



Eich cyf/Your ref: 12-12-2023

Huw Irranca-Davies MS  
Chair  
Legislation, Justice and Constitution Committee  
Senedd Cymru  
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14 February 2024

Dear Huw,

I am writing in response to your letter of 12 December covering the Legislation, Justice and Constitution Committee's Report on its Inquiry into UK-EU Governance.

I welcome the Committee's response in general and can broadly support the spirit of many of the conclusions it sets out. I have set out response to each of the Recommendations in the attached Annex.

This is a timely report as we begin to look forward to elections in both the EU and UK and the establishment of new EU institutional appointments over the next 12 months. Because of this, and as I set out my letter to the Committee of 18 October 2023, it is difficult to envisage significant changes in the UK-EU relationship during 2024. While there will be opportunities to build on improvements in relations between the UK and the EU over the last year or so, we need to be realistic on the scope for change in the short-term, given the UK's status as a third country to the EU and the inevitable focus of the EU on other priorities.

Yours sincerely,

**MARK DRAKEFORD**

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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.

**Welsh Government response to recommendations from the Legislation, Justice and Constitution Committee’s Report: Inquiry into UK-EU governance (November 2023)**

*Recommendation 1. The Welsh Government should inform the Senedd by written statement of any decisions taken within the governance structures in areas of devolved legislative competence. It should set out its view on these decisions and any discussions that took place, with the UK and/or other devolved governments in advance of these decisions being taken.*

**Accept in principle.** However, the decisions themselves are not always quickly and clearly communicated publicly. In addition, the timing is generally not in the hands of the Welsh Government so it may not always be possible practically to offer views in advance of decisions; and there may be occasions where it is unhelpful to comment publicly in advance of a decision. We will provide written statements about decisions made when we can. We will consider what other information it might be useful to provide in advance of any such decisions.

**Financial Implications:**

*Recommendation 2. The Welsh Government should set out in its response to this report how it monitors EU policy and legislative developments across government to assess their potential impact on Wales and how it shares this information with stakeholders. It should also clarify where ministerial responsibility lies in the Welsh Government for coordination on input into the governance structures of the Withdrawal Agreement and Trade and Cooperation Agreement, and UK-EU issues more broadly.*

**Accept.** As the UK is no longer a Member State of the EU, the Welsh Government does not systematically monitor EU policy and legislative developments in the way that it used to given the direct impact on Wales is much less significant. Nevertheless, across Welsh Government, individual policy teams and our Brussels Office monitor key developments and identify where they might have an impact on our Welsh Government policy and legislative responsibilities and choices. This light-touch monitoring is focussed on ensuring compliance with our obligations under the Withdrawal Agreement or the Trade and Co-operation Agreement (TCA); in particular where there may be impacts on maintaining a Level Playing Field, as specified in Article 355 of the TCA.

As First Minister I am responsible for International Relations and for Wales in Europe. The Minister for Economy is responsible for international trade policy, including coordination of matters relating to the TCA, and is the Welsh Government representative on the Inter-Ministerial Group (IMG) on UK-EU Relations.

**Financial implications: N/A**

*Recommendation 3. The Welsh Government should continue to make the case for it to be provided with a full role at the Partnership Council and observer status at relevant meetings of the Joint Committee and other Withdrawal Agreement committees, as relevant.*

**Accept.** The Welsh Government believes that it should have the opportunity to be an active part of the UK delegation at all UK-EU meetings held under the TCA, at all levels, including the Partnership Council; and that the UK Government should fully engage with the Devolved Governments in the preparation of positions to be taken at such meetings. This is very largely the case at present.

The Welsh Government also believes that it should have the chance to participate as part of the UK delegation at any relevant meetings held under the Withdrawal Agreement, and to participate in the preparation of UK positions for such meetings. This is currently not the case, with the Northern Ireland Executive currently being the only devolved Government so invited. The Welsh Government has made clear its position to the UK Government.

**Financial implications:** None. Participation and engagement will continue to be met from existing budgets.

*Recommendation 4. The governments of the UK should urgently undertake a review of the principles and terms upon which the devolved governments are engaged in UK-EU relations. This should result in the adoption of new terms of reference for the Interministerial Group on UK-EU Relations.*

*Recommendation 5. The Interministerial Group on UK-EU relations should adopt a new Memorandum of Understanding on the role of devolved governments in UK-EU relations in order to ensure a clear understanding, and consistent engagement, by different UK and devolved government departments.*

**Accept in principle.** While I am sympathetic to these suggestions, I do not expect to see any progress on them with the current UK Government. We hope for a more engaging and consensual approach from the next UK Government.

**Financial implications:** None. Support for the Interministerial Group will continue to be met from existing budgets.

*Recommendation 6. The Interministerial Group on UK-EU Relations should provide for more meaningful engagement by ensuring that meetings take place sufficiently in advance of meetings of the Joint Committee of the Withdrawal Agreement and the Partnership Council of the Trade and Cooperation Agreement, to allow for full devolved input. This should include providing devolved governments with sufficient opportunity to suggest agenda items for inclusion in governance meetings between the UK and the EU.*

**Accept in principle.** These issues have been raised with the UK Government. While I do not expect to see substantive changes in practice this side of a UK General Election, I note there has been a gradual improvement over the last year or so in how the IMG on UK-EU Relations has been run. Despite this, some meetings have been held at very short notice in response to urgent high-level UK-EU meetings.

