



Ein cyf/Our ref: WQ87711 WQ87712 WQ87813
WQ87714 WQ87715 WQ87716 WQ87718

Paul Davies
Welsh Parliament
Paul.Davies@senedd.wales

6 April 2023

Dear Paul,

I write in response to WQs 87711, 87712, 87713, 87714, 87715, 87716 and 87718.

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The innovation strategy action plan will be published in the coming months before the Autumn.

To support the strategy, our new curriculum and Young Person's Guarantee programmes seek to nurture innovation skills in our young people, so that they have a range of options to reach their potential, including apprenticeships, entrepreneurial support and further and higher education.

In relation to wider sources of innovation funding, with the ending of ERDF support for innovation in Wales, the Welsh Government will adopt a convening function, bringing stakeholders together to develop compelling, larger bids to UK and International competitive funds.

In doing this, it will work with UKRI, Innovate UK and others to deliver on the stated intentions of the UK Government to direct additional investment to Wales and other parts of the UK, outside of the south east of England.

Whilst the UK RD&I funding landscape continues in a state of evolution, for example over Horizon Europe engagement, Welsh innovation stakeholders will need to be open to different and better opportunities for innovation funding.

With regard to spending on research and development in the Welsh private sector, as a result of the failure to fully replace EU Structural Funds, the Welsh Government will have less money to invest in supporting research and development in the private sector going forward. We do plan to roll out a new flexible support offer, helping Welsh businesses to embark on an innovation journey, accessing increasingly more competitive sources of RD&I funding.

To drive innovation and support small businesses, the Welsh Government's Small Business Research Initiative (SBRI) connects public sector challenges with innovative ideas from

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Vaughan.Gething@llyw.cymru
Correspondence.Vaughan.Gething@gov.wales

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.

industry, enabling organisations to access emerging technology and new solutions to tackle societal problems whilst supporting businesses to grow through fully funded research and development contracts. To date, more than 50 Welsh businesses have secured contracts to develop new solutions to the challenges posed.

Lastly, in relation to the Research Wales Innovation Fund (RWIF), this is a HEFCW initiative funded from its annual grant in aid. It supports institutions' innovation and engagement activity, including work with industry and business, student enterprise, knowledge exchange and civic mission activities. HEFCW currently allocates around £15m annually to the Fund.

It is for HEFCW to determine the distribution of funding allocated to it by the Welsh Government, considering the priorities set out in its annual remit letter. The Minister for Education and Welsh Language will be writing to HEFCW soon to set out his priorities for the year ahead and to confirm HEFCW's budgets for the year. It will then be for HEFCW to allocate the funding across its various budgets, including for research, innovation and engagement activity and the RWIF, which will be announced through its annual funding allocations circular.

WQ87718

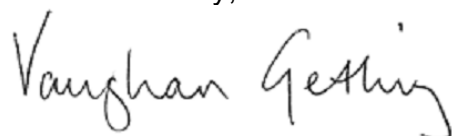
We continue to support a number of events both in Wales and internationally. In Wales, Mediwailes is a key network organisation and we sponsor and co-host events such as Biowales and NHS connects. Internationally, we also have a regular presence at global events such as Arab Health (Dubai) and Medica (Germany).

We are working closely with the UK Government's Office for Life Sciences to help ensure Welsh companies are able to benefit from UK programmes, such as the Life Sciences Innovative Manufacturing Fund, which awards funding to upgrade, expand or build new facilities. We were recently successful in getting the Welsh Medtech sector identified as a High Potential Opportunity by the Department for Business & Trade. This has resulted in additional UK Government resource being provided to complement Welsh Government activities and showcase this critical sector across global markets.

My officials are also working with international stakeholders and industry fora, as well as new and existing companies in Wales to encourage further investment. Recent examples of Welsh Government-supported investments include Siemens Healthineers in North Wales and Cytiva in South Wales. The Development Bank of Wales has recently made investments in innovative biotech and medtech companies such as Jellagen and Ceryx Medical. In the last year alone, Business Wales has supported 43 businesses whose primary sector is 'Life Sciences'.

We are also investing for the longer-term. Through its funding to the Swansea Bay City Deal, the Welsh Government is supporting the life science, well-being and sports campuses project in Swansea. Led by Swansea University, in partnership with various key public and private sector partners, the project is set to create more than 1,000 jobs and £150m to the regional economy over the next 10 years.

Yours sincerely,



Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy