Y Gwir Anrh/Rt Hon Mark Drakeford AS/MS Prif Weinidog Cymru/First Minister of Wales



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

6 July 2023

Dear Delyth,

I am writing in response to your letter of 7 June which requested further information following my attendance at the Committee's annual scrutiny session of the Wales/Ireland relationship on 10 May.

Budget allocation

The Welsh Government office in Ireland has an annual budget to deliver the objectives of the international strategy. In addition, there is a separate annual focused budget to deliver the aims of the shared statement and joint action plan which for 2023/24 is £40k. The budget in the past has been utilised across a number of themes including supporting Welsh cultural artists perform in Ireland and bring together a wide range of stakeholders to mark St David's Day in Ireland.

Secondment into Ireland's Department of Foreign Affairs

The Welsh Government secondment into Ireland's Department of Foreign Affairs looking at Ireland's diaspora engagement has now come to an end. A final report on the approach and delivery by the Irish Government of their global diaspora strategy is being collated and a summary will be issued to the Committee once finalised.

Continuation of the PEACE PLUS programme

Officials are closely monitoring developments with implementation of the €1bn PEACE Plus Programme through regular contact with the Northern Ireland Executive and with the Programme Managing Authority, the Special European Union Programmes Body (SEUPB). The Programme's primary aim is (of course), to support peace and prosperity in Northern Ireland and the border counties of Ireland, however there is sufficient flexibility within the Programme to enable stakeholders outside the immediate eligible area to join North-South projects where there is demonstrable added value in doing so.

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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.

The Welsh Government's Irish Sea Framework, part of Agile Cymru, is actively encouraging and influencing co-operation across and around the Irish Sea space. Partners in Wales are being kept informed of potential opportunities to engage with PEACE Plus and provided with advice, guidance and support through Agile Cymru.

Wales-Ireland relations framework interaction with other Welsh Government initiatives

Our Wales-Ireland relations are underpinned by close relationships between all involved parties at all levels. There are close relationships across the Welsh Government with Irish counterparts – at both Ministerial and official level. These relationships deliver across Welsh Government priorities and our Programme for Government. They are developed bilaterally and through engagement at fora like the British Irish Council.

Through the Ireland/Wales Shared Statement we have brought together much of this activity. The statement sets out how we can work together on shared policy areas and provides a framework to support our engagement.

Many Ministers have individual areas of responsibility – as is demonstrated through the strength of our Ministerial engagement at both the Ireland/Wales Forum and British Irish Council. As First Minister I have overall Ministerial responsibility.

All these initiatives have different purposes and are complementary. The International Strategy covers the breadth of our international engagement. The Shared Statement and Joint Action Plan then sets out in more detail the areas where we can work together and sets a framework for our bilateral engagement across the board.

The Irish Sea Framework has been developed as part of Agile Cymru and involves a broader set of partners, including other Devolved Governments and stakeholders. It guides and influences actions to increase economic co-operation across and around the Irish Sea space. It complements the Ireland Wales Shared Statement and Joint Action Plan and builds upon the existing achievements within the Ireland Wales programme and other relevant EU funded programmes.

Wales-Ireland co-operation post Brexit

The Welsh Government, and our stakeholders, continue to highlight the successes of the Ireland-Wales programme and disseminate the knowledge and resources it has helped develop. This was a feature of our second Irish Sea Symposium on 16 May and will be a feature of an Ireland Wales programme celebration event in Dublin in June.

You are aware how Agile Cymru and our Irish Sea Framework are helping maintain the networks and capacity for future cooperation. This is supporting a 'coalition of the willing' of stakeholders across and around the Irish Sea, with the potential to lever in further resources and funding. The strong demand for the current Agile Cymru Irish Sea funding initiative demonstrates the desire for continuing co-operation. As I mentioned, Welsh and Irish officials are also exploring the potential for a new cooperation mechanism, and I look forward to progress on that during the Autumn.

Welsh and Irish Government officials regularly meet to discuss progress against the Shared Statement and other issues and close relations are maintained with the Ireland Consul General in Cardiff. The strategic partners we fund through International Relations budget engage with Ireland and last month, Welsh Government officials attended the

Circular Economy Hotspot in Dublin, a major international event, ahead of it coming to Wales in 2024. We will continue to work with the organisers in Ireland to learn lessons ahead of the event taking place here.

Access to Horizon Europe

The Welsh Government has always been clear that association to Horizon Europe was the preferred option.—It is now encouraging that that the political blockages appear to have been put to one side and that discussions are underway with a view to finalising association. However, it is impossible to predict how long the negotiations will take and whether they will conclude with association.

The current guarantee has now been extended until September. In case association is not secured in the short term, thought will have to turn to making use of the budget allocated to Horizon Europe this financial year. We see association as a win-win and all sides need to keep their eye on the long term, not scoring short term financial gains.

Stakeholder awareness of the Shared statement and joint action plan

It is important to remember that the Shared Statement is an agreement between the Welsh and Irish Governments, and we are responsible for delivering the plan. Delivery of the Statement engages a wide range of partners who have been given the mechanism through the Shared Statement to develop lasting connections.

