

EXPLANATORY MEMORANDUM TO
THE STRUCTURAL FUNDS (WELSH MINISTERS) REGULATIONS 2014

2014 No. 92

1. This explanatory memorandum has been prepared by the Department for Business, Innovation and Skills and is laid before Parliament by Command of Her Majesty.
2. **Purpose of the instrument**
 - 2.1 This statutory instrument gives the Welsh Ministers the power, in relation to Wales, to administer the European Regional Development Fund and the European Social Fund (the European Structural Funds) money for the period 2014 to 2020.
 - 2.2 European Structural Funds' money is used to promote regional development and employment across the EU Member States
3. **Matters of special interest to the Joint Committee on Statutory Instruments**
 - 3.1 None
4. **Legislative Context**
 - 4.1 The powers being conferred upon the Welsh Ministers pursuant to this instrument are powers to carry out various functions in connection with the European Structural Funds. These functions arise under Regulation (EU) No.1303/2013 of 17 December 2013.
5. **Territorial Extent and Application**
 - 5.1 This instrument applies to Wales only.
6. **European Convention on Human Rights**
 - 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.
7. **Policy background**
 - 7.1 The Government's policy on European Structural Funds spending is that it is appropriate for England, Scotland, Wales and Northern Ireland to take responsibility for their own expenditure. The Government of Wales Act 2006 does not give the Welsh Ministers the power to administer European Structural Funds.
 - 7.2 This statutory instrument gives the Welsh Ministers the same responsibilities, with regard to administering the European Structural Funds from 2014-2020 in relation

to Wales, as are given to the Scottish Executive in relation to Scotland under the Scotland Act 1998.

7.3 It is anticipated that there will be limited public interest in this instrument and as such there has been no consultation in relation to this statutory instrument.

7.4 The instrument is politically important in that it shows that the Government is committed to devolving powers, where appropriate, to the Welsh Ministers and demonstrates its commitment to regional spending being controlled at a regional level.

8. Consultation outcome

8.1 No consultation was required in relation to this statutory instrument.

9. Guidance

9.1 The responsibilities conferred to Welsh Ministers through this instrument are similar to those they already undertake for the European Structural Funds for the 2007-2013 period. As such no guidance is provided.

10. Impact

10.1 An Impact Assessment has not been prepared for this instrument as it has no impact on the costs of business.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The Government will not directly monitor and review how Welsh Ministers use the powers conferred on them under this instrument. The Welsh Ministers will however be held accountable for how they spend their 2014-20 Structural Funds by the European Commission. The instrument transfers responsibility to the Welsh Ministers for any financial penalty set by the European Commission for failure to comply with the relevant European Regulations.

13. Contact

13.1 Simon Jones at the Department for Business, Innovation and Skills (tel: 020 7215 2686 or e-mail: simon.a.jones@dti.gsi.gov.uk) can answer any queries regarding the instrument.