# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **Future of Business Wales from 2023** |
| **DATE**  | **24 May 2022** |
| **BY** | **Vaughan Gething MS, Minister for Economy** |

The Welsh Government’s Business Wales service has been a programme to help inspire individuals to become entrepreneurial and ensure micro, small and medium sized enterprises (SMEs) in Wales have access to appropriate and timely information, guidance and support. It has previously been supported by EU funds. As we know the UK Government has made a drastic cut in replacement EU funds for Wales.

I am announcing today that I have decided to fund £20.9m per annum, up until March 2025, to extend the backbone Business Wales service beyond the end of EU funding in 2023. It will also provide dedicated advice and support provision to the social enterprise sector here in Wales.

The UK Government had a clear manifesto pledge in the 2019 election to replace and “at a minimum match the size” of former EU funding in each nation of the UK. The breaking of that promise means that the Welsh budget is more than £1 billion worse off. In addition, the UK Government has chosen to bypass the Welsh Government with the Shared Prosperity Fund and requires local government to administer it.

As a result Wales now has less say over money. The Welsh Government will have hard choices to make as will other institutions across business, higher and further education, and the third sector who have used EU funding to support vital investments in Wales’ economy and our people.

Despite the UK Government’s broken promise on replacement EU funding we will build on the future of Business Wales and Social Business Wales. We will continue to provide a simple, connected and visible support system to entrepreneurs and SMEs wherever they live in Wales. Building on the success of delivery to date, the Business Wales service will be underpinned by three key aims:

1. To build confidence and inspire individuals, entrepreneurs and micro/SME businesses to reach their full potential. To work with key stakeholders to develop a cohesive ecosystem that is visible, simple and connected to ensure Wales is a great place to start and grow a business in the foundation or growth economies.
2. To address a key gap by creating the conditions for businesses to start, sustain and grow through the missing middle in inclusive and sustainable ways.
3. To support the productivity, resilience, growth, decarbonising and sustainability of micro and SMEs. To secure their long-term future ownership within Wales cementing their continued contribution to the Welsh economy.

The overall service will be a combination of openly procured and in house delivery starting from 2023. The service will be delivered under five key delivery areas, which will focus on:

* + the Business Wales digital platform and helpline providing a fully bilingual, accessible point of contact for all entrepreneurs and established businesses; offering a full range of information, guidance and support with a digital first response.
	+ developing a culture of entrepreneurship and business start-up in Wales. Inspire and develop the business capability of entrepreneurs focussing on three main groups: young people under 25 years, adults who are considering becoming self-employed or starting their own business, & targeted outreach for individuals underrepresented in business start-up and society.
	+ building the confidence and resilience of the business community in Wales with dedicated advice and support. Helping them create opportunities for employment, to stimulate sustainable and inclusive growth, to improve practice and productivity.
	+ building on the current Accelerated Growth Programme to provide tailored support for selected start-ups and existing businesses with the aspiration and the potential to achieve high growth.

In addition to the above, I will be investing £1.7m of the funding in the social enterprise sector to provide specialist business advice to support the ‘Transforming Wales through Social Enterprise’ vision to put social enterprises at the heart of a fairer, more sustainable and more prosperous Wales.

I recognise that Business Wales cannot deliver on all local business support provision required by entrepreneurs, micro and SMEs across Wales. The service is designed to build on its strength as a nationally delivered service those partners and complements local delivery and wider funding opportunities available to the third and public sector.