

Journal of Contemporary European Research

Volume 12, Issue 4 (2016)

Commentary

Winners and Losers: the EU Referendum Vote and its Consequences for Wales

Jo Hunt, Rachel Minto and Jayne Woolford, *Wales Governance Centre,
Cardiff School of Law and Politics, Cardiff University*

26 October 2016

Citation

Hunt, J., Minto, R. and Woolford, J. (2016). 'Winners and Losers: the EU Referendum Vote and its Consequences for Wales', *Journal of Contemporary European Research*. 12 (4), 824 - 834.

First published at: www.jcer.net

Abstract

In the June 2016 EU Referendum, Wales voted to leave the EU - in the face of strong political support to remain. Whilst Wales's vote puts it on the 'winning' Leave side, the process of leaving the EU will bring with it some tangible losses that will impact Wales differently from the rest of the UK. In the immediate aftermath of the vote, there was widespread consternation about why Wales, as a net beneficiary due to significant receipts of European Structural and Investment Funds, would see a majority vote Leave. The reasons behind this, and also the potential for a new regional policy are discussed in this article. In addition, it looks at a possible 'win' for Wales with the potential expansion in regulatory competence which may come from the repatriation of competences back to the devolved administrations on Brexit, though recognising that this may not be straightforward and may carry a heavy price tag.

In a referendum on 23 June 2016, the UK voted to leave the European Union (EU). With a turnout of 72.2 per cent, the UK-wide result was 51.9 per cent Leave to 48.1 per cent Remain. The people of the UK had spoken. However, they had not spoken with one voice. Indeed, the territorial differentiation that characterises the UK's relationship with the EU was itself reflected in the outcome of the referendum, with distinct results returned in the four nations of the UK. Rather unsurprisingly, Scotland and Northern Ireland voted Remain (the former more convincingly than the latter) and England voted Leave. Wales, however, proved a rather intriguing case. In defiance of the near universal support for EU membership from the political elite and sectoral bodies across Wales, the final Welsh vote stood at 52.5 per cent Leave to 47.5 per cent Remain, on a turnout of 71.6 per cent. As such, Wales positioned itself apart from the other devolved nations and was on the 'winning side' of the UK's EU Referendum.

The wheels have now been set in motion for the UK's exit from the EU. Formal negotiations, once they commence following the triggering of Article 50 TEU, will reflect the status of the UK as a single entity. However, the process and outcome of these negotiations will play out on multiple levels across the UK. There is, after all, not just one singular relationship at stake in the negotiations. Instead, there will be consequences for the multiple relationships that exist between the EU and the UK's devolved nations, relationships that play out along financial, economic, legal, political and cultural lines. The UK's exit from the EU will also have knock-on implications for the future union of the four nations of the UK, both politically and constitutionally (Minto, Hunt, Keating, McGowan 2016; Douglas-Scott 2015).

Whilst opinions may differ about the prospects for Wales, and the rest of the UK, outside the EU, the referendum campaign saw the Welsh Labour Government support remaining in. On 24 June 2016, the First Minister of Wales announced his 'deep disappointment' with the referendum result, and outlined the six priorities for protecting Welsh interests post Brexit. First is job protection, and the maintenance of economic confidence and stability. Access to the single market is seen as 'vital',¹ along with continued participation until at least 2020 in the EU funding programmes which have seen Wales as a net beneficiary of EU money. Looking ahead, a new financial settlement within the UK is demanded, along with the placing of the Devolved Administrations 'on an entirely different footing' in the constitutional order of the UK. He called too for Wales to be fully involved in the discussions on the terms of withdrawal (Welsh Government 2016a).

Shortly after the Referendum, the newly installed Prime Minister Theresa May stressed that she was seeking a UK approach to negotiations (May, J. 2016) and made early moves to substantiate this commitment, with Prime Ministerial visits to Edinburgh, Belfast and Cardiff during the summer for meetings with the leaders of the devolved nations. Since then, however, hopes of a more inclusive negotiating position have diminished. More recent proclamations of 'one United Kingdom' and the spectre of 'divisive nationalism' (May, T. 2016) raise serious doubts about the level of inclusion of the devolved nations in the negotiating process, as does the exclusion of the Scottish, Welsh and Northern Irish Ministers from a permanent seat on the Government's European Union Exit and Trade Committee. Of course, how this will play out in practice remains to be seen. Notably, unlike Scotland and Northern Ireland, Wales voted to leave the European Union. However uncomfortable a prospect, the broadly pro-European political elite must contend with this result and ensure that it is reflected in the line the Welsh Government and Assembly advance in the negotiations ahead, negotiations which will take place both within and beyond the UK.

Following this introduction, in a first section, the article presents the particular position of Wales, as a small nation within two unions, and highlights the distinctive features of this Wales-UK and Wales-EU relationship, providing an initial take on the reasons behind the vote to leave. Whilst Wales's vote puts it on the 'winning' Leave side, the process of leaving the EU will bring with it some tangible losses that will impact Wales differently from the rest of the UK. In the immediate aftermath of the vote, there was widespread consternation about why Wales, as a net beneficiary due to significant receipts of European Structural and Investment Funds (ESIF), would see a majority vote Leave. This is considered in more detail in the next section, before a final section looks at a possible 'win' for Wales with the expansion in regulatory competence which may come from Brexit, though recognising that this may have a price tag.

WALES IN THE UK AND THE EU AND THE VOTE TO LEAVE

In some ways, the outcome of the EU Referendum in Wales was not surprising, being as it was broadly in line with the polling data for the couple of years preceding the vote (Scully 2016). In other ways, however, Wales's vote to leave was remarkable. This left-leaning, small nation, which benefits financially from EU membership, had long been seen as pro-European (Wyn Jones and Rumbul 2012). Wales had supported the UK's membership of the European Economic Community in the 1975 Referendum² and, since this time, the developing EU context had served to bolster Wales financially, economically and also as a distinct international actor. Indeed, the EU has a notable impact on Wales on a number of fronts: legal and political, cultural, financial and economic.

The history of Wales's membership of the EU is now indivisible from the story of devolution in the UK, which entered a new phase following the coming to power of the UK Labour Government in 1997. Following a referendum in that year, narrowly in favour (50.3 per cent), a devolved Welsh Assembly was established. The Assembly and machinery of government has been in a state of constant development since then, with successive expansion of powers. These processes of devolution have unfolded against the background of EU membership (Cole and Palmer 2011) and the Welsh political architecture has been developed within the context of two unions – the UK and the EU. Devolution in the UK is asymmetric, with a different model and a different scope of devolved powers operating across each of the devolved nations. Unlike Scotland and Northern Ireland, Wales has to date had a 'conferred' model of devolution, under which the legislative Assembly may adopt laws in those areas conferred on it under the Government of Wales Act 2006, Schedule 7. This model will be replaced with the reserved powers model seen in Scotland and Northern Ireland, when the

most recent (highly contested) Wales Bill finishes its passage through Parliament and receives Royal Assent (Parliament, UK 2016) (which is likely to be in early 2017). Under this model, the Welsh Assembly will have competence to legislate on all such matters as are not reserved to the Westminster Parliament. The continuing sovereignty of Parliament connects all three models of devolution, though a constitutional convention operates that Westminster will not normally legislate on a devolved matter without consent of the relevant devolved parliament. This Sewel Convention has been incorporated into the Scotland Act and a comparable provision is foreseen in the new Wales Act. Current areas devolved to Wales include agriculture, economic development, health, education, housing and the environment. Structures for policy coordination across the UK are in place (though their effectiveness is open to question), and are centred on Joint Ministerial Committees which operate against the backdrop of a Memorandum of Understanding. Public spending on matters for which the devolved administrations are responsible is underpinned by a block grant made to the devolved nations from the Treasury, the level determined in line with the Barnett formula, as well as from EU funds.

