Welsh External Affairs post-Brexit: Between Cardiff, Westminster and Brussels

Yr Hen Lyfrgell/The Old Library

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Introduction

This summary provides an overview of an event that discussed the future of Welsh external affairs after Brexit. This event was held under the Chatham House Rule.

Summary

- Brexit will have significant political and institutional implications for Welsh external relations.

- Existing inter-governmental structures within the UK (namely, the Joint Ministerial Committees) are not based on a partnership between equals. Instead, they have been developed to enable the Welsh, Scottish and Northern Irish governments to influence UK-level policy positions.

- Westminster and Whitehall do not seem to have grappled with the interconnections between devolution and Brexit. This is perhaps due to a lack of widespread knowledge about the intricacies of the UK's constitutional settlement.

- Brexit could negatively impact the agricultural industry in Wales. The Welsh government should seek to protect the interests of Welsh farmers to ensure it does not result in a ‘race to the bottom’ in terms of standards.

- Wales will need to revise its ‘global brand’ as part of its international profile post-Brexit. As part of this, Wales will need to consider its representation in Europe, including its strategy for engagement with EU institutions and European networks.

- Any economic incentives to bypass the border between the Republic of Ireland and Wales could have severe negative impacts on some Welsh port-town communities. As such, Wales should seek to better represent the interests of these areas at the UK level, and ensure that trade deals are settled in the interests of the whole of the UK.

Navigating Brexit – the role of Wales

While the UK has come a long way in terms of self-rule policy devolution, there are few developed mechanisms for shared decision-making between the governments of the UK. As a consequence, the governments of Wales, Scotland and Northern Ireland cannot formally contribute to UK policymaking. This has important ramifications for negotiating Brexit. For instance, the Welsh government and Assembly will find it unacceptable if Westminster seeks to make decisions on trade policy without consulting Wales.

The Joint Ministerial Committee (JMC) format of decision-making has previously been approached as a forum for the prime minister to receive a first ministers’ approval of government proposals. If Downing Street is planning to truly consult the devolved governments during its negotiations with the EU, it will be crucial that the JMC is used effectively. Notably, the formal processes for intra-UK consultation are very important to establish relationships between civil servants, as well as political actors.
The establishment of the new Joint Ministerial Committee on EU Negotiations (JMC(EN)) was announced on 24 October 2016. JMC (EN) was created expressly as a forum in which the governments of the devolved nations can feed into the UK’s negotiating line as part of the Brexit negotiations. To operate successfully, the new JMC (EN) format will need to have a scheduled timetable of meetings as part of an agreed work programme. Welsh ministers have been clear that they seek to constructively engage in the negotiation process, and that there would be distinct benefits for achieving a UK-wide position on important issues such as international agricultural trade.

The European Chairs UK (ECUK), which brings together the chairs of the European Committees of the different UK legislatures, convenes on a regular basis to discuss European affairs, although it does not enjoy a statutory underpinning. In the context of the Brexit negotiations, a formalized structure of inter-parliamentary communication is an important complement to inter-governmental structures. The Welsh Assembly has mechanisms for gathering information, and therefore has the opportunity to act as a standard bearer for developing briefings on Brexit issues that may have implications beyond Wales.

Unlike Scotland and Northern Ireland, a majority of the electorate in Wales voted to leave the EU. This may be seen to weaken Wales’s leverage as part of the intra-UK Brexit discussions. However, Wales should not miss the opportunity to frame itself as an ally of the UK government. Work is now underway in the Welsh government and the National Assembly for Wales to establish its own ‘red lines’. These red lines will reflect Wales’s particular relationship with the EU, financially, economically, politically and legally.

Westminster and Whitehall do not seem to have fully confronted the implications of Brexit on the devolved nations and, in turn, the implications of Brexit on the UK’s constitutional settlement. In the announcement of the ‘Great Repeal Bill’ there was no mention of the devolved governments or the role envisaged for them during the Brexit process. There are calls for the UK government to consider what role Wales, Scotland and Northern Ireland will play in Brexit.

At the EU level, there is some understanding of regional differentiation in the UK, specifically with respect to Scotland and Northern Ireland. However, it is limited. Therefore, to aid negotiations, Wales (along with the other devolved administrations) could attempt to increase awareness of the details of devolution across the UK. A clearer understanding of devolution in the UK may aid negotiations on both sides of the channel.

**Welsh external relations in the changing European landscape**

Some areas of Welsh external affairs are critical to the Welsh economy, and will be heavily affected by UK-level policy on a post-Brexit settlement for the UK. The agricultural and fisheries industries are examples of this. The single market for goods and services is also very important to Wales, especially in terms of securing Foreign Direct Investment.

With respect to agricultural policy, there are concerns within the farming community that Brexit would lead to a liberalization of farming and therefore a reduction in standards. This could undermine the high-end Welsh meat market. If the UK does not benchmark against EU trading standards post-Brexit, the Welsh government could do so, through its devolved powers over human and animal health.
Although Wales may seek to establish its own, high level of standards in farming, this may be impossible to police. For example, would there be posts on the border where meat is tested? In which case, it may be better to invest efforts in influencing the UK Government’s approach to trade negotiations with the EU.

Work is ongoing into how Wales could engage with the outside world in a paradiplomatic manner post-Brexit. Currently, Wales has policy actors working to represent Welsh interests in Brussels. Some of the opportunities to represent Wales in the EU’s institutions, such as the European Parliament and Committee of the Regions, will be lost once the UK leaves the EU.

Access to EU institutions will become more difficult post-Brexit, and Welsh representatives will need to lobby much harder to meet with individuals from those institutions. Furthermore, as the personal relationships garnered within those organizations diminish, so will Welsh influence. Therefore, there needs to be a medium- to long-term strategy for Welsh engagement with EU institutions and networks. Wales could seek another European delegation to be established in Cardiff.

As such, Wales needs to consider what its distinct ‘global brand’ will be post-Brexit. In this pivotal moment, Wales could grasp the opportunity to further emphasise its distinctiveness on the European stage, beyond the quality and standards of Welsh products for the EU market.

Borders and security issues for Wales post-Brexit

Wales has several major ports, which have significant traffic to and from the Republic of Ireland. Therefore, UK-level policy on this border will have a significant impact on the Welsh economy and any economic incentive to bypass those ports to gain access to mainland Europe would hit those communities very hard. There could also be significant implications on the economy of Northern Ireland, which is also dependent on exports travelling through the Republic of Ireland and Wales to reach England.

The British–Irish Council is providing a forum for policy leaders from the UK, the devolved administrations, the Crown Dependencies and the Republic of Ireland to meet to discuss, amongst other things, the implications of Brexit for external relations. The Council has a rotating chair, which currently lies with Wales. The potential of this forum should not be underestimated as a means to develop a common policy. While these border issues may be low down on Westminster’s list of priorities, they would have very heavy local impacts if neglected and other routes become advantageous. This is in addition to the other economic and political issues attached to UK–EU borders post-Brexit, specifically the peace process.

This event was held as part of a series of workshops and sandpits on the future of the UK’s foreign and security policy post-Brexit, organized in cooperation with the ESRC-funded UK in a Changing Europe programme and Chatham House. These discussions will inform a set of publications contributing to the debate on the UK’s foreign policy post-Brexit. For further information, please contact Georgina Wright.