



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE **The Competitiveness of Enterprises and Small and Medium Enterprises (Revocation) (EU Exit) Regulations 2019**

DATE **8 April 2019**

BY **Rebecca Evans AM, Minister for Finance and Trefnydd**

The Competitiveness of Enterprises and Small and Medium Enterprises (Revocation) (EU Exit) Regulations 2019 (“2019 Regulations”)

The law which is being amended

European Directly Applicable Instruments

- Regulation (EU) 1287/2013 of the European Parliament and of the Council of 11 December 2013) establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014-2020) and repealing Decision No 1639/2006/EC.

Any impact the SI may have on the Assembly’s legislative competence and/or the Welsh Ministers’ executive competence

There is no effect on the National Assembly for Wales’ legislative competence or the Welsh Minister’s executive competence.

The purpose of the amendments

The 2019 Regulations revoke existing direct EU legislation which forms UK law relating to the Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014-2020).

In a ‘no deal’ scenario, the EU Regulation will cease to have effect in UK law and the UK Government intends not to introduce new legislation in order to deliver funds for the COSME programme post-exit.

In the event of a no-deal, the UK Government have stated it will guarantee EU funding for UK organisations which have successfully bid directly to the European Commission, where they can participate as third countries, so that they can continue competing for, and

securing, funding until the end of 2020. This includes UK COSME projects, where those projects remain viable after a No Deal exit.

For the Enterprise Europe Network (EEN) element of COSME activity in England, Wales and Northern Ireland, the UK Government have in place arrangement to deliver the guarantee through the existing lead delivery partner, UKRI.

There are existing legislative powers to deliver the underwrite from HM Treasury through Section 8 of the Industrial Development Act (1982) to deliver projects that do not fall under the Enterprise Europe Network (EEN) and for UK EEN projects supported by COSME, the Higher Education and Research Act (HERA) has sufficient powers for delivery.

The Regulations and accompanying Explanatory Memorandum, is available here: <https://beta.parliament.uk/work-packages/75qQyf3H>

Why consent was given

Consent has been given for the UK Government to make these corrections in relation to, and on behalf of, Wales for reasons of efficiency, expediency and due to the technical nature of the amendments. The amendments have been considered fully; and there is no divergence in policy. These amendments are to ensure that the statute book remains functional following the UK's exit from the EU.