A number of the policy areas which have been devolved to Wales also fall under EU competence. As such, these devolved powers are exercised within a framework provided by EU law, which places both shaping and limiting effects on Welsh law. Of course, the EU also has an impact on Wales beyond areas of devolved competence, and in some cases this impact is quite distinctive. Indeed, EU law and policy (whether in devolved or non-devolved areas) plays out in a particular way in Wales given its size, the nature of its key industries and its socio-economic make-up. Reflecting this distinct 'regional' impact of the EU are the multiple channels through which the particular interests of Wales can be promoted at the EU level. The EU institutions themselves make provision for the representation of Wales. Wales has four Members of the European Parliament, and has representation on the Committee of the Regions and the European Economic and Social Committee. There are also individuals from Wales and seconded experts from the Welsh Government working as officials in the EU institutions. Beyond this, Wales has established its own outpost in Brussels – Wales House – that seeks to protect and promote the interests of Wales in the EU. This is home to the Welsh Government EU Office, the National Assembly for Wales EU Office, the Welsh Local Government Association (WLGA) EU Office, and the Welsh Higher Education Brussels (WHEB) Office. In addition to this, there is an extensive range of networks in which Wales is represented, through the participation of the Welsh Government, the National Assembly, WLGA, WHEB and other organisations, e.g. the Arts Council for Wales and the Welsh Council for Voluntary Action.

As will be seen in more detail in the final section, the prospect of removing the framework provided by EU law raises significant questions around competence, capacity and intra-UK relations. Another feature of this dual framework has been cultural. As highlighted above, the institutional architecture of the EU has provided structures and networks through which Wales has asserted itself as a distinct *European* nation. In addition to its importance to policy formation, this has been significant for the Welsh identity both within and beyond the UK. Indeed, in providing the background against which Wales has profiled its distinctive identity, the EU has accommodated a 'soft' Welsh nationalism.³ This goes some way to explaining the conventional association of Wales with a pro-Europeanism.

This pro-Europeanism is shared by the majority of the political elite in Wales. Indeed, out of the 60 Assembly Members (AMs), the vast majority supported the UK's continued membership of the EU. There was a vocal minority who supported Leave, notably the seven recently installed UKIP AMs (new additions to the Assembly with the elections on 5 May 2016) and the leader of the Welsh Conservatives, Andrew RT Davies. The broad sweep, however, was firmly pro-EU. Labour has long been the dominant party in Wales, both in the Assembly (currently with 29 AMs) and at Westminster (currently with 25 out of 40 Welsh MPs). In the run up to the EU referendum, the Labour Welsh Government was unwavering in articulating that there are clear benefits to Wales of EU

membership, with the First Minister stating in a BBC interview in June 2015 that a vote to leave the EU would be ‘catastrophic’ for Wales (BBC News 2015). Plaid Cymru (the Party of Wales) also adopted a clear pro-EU stance. Furthermore, along with the Scottish National Party, Plaid Cymru supported a devolution lock on the final referendum outcome, whereby a vote to leave the EU would only be valid if this result was returned across the four nations.

A particularly striking feature of the EU Referendum in Wales is the clear disconnect between the electorate’s vote to leave the EU and the overwhelming support for the UK’s continued EU membership from the political elite and sectoral interest groups across Wales. Of the 22 local authority areas in Wales, 17 voted Leave. These included those areas represented by the First Minister Carwyn Jones and Plaid Cymru Leader Leanne Wood. A number of factors have been advanced to explain this contrast between the political classes and the Welsh public in their support for the EU (see O’Hagan 2016; Wyn-Jones 2016). First, there are particular challenges attached to disseminating a distinct Welsh narrative about EU membership. In part, this is due to the dominance of London-based media in Wales. These media outlets are broadly insensitive to territorial differentiation within the UK, therefore providing no room for addressing the specific case of Wales and the EU. Secondly, the EU Referendum came hot on the heels of the Assembly elections; they were held only seven weeks apart. Therefore, there was a certain amount of fatigue amongst the political activists, who had invested heavily in campaigning around the National Assembly elections and who were simply too tired to begin campaigning anew with the same level of vigour. Finally, it is considered that (much like the Leave result across England) many voters in Wales were casting a vote against the status quo. Whilst key arguments of the Leave campaign resonated amongst Welsh voters (such as immigration and budget contributions), to some extent the EU was seen as the embodiment of the distant, unaccountable political elite and this was a key factor in their voting choice.

Central to much of the pro-EU, Wales-specific narrative has been the financial and economic impact of EU membership. Financially, unlike the UK as a whole, Wales is a net recipient of EU funds, predominantly through Common Agricultural Policy (CAP) payments and European Structural and Investment Funds (ESIF). A crucial feature of these funds is that they are ring-fenced, and hence guaranteed, at the level of devolved administrations, for a seven-year period. The issue of EU funding is discussed further below. Finally, looking to economic considerations, the Single Market has a particular significance for Wales. In part, this is because Wales is a small nation and has used its membership of the Single Market as a key selling point to secure Foreign Direct Investment. Furthermore, unlike the UK as a whole, Wales is recorded as a net exporter of goods to the EU (HM Revenue and Customs 2016; Woolford and Hunt 2016a) and the EU is a particularly significant market for certain products, especially food and drink exports.

‘TURKEYS VOTING FOR CHRISTMAS’: BREXIT AND THE END OF EU FUNDING TO WALES

The decision of voters in some of the poorest areas of Wales to vote Leave immediately led to a flurry of media coverage asking why, in Wales, the ‘turkeys had voted for Christmas’ (O’Hagan 2016; Wyn-Jones 2016). Wales after all enjoys far higher levels of EU funding than other UK regions and as a result, whilst the UK overall is a net contributor to the EU budget, Wales is a net beneficiary.⁴ A large part of this funding comes through the EU’s Cohesion Policy. This policy originated from the recognition that the benefits of the Single Market were not distributed evenly across the EU, and a redistributive mechanism to reduce regional disparities was created. Under the current funding programming period, running from 2014-2020, the Welsh Government is set to receive (and manage as a devolved function) more than 300 million EUR per year from the EU from the European Regional Development Fund (ERDF) and the European Social Fund (ESF). When the other two ESI Funds⁵ are

incorporated into the figure, the Welsh Government should be in line to receive more than 3 billion EUR by the end of the 2014-2020 programming period (Woolford and Hunt 2016b). Whilst overall this contribution may appear minimal, representing only 0.4 per cent of Welsh GDP, the majority of funding is concentrated in the 'less-developed region' of West Wales and the Valleys. Wales comprises two separate regions for EU funding purposes, and, with a GDP below 75 per cent of the EU average, West Wales and the Valleys qualifies for the highest levels of EU funding.⁶ This suggests that a very significant impact could be felt locally in eligible areas. The amounts received by the more impoverished areas look all the more substantial when compared to other forms of UK regional or regeneration funding.

Unsurprisingly, First Minister Carwyn Jones identified, the day after the EU referendum, the 'security of funding budgeted under EU programmes' as one of the six key priorities for Wales in the context of Brexit (Welsh Government 2016a). Despite the fact that the current Conservative Government made it clear in the run up to the referendum, that there would be no guaranteed replacement of any shortfall in EU receipts to Wales in the event of Brexit (BBC News 2016a; Woolford 2016), he has continued to argue for a 'full guarantee' that funding will continue for existing EU programmes to 2023.⁷ Some assurance of continuity in the short term has been provided.⁸ One of the biggest vulnerabilities in relation to ESIF financial allocations and their potential loss to Wales is, of course, the timing and content of Article 50 withdrawal negotiations. With the triggering of Article 50 expected in March 2017 and a two-year withdrawal process provided for in the Treaties, UK membership of the EU will end in March 2019. It is reasonable to assume that an end to EU budgetary contributions is likely to coincide with the withdrawal of ESIF allocations to the UK which could lose Wales more than 860m EUR of the 2014-2020 allocations. Potential future funding opportunities from the policy post-2020 will also be missed out on⁹ as will funding under a number of other related instruments.¹⁰

But how significant is this loss to Wales? It has been widely recognised that some of the areas of Wales that have received the most significant amounts of funding from the EU voted with the largest margins in favour of Leave. EU funding receipts appeared largely irrelevant to Welsh voters. Was this a case of EU regional policy failing in Wales, or was its communication to voters ineffective against a 'Leave' debate that suggested EU funding was 'our money anyway'? The Welsh Secretary of State, Alun Cairns, was quick to suggest that the results showed that those purported to benefit the most from European aid 'did not want what was being offered to them' and that the policy had not been wholly successful, funding projects with 'questionable strategies and woolly outcomes'. Repeated eligibility for the highest levels of funding suggests mismanagement by the Welsh Government, according to Mr Cairns, and that 'spending according to the same old plans after two decades is not an option any longer' (BBC News 2016b).

