



Eich cyf/Your ref  
Ein cyf/Our ref

Delyth Jewell MS  
Chair  
Culture, Communication, Welsh Language, Sport  
and International Relations Committee  
Senedd Cymru

27 January 2023

Dear Chair,

Thank you for your letter dated 13 January with additional questions on the Welsh Government's Draft Budget for International Relations for 2023-24.

The impact of the Covid pandemic, cost of living crisis and the war in Ukraine has led to the reprioritisation of budgets across Welsh Government, including the International Relations Draft Budget 2023-24. Inflationary and cost of living pressures will need to be managed through the year in all elements of our budget. We have taken the decision to make the £171,000 budget cut to the International Engagement budget as we can more easily manage the pressures within this budget, rather than the budgets for the Overseas Offices Running Costs and Activity.

We are continue to develop our detailed 2023/24 delivery plans for International Relations and the overseas offices. These will be internal documents that remain flexible to respond to global events and opportunities. All the plans that are being developed operate within the

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

framework of the published International Strategy, Action Plans, Programme for Government and Office Remits.

We are working very closely with internal and external partners to maximise the benefit from our activity; this means harnessing what worked well as part of the Team Wales approach to FIFA World Cup 2022 activity and ensuring that the funding we provide to strategic partners is focussed on delivering the International Strategy.

Our activity and priorities are kept under review throughout the year. This will include managing the budget reduction following the Welsh Government autumn budget reprioritisations and budget reductions within the MEG. We continue to use different ways of working, for example, engaging virtually where possible and travelling only where it adds value. We are confident that we will be able to maintain our focus on priorities despite the financial reduction and inflationary pressures. As with other areas, it is important to note that International Relations activity is not immune from the budgetary pressures felt across Welsh Government, whilst recognising that we need to continue to maximise the opportunities and benefits to raising Wales' profile on the global stage. We will continue to place considerable focus on collaborating across government and with key external stakeholders to maximise impact. We continue to ensure our strategic partners seek opportunities to work together as in the positive examples we have seen this year, such as Wales Arts International and the Office of the Future Generations Commissioner working together as part of our "Wales in Canada" year. We bring our partners together for collaborative planning meetings to ensure work is aligned for forthcoming financial years and we will be holding a workshop with our partners this month to continue our discussions on increasing opportunities for cross-collaboration.

Our cross-cutting activity will continue to support the overarching objectives of the International Strategy. This year, key cross-cutting activity has included our communications engagement, the Ireland/Wales Forum, Dubai Expo 2020, the annual "Wales in..." initiatives as well as activity supporting inward visits to Wales.

Welsh Government overseas offices have access to the Overseas Offices Activity budget which is managed on a regional basis (North America, Europe and Middle East/Asia). This budget is used for routine activity. Where there are specific initiatives that cannot be funded within that budget, and where it can be demonstrated that these initiatives will have an impact in one of the areas of the International Strategy and Action Plans, the International Relations team in Wales can consider approving a bid for funding from the International Engagement budget. Past examples of this have included supporting the Wales/Ireland Forum, the annual "Wales in..." initiatives and activity for both the FIFA World Cup and the Hockey World Cup. When considering bids, it is the responsibility of the International Relations team to ensure value for money. To support our activities at the FIFA World Cup, we provided £0.31m from the International Engagement budget to overseas offices activity. When the 2022-23 budget was set, it was not known that the Wales Men's football team would qualify for the World Cup and existing funding was prioritised for that activity following qualification. This flexible and reactive approach to funding is taken across all of our international activity.

We are continually looking to improve our budget management processes and are working with FCDO to ensure better transparency and forecasting of the platform charges for our Overseas Offices Running Costs budget. It is difficult to forecast some of our overseas running costs as these depend on personal circumstances, staff rotations and FCDO platform charges. Covid-19 has also affected our spend profiles over the past few years and, while we are seeing some stability, it continues to impact our activity, affecting different global regions at different times, creating some uncertainty.

The International Relations budget continues to maintain the funding to the International Development budget as this precedent was set when the International Strategy was first published bringing an important connection between key and high-profile international activity. Given the important link between international development and the International Strategy, this approach has proved effective and flexible in supporting delivery.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Drakeford". The signature is written in a cursive, slightly slanted style.

**MARK DRAKEFORD**