

Adran yr Economi, Sgiliau a Chyfoeth Naturiol
Department for Economy, Skills and Natural Resources



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM Chair,
Public Accounts Committee
National Assembly for Wales
c/o committeebusiness@wales.gsi.gov.uk

21 July 2017

Dear Chair

Welsh Government's funding of Kancoat

Further to your letter of 29th June.

The Kancoat project is included in the SIC codes that help to define the Advanced Materials and Manufacturing sector as clarified in my letter of May 31st. As previously advised the relevant SIC code is 2561 - treatment and coating of metals, this includes the lacquering and coating of metals. The Kancoat project was to produce pre lacquered steel and tinplate strip, and this required in depth knowledge of metals, coating and application methods, therefore meeting the sector definition provided.

In terms of which companies are not included as Advanced Materials & Manufacturing, this would be all the other SIC codes. SIC codes and the sector description, establish the key priorities, they do not distinguish between what is considered to be advanced and what is not. All sectors maintain a flexible approach to business support, the decision to progress an enquiry in the Advanced Materials & Manufacturing sector is taken by the Head of Business Development and / or the Head of Sector who consider a range of factors including the individual company circumstances, the nature of the project, the business environment, and the strategic fit to the Welsh Government's wider priorities.

Yours sincerely

Mick McGuire
Director, Sectors and Business