These criticisms are not new. Academics have previously commented on the tendency of the region and its devolved government simply to repackage existing development approaches and policy priorities into 'standard EU fare' designed to absorb European funding (Morgan 1997; Pugh 2014). The higher funding levels in Wales have not led to greater performance or results against key economic indicators such as jobs created and new businesses (Hunt, Lavery, Vittery and Berry 2016). In Wales, projects funded under the ERDF are estimated to have created 36,640 new jobs and 11,900 new businesses in the 2007-13 period. The equivalent figures for Scotland, where the Remain vote triumphed in every local authority area, are 44,311 and 17,474 respectively, despite receipts amounting to 36 per cent of those to Wales.¹¹ Questions can be asked as to whether interventions that resulted in job and business creation would have been more relevant and visible to targeted communities than the larger infrastructure projects that tend to be favoured under the Welsh programmes (BBC One Wales). The choice of intervention is strongly correlated with the impact of the funding, with people-focused interventions tending to have a greater impact than place-based

infrastructure investment (Becker 2012). New models of delivery such as Community-Led Local Development (CLLD) that look to boost the impact of EU funding at the local level through cooperation, engagement and cross-fund integration, welcomed in Scotland, have been ignored in programming approaches in Wales, where conditions would make them particularly relevant (Farnet 2015). EU funding, of course, operates in a broader socio-economic context. External developments, such as the financial crisis and subsequent austerity measures, can have significant impact on their delivery. Economic figures show that many of the local authority areas voting to 'leave' have never recovered from the effects of the economic crisis and have lower GDP levels than in 2000 (StatsWales 2016).

Whilst the effectiveness of the use of the funds to date can be questioned, their loss will see calls for a thorough reassessment of the mechanisms under which public finances are transferred to Wales. Carwyn Jones has called for a major and immediate revision of the Barnett Formula (Welsh Government 2016b). UK and Welsh economic development strategy and funding, highly aligned with the broader EU policy framework, now stands at a junction. Whilst the Welsh Assembly and ministers have a range of devolved powers to promote economic development¹² and could develop a Welsh regional policy, it seems unlikely based on financial resources and geographical scale. The UK Parliament retains the right to legislate in this area and could develop a UK-level territorial policy. Responses from Westminster suggest that serious policy overhaul is likely. This could mean that regions are designated differently and that the focus of the policy, eligible activities, favoured regions and amounts allocated could be significantly different. The potential at least exists for the design of more tailored policies to benefit Wales.

BREXIT - EXPANDING THE POWERS OF WALES?

The story of Welsh devolution has been one of incremental shifts in the responsibilities and powers from Westminster and Whitehall to Cardiff Bay. This has seen an expansion in both the range of policy areas devolved, and also in the tools and techniques available to the Assembly to act. Initially, on the coming into force of the 1998 Government of Wales Act, the powers granted to the Assembly extended only to passing secondary legislation under primary acts of the Westminster Parliament. This was in contrast to the situation in Scotland, which had gained primary law making powers for its Parliament. These powers have been developed such that, by 2011, the Welsh Assembly had the competence to adopt primary laws across twenty devolved areas, supplementing more extensive executive powers held by the Welsh Government. These powers run alongside those retained in London to legislate for Wales, whether as part of UK-wide legislation or through more territorially targeted measures, subject to the Sewel Convention.¹³

Amongst the areas devolved to Wales have been some areas which have been heavily Europeanised, with a decades-long build-up of regulatory measures at EU level. These include, most notably, the areas of agriculture and the environment, as well as economic development, as seen above. To date, EU law has set the parameters for the exercise of Wales's powers in these areas (Morrow 2013) and on the withdrawal from the EU of the UK, such constraints may, depending on the new relationship formed with the EU, no longer apply. This could then see a transfer of significant 'real' powers to Wales (and the other devolved administrations), taking them beyond the de facto powers of implementation defining their position so far – and, in those terms a 'win'. However, the actual scope for the exercise of those powers may be more restricted than first presumed.