**Financial implications:** None. Support for the Interministerial Group will continue to be met from existing budgets.

*Recommendation 7. Our work on Common Frameworks and the United Kingdom Internal Market Act 2020 supports the view outlined above, that governance structures in the UK*

*post-Brexit on UK-EU matters are complex. The governments of the UK through the Interministerial Standing Committee should set out an agreed position for how these new bodies interact and work together, which includes the roles of different governments and organisations within them.*

**Accept.** We welcome this suggestion and agree with the rationale for it. We will look to work with the other governments on this and press for the UK Government to do so.

**Financial implications:** None. Support for the Interministerial Group and common frameworks programmes will continue to be met from existing budgets.

*Recommendation 8. The Welsh Government should raise the issues we identify in recommendations 4, 5, 6 and 7 with other governments of the UK in the appropriate fora and report the outcome within 3 months of this report being published.*

**Accept.** The Welsh Government will raise these issues and keep the Senedd informed of any progress. However, it may not be realistic to expect much progress on these issues before a change of UK Government.

**Financial implications:** N/A

*Recommendation 9. Strategic priorities and a clear vision for the future of the relationship between Wales and the EU should be clearly articulated by the Welsh Government either in a dedicated strategy or within a refreshed International Strategy.*

**Accept in part.** The relationship between Wales and the EU is one of our most important and long-standing. As I mentioned to this Committee in September 2023, and reiterated via letter to the Culture, Communications, Welsh Language, Sport and International Relations Committee in my response to its report on international relations, I do not believe that a separate EU strategy is needed at this time.

Our International Strategy sets out our relationship with Europe and many of our identified priority relationships are with European countries or regions. The retention of our office in Brussels, and the creation of a dedicated representative for the EU, affirm the commitment that Wales places on relations with Europe and the European Union.

**Financial Implications:** None. Costs of a refreshed international strategy will be drawn from existing programme budgets.

*Recommendation 10. The Welsh Government should begin consulting civil society and stakeholders in Wales on these priorities and its vision immediately.*

*Recommendation 11. The Welsh Government's direct participation in European networks and its support for Welsh civil society to engage with them should continue, and their importance should be reflected in the refresh of its International Strategy.*

*Recommendation 12. In refreshing the International Strategy and development of strategic priorities for its future relationship with the EU, the Welsh Government should work with civil*

*society to consider opportunities for further engagement in European networks that can help deliver on strategic priorities for Wales.*

**Accept in part.** Our office in Brussels leads on the Welsh Government's relationship with European Institutions. It plays a key role in delivering our activity with European networks such as the Vanguard Initiative, CPMR and NPLD (Network to Promote Linguistic Diversity). In addition, the Brussels office works closely with the Senedd and the WCVA to share information, identify and highlight opportunities to engage with civil society and other stakeholders. This work will continue and will help to shape the future of our relationship with the EU and across Europe more widely. The wider European overseas office network in Ireland, Germany and France also supports the delivery of our International Strategy, building relationships with their host countries. Most recently, a Shared Statement of Cooperation was signed with the German state of Baden-Württemberg which set out our shared objectives for engagement in European networks as well as our approach to working together to support delivery in areas such as education, science, economy, culture and the environment.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets.

*Recommendation 13. The appointment of a Welsh Government Representative to Europe has been an important part of the relationship with the EU institutions post-Brexit. We recommend that the Welsh Government continues this role after January 2024. The work of a future post-holder should align to the Welsh Government's strategic priorities for its relationship with the EU and regular updates on work delivered by the post-holder should be provided to the Senedd.*

**Accept in principle.** The post of Welsh Government Representative to Europe was initially a two-year fixed term contract from January 2022, but was extended for a further 11 months in November 2023 taking the contract to the end of 2024. The role has been significant in strengthening the Welsh Government's connections and visibility with EU institutions, in the period immediately following EU Transition, including enabling greater engagement on our relationship with the EU and European Parliament.

Notable outcomes include securing invitations for Welsh Government Ministers to speak at the European Parliament on our policies and securing meetings with European Commissioners.

**Financial Implications:** None. Any additional costs will be drawn from existing programme budgets.

*Recommendation 14. The Welsh Government should aid transparency in Wales by routinely informing the Senedd of governance meetings attended and the Welsh Government's priorities for these meetings, and, following these meetings when possible, the outcomes and implications for Wales. We will pursue the previous offer made by the First Minister for officials to discuss how this could be achieved.*

**Accept in principle.** The Welsh Government remains open to finding an efficient and effective way of doing this, including through appropriate information flows between officials and Senedd clerks.

**Financial implications:** None at present. Different options could incur additional costs and would need to be considered accordingly.

