

Len Duvall AM,
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Rt Hon David Davis

Secretary of State for Exiting the EU
(via email)

20 December 2017

Dear Secretary of State,

As part of our scrutiny on the impact of Brexit, the relevant committees of the London Assembly, Scottish Parliament and National Assembly for Wales have been working together on areas of common concern. You will be aware how important the European Structural and Investment Funds have been in these areas of the UK. All three committees have taken evidence on this important topic¹ and we are jointly writing to urge you to prioritise this issue and provide certainty to the many firms, people and projects which depend on these crucial funding streams.

European funding regimes have a long and established record in the UK of contributing to improvements in our infrastructure, skills and the health of our SMEs. For the 2014-20 budget round, Wales will receive € 2,411 million, Scotland receive €941 million, and London €748.6 million from the European Structural and Investment Funds (ESIF). In addition, Scotland and Wales receive €586 million and €655 million respectively to support agriculture, fisheries and rural development.

The ESIF funding supports various programmes in London, Scotland and Wales including skills and employment initiatives, small and medium sized businesses, and the low carbon economy. It has provided an important boost to both the demand and supply side of the economy in these three key nations and regions.

We look forward to hearing more detail about your plans to continue support for regional development and in particular details as to how the Government will use the proposed *UK Shared Prosperity Fund* to achieve these plans. In developing this fund, we ask you to guarantee that:

- This Fund allocates monies to Wales, Scotland and London at the same level, at least, as that received under ESIF.
- The distribution of the Fund will be properly devolved to the Scottish and Welsh Parliaments and the GLA to allow them to allocate funding based on detailed knowledge of local need and priority.

¹ For example, [Inquiry into regional policy – what next for Wales?](#)

The use of European funds has enabled many communities and businesses to reduce the impact of low economic growth. The ability to offer hope and opportunity to these communities in the future cannot be lost when the UK leaves the EU.

Yours sincerely



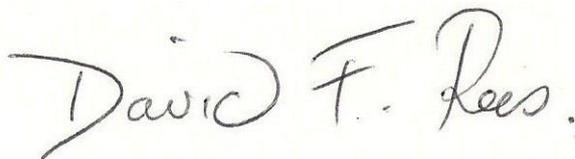
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Joan McAlpine MSP

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Cynulliad
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National
Assembly for
Wales



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