To take the example of the environment, much EU environmental law is contained in directives, which require implementation by state authorities. These have been transposed both at UK or Wales level. Differences of approach (in terms of administration, procedure, timing and even substance)

are possible across the devolved administrations within the framework of EU law, and a distinctively Welsh approach has emerged in a number of areas. There is, for example, a statutory duty upon Welsh ministers to promote sustainable development in all their business and ensure a scheme for its implementation (Government of the UK 2008), further enhanced through the Wellbeing Power (ibid), which authorises Welsh ministers to do anything they consider appropriate to promote or improve the 'economic, social and environmental wellbeing of Wales' (see also Government of the UK 2015). More specifically, there has been Welsh implementation of EU measures differing from that undertaken elsewhere in the UK, on such matters as elements of waste legislation and nitrate pollution. At the same time however, the UK Government seeks to achieve consistency of effect. In some cases EU environmental law has been jointly implemented across the UK¹⁴ in order to ensure coherence, so that the UK meets national targets and standards, as well as for political or resource reasons.

In the event of Brexit, as environmental policy is devolved to Wales under the current UK devolution settlement, responsibility for this area would return to Wales. Wales's approach to environmental laws may then see it choose¹⁵ to deregulate, or refine existing laws, or maintain those existing laws and voluntarily incorporate future laws coming from the EU. However, as is currently the case, the Westminster Parliament would still have powers to legislate for Wales, and steps may be envisaged domestically to promote a common approach across policy areas. There are, after all, a number of negative consequences associated with too much diversity or divergence from neighbouring jurisdictions in the area of environmental policy, whether at UK level or between the devolved administrations. For example, energy policy could be problematic in the case of Brexit due to the interconnections across different national markets. Furthermore, a number of requirements within this field of law stem from other international legal obligations to which the UK is party. Wales's freedom of action could thus also be constrained by obligations arising from international law. Finally, there are very real questions around Wales's capacity to absorb swathes of additional policy-making responsibility. This includes not only infrastructure and institutional aspects, but also, as seen most clearly in the regional development example, the financial costs that are attached to certain policies.

CONCLUSION

Wales emerged on the winning side of the EU referendum. Against the backdrop of overwhelming political support for continued EU membership, this small, left-leaning nation – a net beneficiary of EU membership and conventionally understood to be pro-European – voted Leave. At the time of writing, much hangs in the balance. What is certain, however, is that the UK's exit from the European Union will echo down generations. Whatever variant of Brexit finally agreed, the legal, political and economic implications will be considerable – although more significantly pronounced in the case of a 'hard Brexit'. As part of this, Wales will have its own Brexit story to tell. This story will reflect Wales's distinct relationship with the EU as well as its (unsettled) devolution settlement, itself developed in the context of the UK's EU membership. Brexit in Wales will play out along multiple lines (political and legal, cultural, financial and economic) and the Welsh Government will seek to defend the Welsh national interest on these fronts in the Brexit negotiations. This, however, will be set against the background of the Welsh public's rejection of the European status quo.

Under current constitutional arrangements, as EU frameworks are lifted, Wales will claim ownership of vast swathes of law making. On the one hand, this may be seen as another 'win' for Wales as it will be able to develop its own legal, policy and regulatory regimes, free from the constraints and limitations of EU law (although still subject to other international obligations). On the other, this raises huge capacity issues as Welsh political and administrative institutions are loaded with

significant additional burdens. Of course, this will only be the case if Wales can successfully defend its policy territory from the centralising forces of Westminster. The story of Brexit in Wales is far from clear-cut. It is a complex story of disruption and division, and one in which there will be winners and losers.

ACKNOWLEDGEMENTS

The authors would like to acknowledge the support of the ESRC's UK in a Changing Europe Initiative. Dr Hunt is a Senior Fellow, Dr Minto a Commissioning Fund awardee, and Dr Woolford a Research Associate under the Initiative.

CORRESPONDENCE ADDRESS

Jo Hunt, Wales Governance Centre, Cardiff School of Law and Politics, Cardiff University, Cardiff CF10 3AT [huntj@cardiff.ac.uk]

ENDNOTES

¹ Initially, on 24 June, this included a commitment to the continuation to the free movement of people. This commitment was later dropped and removed from the English version of the press release.

² 64.8 per cent voted Remain in 1975, against a UK wide Remain vote of 67.5 per cent.

³ On Welsh soft nationalism, see Moon 2013.

⁴ Calculated at 79 GBP per person per annum (Ifan, Poole and Wyn Jones 2016)

⁵ European Agricultural Fund for Regional Development and European Maritime and Fisheries Fund.

⁶ And has done for three programming rounds, from 2000-2006; 2007-2013; and now 2014-2020.

⁷ Under EU rules, funds can be spent up to three years following allocation.

⁸ A guarantee has been given by the Treasury to fund those projects agreed by devolved administrations which represent good value for money and close alignment with domestic strategic priorities. There is as yet little clarity as to how that would be measured or defined.

⁹ Recognising that the level of funding available would likely be reduced from the current programming period.

¹⁰ For example, through access to the Connecting Europe Facility and the European Fund for Strategic Investments and future loan financing from the European Investment Bank.

¹¹ The combined ERDF and European Structural Fund allocation to Scotland for 2007-2013 was 820 million EUR compared to 2,218 million EUR for Wales (Hunt, Lavery, Vittery and Berry 2016).

¹² See variously Government of Wales Act 2006, Schedule 7; Welsh Development Agency Act 1975.

¹³ Disputes do occur – see, for example, the successful challenge to a non-devolved removal of the Agricultural Wages Board, through a robust and expansive reading of Welsh competence by the Supreme Court, [2014] UKSC 43.

¹⁴ Eg Waste Electrical and Electronic Equipment Regulations 2013, implementing Directive 2012/19/EU.

¹⁵ On an assumption that the proposed 'Great Repeal Act' acknowledges the role of the Devolved Nations in the ongoing review of which EU laws to remove.

REFERENCES

BBC News (2015) 'Carwyn Jones: Leaving EU would be 'catastrophic' for Wales'. *BBC News: Wales Politics*, 28 June 2015. Available online: <http://www.bbc.co.uk/news/uk-wales-politics-33303530> [Accessed 17 October 2016].

BBC News (2016a) 'EU exit threatens Wales' aid, David Cameron warns'. *BBC News: Wales Politics*, 26 February 2016. Available online: <http://www.bbc.com/news/uk-wales-politics-35666731> [Accessed 18 October 2016].

BBC News (2016b) 'Alun Cairns criticises £4bn EU funds 'mismanagement''. *BBC News: Wales Politics*, 04 October 2016. Available online: <http://www.bbc.com/news/uk-wales-politics-37540194> [Accessed 18 October 2016].

BBC One Wales (2016), *Week in Week Out: Brexit, Views from Wales*, 19 July 2016.

Becker, S.O. (2012) EU Structural Funds: Do They Generate More Growth? *The CAGE Chatham House Series* No 3.

Cole, A. and Palmer, Roseanne (2011) 'Europeanising devolution: Wales and the European Union,' *British Politics*, 6(3): 379-96.

Douglas-Scott, S (2015) 'A UK Exit from the EU: The End of the UK or a New Constitutional Dawn?' *Oxford Legal Studies Research Paper 25/2015*.

Farnet (2015) *Implementing Community-led Local Development across the European Structural and Investment funds*, FARNET Transnational Seminar Report, Edinburgh, Scotland, 8-10 December 2015. Available online: https://webgate.ec.europa.eu/fpfis/cms/farnet/files/documents/Seminar_Report_Multifunding_forweb.pdf [Accessed 19 October 2016].

Government of the UK (2008) Climate Change Act 2008. S 79(1) GOWA 2006, S. 80.

Government of the UK (2015) Wellbeing of Future Generations (Wales) Act 2015, 2015 anaw 2.

HM Revenue and Customs (2016) *Regional Trade Statistics*. Available online: www.uktradeinfo.com/Statistics/RTS/Pages/default.aspx [Accessed 17 October 2016].

Hunt, T., Lavery, S., Vittery, W. and Berry, C. (2016) 'UK Regions and EU Structural and Investment Funds', *SPERI British Political Economy Brief* No 24, University of Sheffield.

Ifan, Guto, Poole, Ed Gareth & Wyn Jones, Richard (2016) *Wales and the EU Referendum: Estimating Wales' Net Contribution to the European Union*. Wales Governance Centre, Cardiff University. Available online: <http://sites.cardiff.ac.uk/wgc/files/2016/05/Estimating%20-Wales%E2%80%99-Net-Contribution-to-the-European-Union.pdf%20>[Accessed%2017%20October%202016] [Accessed 17 October 2016].

May, Josh (2016) 'Theresa May to seek 'UK approach' to Brexit before triggering Article 50'. *Politics Home*, 15 July 2016. Available online: <https://www.politicshome.com/news/europe/eu-policy-agenda/brexit/news/77349/theresa-may-seek-uk-approach-brexit-triggering> [Accessed 17 October 2016].

May, Theresa (2016) 'Theresa May's conference speech in full'. *The Telegraph*, 5 October 2016. Available online: <http://www.telegraph.co.uk/news/2016/10/05/theresa-mays-conference-speech-in-full/> [Accessed 17 October 2016].

Minto, R., J. Hunt, M. Keating, L. McGowan (2016) 'A Changing UK in a Changing Europe: The UK State between European Union and Devolution', *The Political Quarterly*, 87(2): 179-186.

Moon, D.S. (2013) 'Welsh Labour in Power: 'One Wales' vs. 'One Nation'?' *Renewal*, 21(1): 77-86.

Morgan, K. (1997) 'The learning region: institutions, innovation, and regional renewal'. *Regional Studies*, 31(5): 491-503.

Morrow, K (2013) 'Debatable Ground: the Devolution Settlement and Environmental Law' in P. Bishop and M. Stallworthy (eds) *Environmental Law and Policy in Wales*, Cardiff: University of Wales Press.

O'Hagan, Ellie May (2016) 'Wales voted for Brexit because it has been ignored by Westminster for too long'. *Independent*, 25 June 2016. Available online: <http://www.independent.co.uk/voices/brexit-wales-eu-referendum-vote-leave-uk-ignored-by-westminster-a7102551.html> Accessed 17 October 2016].

Parliament, UK (2016) *Wales Bill 2016-17*. Available online: <http://services.parliament.uk/bills/2016-17/wales.html> [Accessed 17 October 2016].

Pugh, R.E. (2014) 'Old wine in new bottles'? Smart Specialisation in Wales'. *Regional Studies, Regional Science*, 1(1): 152-157.

Scully, Roger (2016) 'All Welsh EU Referendum Polls So Far'. *Blogs Elections in Wales*, 27 May 2016 Cardiff University. Available online: www.blogs.cardiff.ac.uk/electionsinwales/2016/05/27/all-welsh-eu-referendum-polls-so-far-2/ [Accessed 17 October 2016].

StatsWales (2016) *Gross Value Added (UK=100) by Welsh NUTS3 areas and year*. Available online: <https://statswales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/Regional-Accounts/Gross-Value-Added-GDP/gva-by-welshnuts3areas-year> [Accessed 17 October 2016].

Welsh Government (2016a) *Statement by the First Minister: EU Referendum result*, 24 June 2016. Available online: <http://gov.wales/newsroom/firstminister/2016/160624-eu-referendum/?lang=en> [Accessed 17 October 2016].

Welsh Government (2016b) *Statement by the First Minister of Wales on the Government's announcement on EU funds*, 13 August 2016. Available online: <http://gov.wales/newsroom/firstminister/2016/160813eu/?lang=en> [Accessed 17 October 2016].

Woolford, Jayne (2016) 'What a difference a decade can make: cohesion policy and Brexit', 6 May 2016. *The UK in a Changing Europe*. Available online: <http://ukandeu.ac.uk/what-a-difference-a-decade-can-make-cohesion-policy-and-brexit/> [Accessed 17 October 2016].

Woolford, Jayne & Hunt, Jo (2016a) *Wales and the EU. Single Market Trade in Goods*. Wales Governance Centre, Cardiff University. Available online: www.sites.cardiff.ac.uk/wgc/files/2016/07/SINGLE-MARKET.pdf [Accessed 17 October 2016].

Woolford, Jayne & Hunt, Jo (2016b) *Wales and the EU. Cohesion Policy*. Wales Governance Centre, Cardiff University. Available online: <http://sites.cardiff.ac.uk/wgc/files/2016/07/COHESION.pdf> [Accessed 17 October 2016].

Wyn Jones, R. and Rebecca Rumbul (2012) 'Wales: 40 Years of EU Membership', *Journal of Contemporary European Research*, 8(4): 555-562.

Wyn Jones, Richard (2016) 'Why did Wales shoot itself in the foot in this referendum?' *The Guardian*, 27 June 2016. Available online: <https://www.theguardian.com/commentisfree/2016/jun/27/wales-referendum-remain-leave-vote-uk-eu-membership> [Accessed 17 October 2016].