

Brexit Briefing



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Wales



This is the second edition of the Brexit Briefing, we hope you enjoy. Much more information about all of these issues can be found on the [Brexit Section of our website](#).

There are three parts to the Briefing:

- 1) Summing up in the Senedd (Assembly)
- 2) The View from the Continent (Europe)
- 3) News from the Imperial Capital (Westminster)

If you have any feedback let us know by emailing post@plaid.cymru.

Summing up in the Senedd

By our Assembly Brexit Spokesman Steffan Lewis AM and the Assembly Team



Plaid Cymru Conference

Brexit dominated Plaid Cymru's Annual Conference in Llangollen. Leanne Wood [used her speech to say that Wales must 'rebuild and renew'](#) after Brexit and to reaffirm Plaid Cymru's commitment to fighting for the UK to retain membership of the single market for the sake of the Welsh economy

She [also spoke out against the rise of an 'ugly, divisive, nationalistic politics'](#) following the Brexit vote, pointing to the rise in hate crime since the EU referendum and the normalisation of anti-immigration and anti-refugee sentiment in some sections of the media

Steffan Lewis AM highlighted the impact that Brexit will have on our public services, and particularly the Welsh NHS, describing the ‘toxic cocktail’ that threatens the future of our health care services. Simon Thomas AM also hosted a panel discussion on the impact Brexit will have on Rural Wales. You can catch up with the coverage [here](#).

Grown-up relationship?

Last week, the Joint Ministerial Committee met, bringing representatives from each of the devolved Governments and the Prime Minister together for the first time since December 2014. [Plaid Cymru warned](#) before the meeting that the JMC meetings could turn into a ‘superficial talking shop, rather than a forum for securing the best possible deal for Wales.

Meanwhile the Prime Minister said that she hoped it would be the start of a ‘[new grown-up relationship](#)’ between the nations of the UK. However, when questioned in the National Assembly for Wales by Steffan Lewis, the First Minister admitted that the Welsh Government had not had a heads up about the deal with Nissan that was announced just a few days later. The Conservatives seem to be taking a piecemeal, sector by sector, rather than nation by nation, approach to Brexit negotiations, while the Welsh Government is kept [completely out of the loop](#).

Focus on the Flip-flopping FM

Next week, the First Minister will appear in front of the National Assembly for Wales External Affairs Committee, the so-called ‘Brexit Committee’, to be quizzed on the Welsh Government’s response to Brexit. Steffan Lewis, Plaid Cymru’s representative on the Committee, will be there to hold him to account over the Welsh Government’s repeated flip-flopping and lack of vision for Wales’ future.

The view from the Continent

by Jill Evans MEP & the Plaid Cymru Europe Team



- The first meeting of the Greens/EFA working group on Brexit was held on the 25th of October in Strasbourg. The group agreed that the approach would be a positive one: no revenge, but no special favours for the UK either

- Jill has been coordinating with organisations across Wales to discuss our withdrawal from the European Union and the best deal for Wales in any future relationship. She has held meetings with Friends of the Earth and representatives from Wales Arts International.
- No formal meetings have yet taken place in parliament. It is reported that Michel Barnier, the chief negotiator for the European Commission has adopted the following guidelines: that under the leaving settlement the UK (or any other country) cannot be better off than member states, cannot be better off than a third country such as Norway and cannot block EU legislation.
- Each of the committees of the European Parliament will be writing a report on the UK's withdrawal from the European Union.

News from the Imperial Capital

by Plaid Cymru's Brexit Spokesman in Westminster Jonathan Edwards MP and the Westminster Team



It is now more than 4 months since the referendum took place and we are largely none the wiser as to what the UK Government's negotiating position will be. The Scottish First Minister came out of the first meeting of the Joint Ministerial Committee (JMC) between the UK Prime Minister and the devolved governments, saying *"I don't know any more now about the UK government's approach to the EU negotiations than I did before I went in to the meeting,"* adding, *"at the moment, it doesn't seem to me like there is a UK negotiating strategy."*¹

What we do know is that the UK Government is 'picking winners' for the negotiation – that is, picking certain sectors that they will try to protect, while letting others suffer.

