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Al Cairns
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Simon Thomas

Thank you for your letter of 22 June, regarding the Finance Committee's meeting of 13 June.

As you will be aware, our manifesto committed to creating a UK Shared Prosperity Fund and work continues across Government to consider how best this can be achieved. It is important we take time to consider the legitimate concerns of businesses, the voluntary sector and communities around the excessive bureaucracy of the current system, and use them to design a fund that works for the whole of the UK, as well as its constituent parts.

In our Industrial Strategy white paper, we committed to consult publicly before the end of the year, and we still intend to do that. In advance of that we will of course continue to engage with the devolved administrations and key stakeholders on issues of importance to them in relation to EU Exit, including funding.

In the meantime, the draft Withdrawal Agreement and the UK Government funding guarantees provide certainty as we leave the EU. The UK, including Wales, will continue to benefit from all EU programmes, including the 2014-2020 European Structural Funds programmes until it closes.

In the unlikely event of a no deal scenario, the Chancellor's 2016 guarantee will still stand. That guarantee said the UK Government will honour all projects contracted by the time we leave the EU even where they continue after we have left. It is worth noting that even if the UK remained within the EU we would have no more certainty than this, given there has been no agreement yet within the EU on funding beyond the end of the current multiannual financial framework in 2020.

Al Cairns

Rt Hon Alun Cairns MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru