Mark Drakeford AM/AC Ysgrifennydd y Cabinet dros Gyllid Cabinet Secretary for Finance



Mick Antoniw AM Chair, Constitutional and Legislative Affairs Committee National Assembly for Wales Cardiff Bay CF99 1NA

5 July 2018

Dear Mick,

I am writing in response to your letter of 21 June about the Letwin amendment to the EU (Withdrawal) Bill which is now Section 16 of the EU (Withdrawal) Act.

You are of course right that if the UK Government were to introduce a Bill which related only to England but dealt with matters which were both otherwise devolved and were subject to section 12 regulations, then this would be a violation of the Intergovernmental Agreement (IGA). To clarify therefore, my letter did not seek to suggest that the single fact that a UK Bill was to relate only to England is a reason why there would be no potential breach of the IGA. That is plainly not the case.

But at the root of your question is, I believe, a misunderstanding of the terms of the IGA, in particular in relation to the list of policy areas annexed to the IGA. These are policy areas, which both Governments agree, require further work and analysis to identify if, and where, legislative frameworks, and therefore section 12 regulations may be required. They are therefore not areas over which section 12 regulations will apply, but areas within which section 12 regulations may be brought forward. Further work may in fact indicate that no legislative underpinning is required at all and therefore no section 12 regulations will be required at all in respect of some of the policy areas.

The discussion of frameworks which is underway between the UK Government and the devolved administrations in each of these areas is a process of narrowing down within these areas to identify those elements where frameworks will need legislative underpinning, if any are required at all. Only in respect of these elements will section 12 regulations be required. We do not believe the likely scope of the draft Bill, insofar as it applies only to England but in areas of devolved competence, is likely to be 'caught' by any potential section 12 regulations in respect of environmental quality.

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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.

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.

I hope this clarifies matters.

Yours sincerely

Mark Orent ford

Mark Drakeford AM/AC

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