Our strategic partners are in an ideal position to take forward work to deliver the wider aims of the International Strategy and we have a number of agreements in place which allow our external partners to work with us and deliver its ambitions, including the Shared Statement. However, this is not the only mechanism we have to support partners in their international work.

We also have Strategic Partnership Agreements in place with Wales Arts International, the Future Generations Commissioners Office and the Urdd to help to deliver our ambitions. Each of these partners has activity set out in their Partnership Agreement which was jointly agreed with Welsh Government. The activity referenced in the Shared Statement came before these Partnership Agreements and helped to shape how we work with such organisations. The annual Strategic Partnership Agreements are created through a consultative process and include activity across our priority markets, including Ireland.

The Statement was a vehicle for bringing together existing activity and giving it shape and coherence. It was not intended to be developed using a consultative approach, therefore, existing partner activity was taken into consideration. The Strategic Partnership Agreements build on this and are consultative joint documents.

We work closely with organisations such as the British Irish Chamber of Commerce and Cork Chamber in Ireland and they have supported numerous trade missions. Our most recent trade mission to Ireland involved the Chamber of Commerce in Ireland and the Chamber attended our in-market briefing session for the companies. Chambers Wales indirectly supports our trade missions, including to Ireland, by providing its usual support services to companies and this type of existing support is reflected in the Statement rather than it being a bespoke call to action.

First Minister's role at the British-Irish Council

This year marks the 25th Anniversary of the British-Irish Council (BIC) as it was established under the Belfast Agreement of 1998. It continues to provide a forum for representatives from across these islands to come together to share challenges and best practice. This can be at Head of Government or Administration level (as at the twice-yearly summits), right down to official level via our agreed joint work sectors. I'm proud that Wales leads on two work sectors (Early Years Policy; and Indigenous, Minority & Lesser Used Languages) and jointly lead, with Scottish Government, another (Social Inclusion) - we can learn so much from the experiences of our neighbours.

Our role at the Council hasn't been changed by EU Exit - and indeed in my view the fact of EU exit has only strengthened the importance of BIC and our relationships. But the practical effects of EU Exit have naturally been topics of conversation at the relevant meetings and it's, of course, a regular feature when we discuss latest political developments.

Refreshing the Cooperation beyond 2025 and the inclusion of stakeholders

In our evidence paper we said we are giving early consideration to a future or revised statement after 2025. We know from our stakeholders that the statement provides a strong platform for continued collaborative working and there is outline support and appetite for that to continue. We have however not yet begun discussions with the Irish Government about what any new Statement might look like and it would be inappropriate for me to comment more at this stage.

In the evidence paper we also highlight the areas we want to focus on for the remainder of the current Statement. That includes education links, future funding, economic and trade cooperation, political engagement and policy sharing.

However, you can be assured that should we develop a further agreement, and with an opportunity to do it in a post-Covid context, we will engage and involve stakeholders on their priorities as we have done in delivering the plan. Our achievements to date have been based on collaboration and a Team Wales approach and we have seen connections such as those between our national museums and youth movements flourish. Any future initiatives will seek to learn from and build on that.

Shared Statement with Germany and using the Wales/Ireland relations as a blueprint

Wales has a long-standing relationship with Germany and the Baden-Württemberg region, having originally signed a memorandum of understanding in 1990. We are planning to sign a new Shared Statement with Baden-Württemberg, one of the 16 German Bundesländer in the southwest of Germany, in the autumn. The Scottish Government also signed a new agreement with the region last year.

Germany is an important trading partner with Wales and Baden-Württemberg is Germany's largest industrial powerhouse and strongest export region. Its economy is shaped by the manufacturing industry and small and medium-sized businesses that make up 99% of the economy. The automotive industry accounts for around 30% of industrial turnover, followed by the mechanical engineering and plant construction, and metal and electronic industries, chemical, pharmaceutical and optical industries.

Making a connection with this region is more than economic but offers an opportunity to demonstrate that we are an outward looking European nation keen to share, learn and innovate. Baden-Württemberg is a region which shares our values in terms of sustainability and is one of the Four Motors for Europe of which Wales is an associate member and an important member of the Under2 Coalition.

This Shared Statement will reinstate our commitment and sets out our shared interests and ambitions across many key issues from trade and entrepreneurship to culture and communities.

The Shared Statement framework offers a model in which we can consider for use elsewhere, but international agreements should not be constrained by such an approach and other ways of working are more long-standing and may be more appropriate in different circumstances. Different places have different cultures and ways of working and the most important thing for me is not that we sign an agreement or that our agreements follow the same template – it is the action, the collaboration, the sustainable networks that flow from these.

That is why in the case of Baden-Württemberg, we are not waiting for the formal signing of documents. Agile Cymru is already supporting Welsh businesses and organisations to take forward economic cooperation with the region, as it did last financial year.

I am in favour of focussed targeted plans. For example, in our developing work with Silesia, we are looking at a small number of areas, like tourism, where we can undertake focussed work together, sharing learning and inspiring action.

Yours sincerely,

MARK DRAKEFORD