

Rt Hon Stephen Crabb MP
Chair - Welsh Affairs Committee
House of Commons
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17 November 2021

Dear Stephen.

Welsh Affairs Committee – October 2021

Following my recent appearance before your Committee on the October 28th, I committed to writing on a number of matters.

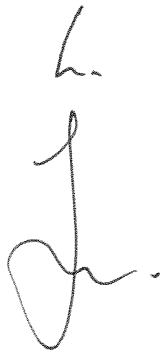
The first matter pertained to the consultation of devolved administrations in drafting the New Zealand Free Trade Agreement. The Department of International Trade (DIT) have engaged with Welsh Government regularly throughout negotiations, sharing both the devolved sections of the internal mandate and chapter text in devolved areas. DIT also set up the Ministerial Forum for Trade in January 2020 and have since held 6 forums, most recently on July 14th where Minister Vaughan Gething, Minister for Economy, attended from Welsh Government. This meeting covered free trade agreement negotiations with Australia, New Zealand, CPTPP, Canada, Mexico and the EEA.

Regarding UK Government engagement with farming unions on the matter, NFU Cymru and the Farmers Union of Wales (FUW) are key stakeholders for DIT and are consulted on FTAs via our Trade Advisory Groups (TAGs). TAGs provide the strategic and technical expertise needed to ensure that the UK's trade policy is well evidenced and can deliver positive outcomes for the UK. Additionally, ministers and senior officials regularly hold bilateral discussions with NFU Cymru on a range of matters including recently with the Director for Agriculture Food and Drink and Deputy Director for DIT Wales. I will be meeting the President of NFU England and Wales in the coming weeks and regularly meet with representatives of the farming sector. For instance I met with Pickstock Farms in Llanfechain in July, Gower Salt Marsh Lamb in August and more recently Capestone Farm in September.

Our ref: 208MISC21

I would also like to clarify the implications for Wales in regards to the changes to alcohol duty that were announced in the Budget last month. Alcohol sold in Wales will be subject to these changes, whilst minimum unit pricing (MUP), as introduced by the Welsh Government, will also continue to apply. Should the duty reduction result in the cost of the product dropping to a price below the minimum price, the MUP will continue to apply.

I trust this provides suitable clarity on these matters for the Committee and look forward to working with you all in the near future.



Rt Hon Simon Hart MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru