Cynulliad Cenedlaethol Cymru | National Assembly for Wales
Y Pwyllgor Materion Allanol a Deddfwriaeth Ychwanegol | External Affairs and
Additional Legislation Committee
Y goblygiadau i Gymru wrth i Brydain adael yr Undeb Ewropeaidd | Implications
for Wales of Britain exiting the European Union
IOB 40
Ymateb gan Canolfan Llywodraethiant Cymru

Evidence from Wales Governance Centre

Question: What should be the top priority for Wales in advance of the UK Government triggering of Article 50 (which starts the formal process of exiting the EU)?

- In all Article 50 TEU planning and negotiation activity, Wales should draw on the necessary EU
 expertise to fully understand the EU's shifting agenda. This will ensure that Wales' negotiating
 position (as part of the UK's negotiating position) is forward-looking, leaving Wales better
 placed to take advantage of the opportunities presented by the European Union of the future.
 This could be achieved through drawing on both internal and external EU expertise.
 - 1.1. The European Union is not static. Instead, it has an evolving policy agenda and governance framework. Work undertaken in Wales and at a UK-level both prior to and following the triggering of Article 50 TEU ought to take full account of this.
 - 1.2. There has been a notable change in EU governance and policy focus since the installation of Jean Claude Juncker as President of the European Commission in November 2014. Juncker has promoted an agenda of "Better Regulation", focused on reducing regulatory and administrative burden, through both limiting the scope of EU-level intervention and tightening of the governance framework. For example, Juncker's Better Regulation Agenda has ushered in changes to the nature and use of ex ante and ex post evaluations, and consultations.
 - 1.3. The activities of the European Commission are organised around <u>ten priorities</u>, some of which have a particular significance to the future relationship between Wales/the UK and the EU. For example, as one of its ten political priorities, the European Commission is working to develop the EU's <u>Digital Single Market</u>. The EU is also continuing work on the <u>Single Market for Services</u>.
 - 1.4. Since its inception, the European integration project has been marked and shaped by crises. Over recent years, financial crisis and the refugee crisis have occupied much political attention. The broader geo-political context also has consequences regarding the direction and intensity of European cooperation. Whether framed as a crisis or not, the UK's withdrawal from the EU is certainly a key milestone in the European integration project. It is likely that Brexit will precipitate further significant changes in the governance and policy focus of the EU. The first meeting of the Heads of State or Government of the EU27 took place almost immediately after the UK's EU Referendum. The leaders of the EU27 are now working to forge and consolidate a post-Brexit agenda, against a changing geo-political landscape.
 - 1.5. To ensure that this shifting EU context is fully reflected in Wales' Brexit-related work (both prior to and following the triggering of Article 50 TEU), internal EU expertise within Wales' political and administrative institutions might be usefully complemented with external EU expertise.

- Ensure that Wales has the requisite EU expertise and resource in Cardiff and Brussels to develop
 and deliver a European strategy post-Brexit. Any post-Brexit strategy will need to reflect Wales'
 objectives as an international actor as well as the newly defined opportunity structure provided
 by the EU post-Brexit.
 - 2.1. In the context of European Union integration, Wales is a Region. The EU has an institutional and governance architecture that both enables and is hospitable to the representation of regional interests. This regional representation plays a number of mutually reinforcing roles, such as raising the profile of the region on a European stage; enabling mutual knowledge exchange between regions; intelligence gathering; and influencing EU decision-making.
 - 2.2. In response to this European opportunity structure, Wales has built capacity both domestically and at an EU level. At an EU level, Wales House serves as the Welsh outpost, home to the Welsh Government, the National Assembly for Wales, the Welsh Local Government Association, and Welsh Higher Education Brussels.
 - 2.3. A number of EU institutions accommodate the representation of regions and Wales enjoys representation within these EU institutions: the Committee of the Regions, the European Parliament, and the European Economic and Social Committee. Whilst the influence of this regional representation should not be overstated, regional actors are not without influence in Brussels. Post-Brexit, Wales will not enjoy representation in these EU institutions.
 - 2.4. A vast array of varied European networks have developed. Welsh actors (such as the Welsh Government, the National Assembly, the Welsh Local Government Association, Welsh civil society organisations and universities) participate in a significant number of these networks. Notably, these networks are not all restricted to EU Member State actors; a number of these networks are open to non-EU actors. As such, participation in these networks could form a key element of Wales' post-Brexit European strategy. This will require a mapping exercise of the networks open to Welsh actors post-Brexit, the results of which may be used to inform the Welsh Government's post-Brexit strategy. Given that non-governmental bodies participate in these European networks, the results from the mapping exercise could also be usefully shared with organisations across Wales as they work to develop their post-Brexit strategies.
 - 2.5. Wales must draw on EU expertise to fully understand this changing opportunity structure such that it can be utilised to best effect post-Brexit. Development of a post-Brexit European strategy for Wales will require continued intelligence-gathering and network activity in Brussels prior to and during the Article 50 TEU negotiations. To maximise its potential, this Brussels-based activity would be complemented by capacity within the political and administrative institutions in Wales, such that they can respond to new and changing opportunities.