

Regional investment funding and decisions must not be stripped from Wales post-Brexit – First Minister

Launching the Welsh Government's latest Brexit paper, the First Minister will also warn against the UK government using our exit from the EU as an opportunity to take money and funding decisions away from Wales.

The paper, 'Regional Investment in Wales after Brexit' proposes a new, simplified and less bureaucratic way of supporting Welsh communities and driving economic development.

It calls for every penny of the £370m that Wales currently receives from the EU each year to be replaced by the UK government and added to the Welsh Government's annual budget.

The paper rejects the idea of a Westminster controlled UK Prosperity Fund and calls for regional investment decisions to continue to be made in Wales. The proposals include:

- simplifying the rules, administration and systems for regional investment funds
- developing plans for the regions of Wales led by partnerships involving local authorities, businesses and communities in those areas
- regional investment focused on places where it is needed and in line with the Welsh Government's Economic Action Plan (EAP)
- continuing the ability to provide state aid to businesses
- the 4 national governments of the UK agreeing rules on regional support to avoid a race to the bottom that could damage communities
- creation of a Council of Economic Ministers from all 4 nations to ensure co-ordination of policy across the UK.

The First Minister said:

"The decades of Wales' partnership with the EU leaves us a legacy upon which we can build our economic future.

"However, the vote to leave the EU was also a call for change and so we are proposing a way forward for regional investment based on local knowledge, which does away with unnecessary bureaucracy and focuses on the needs of businesses and communities.

"A way forward which improves our roads and railways, improves broadband networks, gives people the skills they need, boosts entrepreneurship and promotes innovation to support economic growth across Wales.

"The people of Wales are best placed to make those decisions and to

create a new system for the future. We have the local knowledge, the people and the networks to deliver this. Any move to a system where unelected officials in Whitehall can veto much needed investment in our local communities would be completely unacceptable and a betrayal of devolution.

“We will also not stand for any loss of funding as a result of Brexit. During the referendum campaign, we were promised Wales would not lose out on a penny if we left the EU. This promise must now be honoured or the people of Wales were misled.”