The Prime Minister came back from a meeting with the European Council to make a statement in the House of Commons which, as usual, was full of empty rhetoric, void of any substance ([you can read the full statement here](#)). However when questioned, she did shed *some* light at least, on the issue of whether or not we will stay in the customs union – a crucial issue for the Welsh economy.

¹ <https://www.theguardian.com/politics/2016/oct/24/nicola-sturgeon-says-brexit-meeting-was-deeply-frustrating>

Responding to a question on this issue, the Prime Minister said:

“The important point about the customs union is that the way in which you deal with the customs union is not a binary choice. There are different aspects to the customs union, which is precisely why it is important to look at the detail and get the answer right, not simply make statements.”

Leaving the customs union will burden companies with form-filling, delays and frontier checks and crucially, will require a new north-south border in Ireland. The International Trade Secretary however, is vehemently opposed to membership of the customs union as it would prevent him from signing new bilateral agreements.

The Prime Minister’s answer was largely the trigger for the revelation that the car manufacturer, Nissan, had been promised a deal from the UK Government that their trading relationship will not change as a result of Brexit. It led to the forced statement by the Business, Energy and Industrial Strategy Secretary, Greg Clark confirming as such.

Similar suggestions have been made in the context of the single market – something on which Wales’ export-led economy heavily depends. There have been [reports that the Prime Minister will seek to pull the UK out of the single market, but will make sure the financial sector in the City of London maintains its membership.](#)

While the Tories continue to tell us that Brexit means Brexit, it seems that in reality it will mean ‘soft Brexit’ for some, and ‘hard Brexit’ for the rest of us.

Meanwhile the value of the pound has continued to fall, despite a number of events that would usually be considered good news. The spike after it was announced that the Governor of the Bank of England, Mark Carney would extend his stay did not last, and last week’s better than expected economic growth figures had little effect, as did rising gilt yields. The uncomfortable explanation, according to investors, is that since the Prime Minister signalled the government’s intention to pursue a “hard Brexit” at the Conservative Party Conference in early October, politics has become the key driver for the pound, rather than economic reality. A sobering thought.

A poor performing pound will squeeze household income and increase the cost of living for everyone across the British State.

What we’ve been doing

The Parliamentary Group has continued to make the case for continued membership of both the Single Market and the customs union. As leader of the Westminster group, Hywel Williams used his speech to Plaid Cymru’s conference to outline the situation in detail, [accusing the Westminster parties of being ‘unpatriotic’](#) for willingly undermining jobs, growth and the future life chances of young people by pursuing a ‘hard Brexit’.

Jonathan Edwards, as our spokesperson on International Trade, has also kept up the pressure on the UK Government and the so-called ‘official opposition’ to recognise the importance of continued Single Market and customs union membership to the Welsh economy. Jonathan made a speech in a Westminster Hall debate on the effect on funding for Wales of the UK leaving the EU, and [you can watch that debate here.](#) [Jonathan called on the Chancellor of the Exchequer to commit to keeping Wales in the single market and the customs union.](#)

Hywel Williams also used Prime Minister's Questions to accuse the Prime Minister of 'picking winners' in making Brexit a 'soft Brexit' for her friends in the City of London, and a 'hard Brexit' for everyone else. [He called on Theresa May to seek similar concessions for Wales.](#)

In the past few days, it was announced that Plaid Cymru had been successful in its campaign to ensure Wales and Plaid Cymru were represented on the House of Commons' influential Brexit Select Committee, and [we announced that Jonathan would be our representative](#). In fact, he will be the only Welsh MP on the committee. Jonathan appeared on the BBC's Sunday Politics programme to discuss his priorities as Wales' voice on the committee, and [you can watch the programme here](#).

Follow [@JonathanPlaid](#) and [@Plaid_Cymru](#) on Twitter to keep up to date with the Parliamentary Group's work on Brexit.