



Eich cyf/Your ref
Ein cyf/Our ref

Delyth Jewell AS/MS
Chair Culture, Communications, Welsh Language,
Sport and International Relations Committee

Delyth.jewell@senedd.wales

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Dear Chair

During my recent appearance before the Committee on 10 May 2023, I agreed to provide some additional information. Please see below.

Trade and investment between Wales and Ireland

Inward Investment

According to the latest data from the Office for National Statistics, there are around 90 Irish-owned companies in Wales, employing just under 6,400 people. Irish-owned companies in Wales include Eurocaps, Kepak, Kingspan, Nolan Transport and Williams Medical Supplies.

Ireland is our 7th largest inward investor with more than 30 investments taking place in the last ten years.

In April 2022, DP Energy, based in Cork, announced the opening of its UK headquarters in Pembroke Dock. Notably, the company has publicly acknowledged the supportive policies set by the Welsh Government to achieve net zero targets and, in particular, our support for marine renewables.

Exports

In 2022, Welsh goods exports to Ireland were worth around £3.0 billion. This represented around 14.4 per cent of Welsh goods exports and meant that Ireland became Wales' second largest export market. For context, the USA is our largest export market and is worth just under £3.4 billion. In 2021, Welsh exports to Ireland were worth £1.7 billion (11.4 per cent of Welsh exports and our third largest export market).

In 2022, the top 5 exported products from Wales to Ireland were:

1. Petroleum, petroleum products & related materials (£2 billion)
2. Power generating machinery & equipment (£178.8 million)

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Mark.Drakeford@llyw.cymru
Correspondence.Mark.Drakeford@gov.wales

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.

3. Iron & steel (£156.4 million)
4. Paper, paperboard (£58.3 million)
5. Metal (£52.7 million)

The value of goods exports to Ireland, like many of Wales' key markets, has experienced volatility over recent years. Following a decrease between 2019 and 2020, primarily driven by the impact of the Covid-19 pandemic, the value of goods exports has since recovered beyond pre-pandemic levels. Recent data does however suggest inflation is playing a role, with inflationary pressures pushing up the price of products, causing the value of exports to increase at a faster rate compared with the volume of exports. This is particularly prevalent within the petroleum sector, with the value of petroleum exports from Wales to Ireland increasing sharply, whilst the volume is growing, but at a slower rate.

The Welsh Government has regularly undertaken trade missions to Ireland, with the most recent taking place in March 2023 to coincide with St David's Day and a visit by the Minister for Education and Welsh Language.

Imports

In 2022, Wales imported £677.9 million worth of goods from Ireland.

In 2022, the top 5 imported products were:

1. Electric current (£196.5 million)
2. Power generating machinery & equipment (£119.8 million)
3. Meat & meat preparations (£112.3 million)
4. Petroleum, petroleum products & related materials (£72.5 million)
5. Other transport equipment (£23.5 million)


Letter to the President of the European Commission

I agreed to provide more information about the exchange of letters between myself and Ursula von der Leyen. The letters are attached separately (English only); however, I ask that this correspondence is not published or made public in any way to maintain the EU's confidence in our ongoing relationship.

Visit by Qatari Museum Delegation

I can confirm that arrangements are proceeding well for the visit to Wales by a delegation from the Museum of Islamic Art. The delegation is visiting Wales this week and will be travelling to museum sites across Wales, including St Fagan's and Blaenavon. I have asked officials to work with the delegation to see if a meeting with the Committee can be accommodated. Officials will contact the Committee Clerk directly.

Yours sincerely



MARK DRAKEFORD