*Recommendation 15. The Welsh Government should make representations to the UK Government seeking improvements to its webpages on intergovernmental relations to ensure all agendas and Communiqués are accessible for every Interministerial Group meeting undertaken to date and that future updates are undertaken in a timely manner.*

**Accept.** Officials will engage with UK Government on this issue and the Welsh Government will continue to publish written statements where appropriate.

**Financial implications:** N/A

*Recommendation 16. The Welsh Government should seek to publish and share as much information as possible with the Senedd on the issues discussed at Interministerial Group meetings and the outcome of discussions. It should make representations to the other government to ensure Communiqués published provide stakeholders and parliamentarians with as much information as possible on the outcome of meetings.*

**Accept in principle.** The Welsh Government already publishes a report from the attending Welsh Government Minister on the issues and outcomes on the Interministerial Group (IMG) on UK-EU relations.

**Financial implications:** None. Support for the Interministerial Group will continue to be met from existing budgets.

*Recommendation 17. Given the importance of the UK-EU governance structures and the need for better parliamentary scrutiny, it is incumbent on parliaments and legislatures in the UK to themselves improve oversight of these structures and to better work together to improve transparency and hold governments to account. UK parliamentary committees working on these issues should seek to work more closely together both through direct engagement and through the Interparliamentary Forum. As set out in conclusion 1, we will engage with our sister-committees to consider how this could be achieved.*

**N/A.** The Welsh Government notes this as a matter for the Senedd to lead on, and will be happy to be kept informed and to support where appropriate.

**Financial implications:** N/A

*Recommendation 18. The Senedd Commission and the Remuneration Board should continue to provide appropriate and sufficient support to Members of the Senedd and the Senedd Committees to enable them to directly engage with EU institutions and stakeholders in order to ensure that key issues of importance to Wales are raised directly in Brussels.*

**N/A.** This is not a matter for the Welsh Government.

**Financial implications:** N/A

*Recommendation 19. The Welsh Government should convene a new advisory group on UK-EU relations to share information, evidence and coordinate input into UK-EU governance groups and structures. Given the Senedd's role in UK-EU governance structures, it would be appropriate for Members of the Senedd representing the Senedd on these groups to be invited to take part.*

**Further consideration required.** I do not intend to progress this as a priority. It will be for the incoming First Minister to consider, in the context of the evolving UK-EU relationship from the latter part of 2024 onwards and taking into account how the Welsh Government and the Senedd engage with civil society and stakeholders as per Recommendations 10 and 20.

**Financial implications:** None at this stage. If taken forward in the future there may be new costs associated with establishing and servicing a new group.

*Recommendation 20. The Senedd Commission should facilitate regular engagement with civil society organisations in Wales on UK-EU issues. For example, in respect of regular meetings involving Members of the Senedd on Inquiry into UK-EU governance 48 relevant external networks, UK-EU bodies, relevant Committee Chairs and civil society organisations engaged in work on these issues.*

**N/A.** This is not a recommendation for the Welsh Government. However, the Welsh Government is open to consider how best to work with any structures the Senedd establishes so as to make it efficient for organisations to engage and to avoid any unnecessary duplication, and to factor this into its future reflections on Recommendation 19.

**Financial implications:** N/A

*Recommendation 21. The Welsh Government should make representations to the UK Government seeking assurances that proper financial support and resourcing is made available for organisations to participate in the UK Domestic Advisory Group and the Civil Society Forum.*

**Accept in principle.** The Welsh Government note this issue has been raised by the House of Lords European Affairs Committee and the UK Government responded in June 2023 to confirm no funding would be provided. We will raise all the issues relevant to UK Government responsibilities set out in this report with the UK Government.

**Financial implications:** None for Welsh Government.

*Recommendation 22. In the absence of direct support from UK Government, the Welsh Government must ensure that sufficient resource is provided to Welsh organisations to ensure the continuation of a unique Welsh voice in these groups.*

**Further consideration required.** The proper funding of this support should be for the UK Government, as recognised in Recommendation 21. The Welsh Government will consider engagement of Welsh stakeholders in the round in the context of the evolving relationships

expected with an incoming UK Government, EU institutional changes, and developments in the UK-EU relationship.

**Financial implications:** None at present. There is no budget or provision to support engagement in UK Government groups and costs would be expected to be borne by the UK Government.

*Recommendation 23. The Welsh Government should be prepared for a number of key milestones for implementation and reviews of the UK-EU Trade and Cooperation Agreement during the Sixth Senedd. This should include engaging with Welsh stakeholders in discussions about their implications. The development of Welsh positions ahead of these milestones will be crucial, particularly as the next review cycle of the Agreement could stretch into, or beyond, 2031.*

**Accept in principle.** The Welsh Government is open to explore this recommendation in more detail in order to identify specific outcomes, and with a view to possible wider civil society and stakeholder engagement. The exact nature and timing of the review(s) of the TCA are not yet clear and will also be shaped by the evolving UK-EU relationship from the latter part of 2024 onwards. These changes will also shape how Welsh Government might best respond to this Recommendation in due course.

**Financial implications:** None at present. Existing resources are in place for engagement with the existing structures of the TCA and intergovernmental groups. A substantively broader approach involving extensive engagement and additional activities could require additional resource to be identified and will need to be considered in due course.