



Ein cyf/Our ref IM/VG/00656/22

Rt Hon Michael Gove MP
Secretary of State
Department for Levelling Up, Housing & Communities

PSMichaelGove@levellingup.gov.uk

21 April 2022

Dear Michael,

Thank you for your letter of 12 April outlining the UK Government's offer to the Welsh Government for Freeports in Wales. On the basis of what you have offered, I am willing to progress the implementation of the Freeports policy in Wales.

My officials will now work with yours to put in place the arrangements necessary for a fair, open and transparent competition, similar to the process used for Freeports in England and Green Freeports in Scotland but tailored to the Welsh context.

Your offer of funding is accepted, being comparable to the offer made to English Freeports and I can confirm that the Welsh Government will provide suitable reliefs through its devolved tax levers.

I am pleased that your offer recognises the unique physical and economic geography of Wales. I believe that the flexibilities offered around the possibility of having more than one Freeport in Wales, and around Freeport boundaries, will yield a broad range of ambitious, innovative bids from across the whole country and encourage strategic collaborations that maximise the opportunities available to the Welsh economy.

Whilst it is important to encourage bids with high aspirations, it is equally important to the people of Wales that the bid prospectus reflects the wider policy agenda of the Welsh Government. Your letter helpfully reflects some of our shared policy goals and sends a clear signal to prospective bidders that success criteria will include robust conditions around fair work, decarbonisation, climate adaptation and maintaining a flourishing natural environment.

As you are aware, another policy of great importance to the Welsh Government is to promote the Welsh language and increase the number of Welsh speakers across Wales. To this end, and to reflect the fact that our implementation of Freeports will be focused on the specific needs of Wales, I have asked officials to develop a Welsh language brand to go alongside the current Freeport brand.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

After the local elections in May and following the publication of our exchange of letters, I would like our officials to hold a round of joint discussions with interested stakeholders to help shape the detailed design of our co-produced bid prospectus. Around the same time, to provide greater clarity to those considering a bid, I would like us to set out a timetable of next steps and more detail around what will be on offer to the successful Freeport.

I look forward to working with you in a partnership of equals to ensure that Freeports deliver sustainable positive economic and social benefits for Wales. I also hope that our approach to this joint endeavour will act as an exemplar of how our Governments can work together more effectively on matters of mutual interest.

Yours sincerely,

A handwritten signature in black ink that reads "Vaughan Gething". The signature is written in a cursive, flowing style.

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy