Vaughan Gething AS/MS Gweinidog yr Economi Minister for Economy

Eich cyf/Your ref MC2021/11232 Ein cyf/Our ref IM/VG/10557/21



Rt Hon Lord Frost CMG Minister of State Cabinet Office Whitehall London

21 June 2021

Dear Lord Frost,

Thank you for your letter of 27 May to my colleague Mick Antoniw, Counsel General and Minister for the Constitution setting out future ways of working to implement the Trade and Cooperation Agreement (TCA) with the EU. I am responding as the Welsh Government Minister responsible for Trade matters.

In many areas implementation of the Trade and Cooperation Agreement will either fall within the responsibilities of the Welsh Government, or have a significant impact on areas of devolved responsibility. It is crucial that we work together constructively to ensure its effective implementation. I therefore broadly welcome the propositions set out in your letter for the Partnership Council, associated Specialised Committees and the Withdrawal Agreement Joint Committee.

I strongly hope that this will be an opportunity to reset the working relations between our governments on matters concerning the EU and move away from the unsatisfactory and unproductive arrangements which have existed in recent years.

However, the sentiment expressed in the letter must be put into effective operation. It is important that out role, as part of the UK delegation, is not limited. The Welsh Government must be able to contribute on issues that fall within our devolved competence as active participants at meetings of the UK-EU Partnership Council. Our responsibilities for implementation and the real impact that the TCA is already having on businesses and citizens in Wales make it vital that we fully involved in agreeing UK positions and have the opportunity to represent our direct interests in the meetings. It was therefore deeply unsatisfactory that the Devolved Government were only in attendance at the first meeting of the Partnership Council as observers. This cannot be the position as we move forward.

We respect your position as co-chair reflective of the status of the UK Government leading interactions with the EU on these matters. However, this does not preclude the ministers from the Devolved Government from being active participants to support UK positions being advanced. We want to work constructively on a four government basis to agree joint

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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.

positions and advance them directly with the EU. This is an opportunity to demonstrate common purpose and clarity to the EU that all governments with implementing responsibilities support the positions being advanced by the UK delegation.

The Welsh Government cannot credibly support a position where ministers are invited to meetings but have no active role.

It will also be crucial that the structures and engagement which underpin these meetings are established to operate in a manner which will facilitate genuine joint working and development of agreed UK positions which are supported by the Ministers of the Devolved Governments. This must include genuine participation and involvement in the working groups and specialised committees which cover issues in devolved areas. There can be no exception to genuine participation in those areas where we have implementing responsibilities. Through the development of genuine UK-wide positions we can work with shared endeavour to implement the TCA.

I hope that genuine arrangements to work constructively and collaboratively can be put in place before future Partnership Council meetings.

Finally, I repeat the position I set out in our meeting on 8 June that Welsh Government ministers must be invited to meetings of the Withdrawal Agreement Joint Committee when matters in relation to the Northern Ireland Protocol are discussed. The movement of goods between Wales and the Island of Ireland has profound implications for ports in Wales and we must be involved in the discussions that take place in the Joint Committee.

It is astonishing that the UK Government continues to express surprise that the Northern Ireland Protocol is diverting trade away from direct Great Britain to Republic of Ireland routes. In March 2020 Welsh Minsters shared with UK Government Ministers independent research on the implications of the Northern Ireland Protocol on Wales. This research was clear that trade diversion was expected. The scale of the implications for Wales was predictable and predicted. It is now very real and of direct interest to the Welsh Government.

I fully recognise the challenges to implement the Northern Ireland Protocol but it is essential that the UK Government works constructively with the EU. Unilateral action only undermines the work that is needed to build relationships with the EU. I urge the UK Government to resolve differences through joint work and constructive engagement. That is the approach that we wish to take.

I have copied this letter to the Secretary of State for Wales, the Chancellor of the Duchy of Lancaster, the Cabinet Secretary for the Constitution of the Scottish Government and the First Minister and deputy First Minister of Northern Ireland.

Yours sincerely,

Vaughan Gething AS/MS Gweinidog yr Economi

Vaughan Gething

Minister for Economy