

**National Framework for Regional Investment**

**The Steering Group is being asked to offer views on the value of a national framework and its potential content**

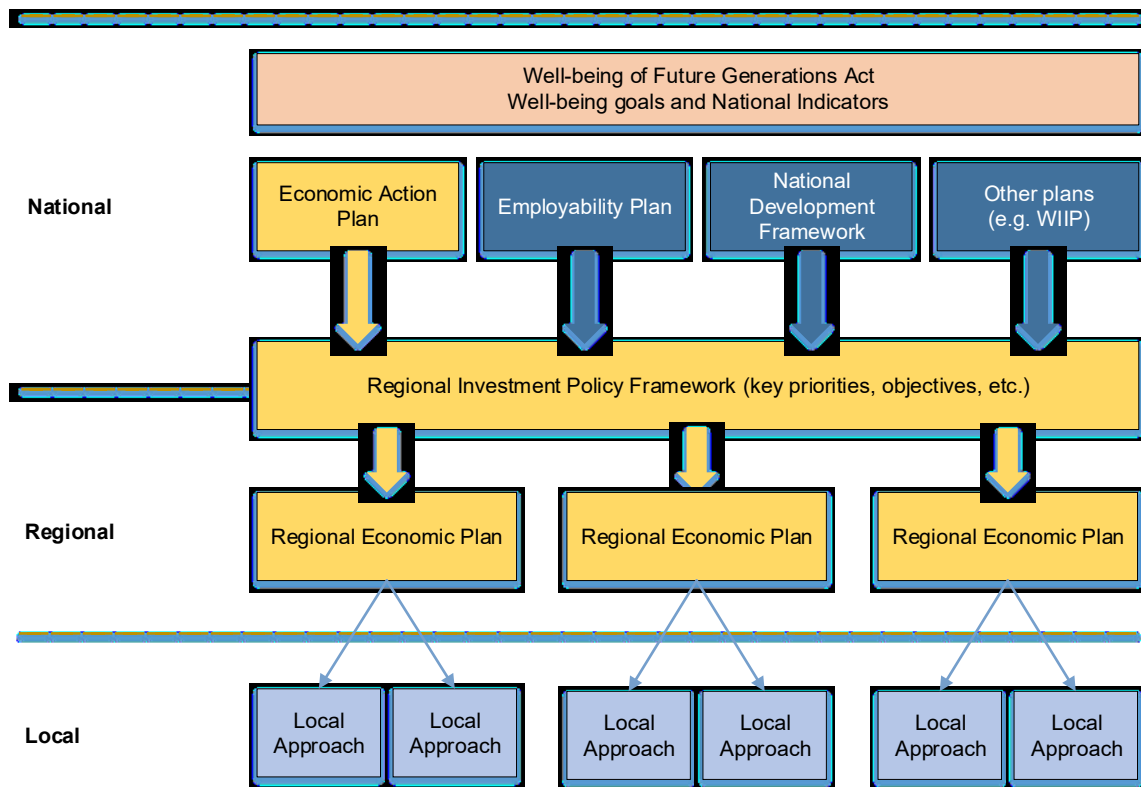
**Why a national framework?**

A national framework for regional investment is proposed to describe the Welsh approach to regional economic development. It can provide a description of how different actors will work together to invest in regions and identify shared objectives.

In particular, it can help further develop the regional dimension of the Economic Action Plan. In turn, this can help guide regional investments via the regional economic plans (see diagram below). In doing so it can provide clarity on the different roles and responsibilities for each level of governance, and agreed common approaches (such as for performance management or minimum assurance requirements).

A draft document is attached to this paper, in order to provide a starting point for discussion. The attachment offers one possible structure for the content of a national framework for regional investment.

**Policy Framework for Regional Investment after Brexit**



These papers are provided for discussion purposes to inform Cabinet decisions and do not represent an agreed Welsh Government policy.

## Purpose of the national framework for regional investment

The framework has the potential to provide:

- A detailed evidence base and further exploration of the core economic opportunities and challenges for Wales and its regions, in particular those set out in the Economic Action Plan
- A set of shared national objectives to help direct regional investment at a national level and provide a focus for regional investment plans, providing a 'golden thread' between regional investments and the Well-being Outcomes
- Describe national and regional coordination and governance mechanisms, roles and responsibilities, in order to promote national-regional, cross-border and inter-regional working

## Drawing on best practice

The structure of this draft considers broader frameworks used to prioritise investment in regions, such as Economic Development Plans / Local Industrial Strategies in England or the Regeneration Plans in Wales. In this way the framework should serve multiple potential roles, as well as drawing on international best practice:

- The structure will be closely aligned to the regional economic plans described under the Economic Action Plan, with their development used to inform the national framework and vice versa.
- The structure should define the objectives for regional investment in Wales, providing a flexible menu for the regional prioritisation of investments (such as replacement EU funds in Wales).
- It should also meet the broad requirements to prioritise areas seeking to access UK Government funding, such as for place-based research and innovation funding managed by UKRI.
- It will need to reflect the best features from the EU approach, such as a strong evidence-base and partnership approach, which will also accommodate the widest possible wide range of different Brexit scenarios.

## Adding value

The national framework does not seek to replace the Economic Action Plan, but to provide additional evidence to expand on its core themes and calls to action. It will also aim to reflect best practice from EU funding in Wales.

The national framework should mediate between the national outcomes we already have for the economic, social, cultural and environmental well-being of Wales – the well-being goals – and the action plans for funding decisions at the national and regional level (as illustrated in the figure above).

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