EXPLANATORY MEMORANDUM TO

THE STRUCTURAL FUNDS (NATIONAL ASSEMBLY FOR WALES) REGULATIONS 2006

2006 No. 3282

1. This explanatory memorandum has been prepared by the Department of Trade and Industry and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 This statutory instrument gives the National Assembly of Wales the power, in relation to Wales, to administer European Structural Funds money for the period – 2007 to 2013.

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 Background

4.1 The powers being conferred upon the National Assembly for Wales pursuant to this instrument are powers to carry out various functions in connection with the European Structural Funds. These functions arise under recent European legislation – namely, Council Regulation (EC) No.1083/2006 of 11 July 2006 and Regulation (EC) No.1080/2006 of the European Parliament and of the Council of 5 July 2006.

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 the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The Government's policy on Structural Funds spending is that it is appropriate for England, Scotland, Wales and Northern Ireland to take responsibility for their own expenditure. This statutory instrument gives the National Assembly for Wales the same responsibilities, with regard to administering the Structural Funds' from 2007 in relation to Wales, as are given to the Scottish Executive in

relation to Scotland under the Scotland Act 1998.

7.2 The Government of Wales Act 1998 did not give the National Assembly for Wales the same level of autonomy as in Scotland and therefore this statutory instrument is needed to confer the appropriate powers upon the National Assembly for Wales.

7.3 The Government of Wales Act 2006 (which comes into force next year) will not alter the need for this statutory instrument.

7.4 Although there was consultation on the National Strategic Reference Framework, which lays down the United Kingdom's overarching aims for the spending of the European Structural Funds, there was no consultation in relation to this statutory instrument. There will be little public interest in this instrument.

7.5 The instrument is politically important in that it shows that the Government is committed to devolving powers, where appropriate, to the National Assembly for Wales and demonstrates its commitment to regional spending being controlled at a regional level.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument, as it has no impact on business, charities or voluntary bodies.

9. Contact

Simon Jones at the Department of Trade and Industry, tel: 020 7215 2686 or e-mail: simon.a.jones@dti.gsi.gov.uk, can answer any queries regarding the instrument.