20; and the Rural Development Programme 2014-20?
- What are the implications of European N+3 rules for projects funded during the current funding round in light of Brexit?

### **European Investment Bank**

In addition to the projects funded directly by European funding, Wales has over the years benefitted from funding which sits outside the EU budget, most notably through the European Investment Bank (EIB).

We would be grateful if you could please respond to the following questions:



**Senedd Cymru**

Bae Caerdydd, Caerdydd, CF99 1SN

✉ SeneddMADY@senedd.cymru

☎ 0300 200 6565

**Welsh Parliament**

Cardiff Bay, Cardiff, CF99 1SN

✉ SeneddEAAL@senedd.wales

☎ 0300 200 6565

- What is the latest position with regards to negotiating a future relationship with the European Investment Bank and what role has the Welsh Government had in these discussions?
- What assessment has the Welsh Government made of the number of projects currently benefitting from EIB investment in Wales that would be affected by the UK's withdrawal from the EIB (including the total value of those projects)?
- If the UK and the EU do fail to agree some form of future relationship with the EIB (as set out in the Political Declaration), what action does the Welsh Government intend to take to mitigate the impact of the UK's potential withdrawal from the EIB on projects funded in Wales?

### **Future of regional investment after Brexit**

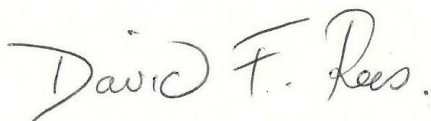
We note the recent conclusion of your consultation on the future of EU investment in Wales on 10 June. We would be grateful if you could please provide an update on the timescales for publication of the consultation responses, an idea of the number and type of respondents, and any emerging themes that you can share with us.

In terms of the Shared Prosperity Fund we would be grateful if you could please respond to the following questions:

- What is the latest state of play in terms of the Shared Prosperity Fund and have you received timescales from the UK Government in terms of detail on the operation of the Fund?
- What discussions have taken place between the Welsh and UK Governments on the Shared Prosperity Fund and future regional investment funding since the UK left the EU on 31 January 2020? Please provide details of discussions at both ministerial and officials levels.
- What are your planning assumptions in terms of the total amount of replacement funding that the Welsh Government will receive for the purpose of regional investment after the end of the transition period? Please include details of the funding mechanism, if available.

I would be grateful for a response by 20 July 2020. I am also copying this letter to the Chair of the Finance Committee.

Yours sincerely,



David Rees MS  
Chair of the External Affairs and Additional Legislation Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.  
We welcome correspondence in Welsh or English.

