

**Sue Essex AM**

*Minister for Finance, Local Government and Public Services*

*Y Gweinidog dros Gyllid, Llywodraeth Leol a Gwasanaethau Cyhoeddus.*



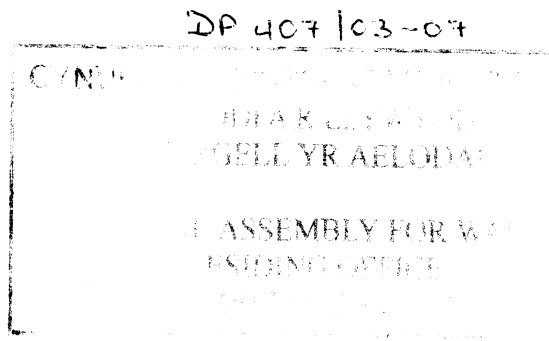
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Welsh Assembly Government  
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2 October 2003

### Written Assembly Questions – Funding for EU Programmes

Dear Elin

I apologise for the delay in responding substantively to these questions. I am responding on behalf of Andrew Davies in relation to the questions you tabled for him.

Structural Funds programmes values are determined in euros therefore any alteration in the sterling/euro exchange rate will change the sterling value of the Structural Funds programmes. The recent strengthening of the euro after two years of a relative weakness against the pound has a bearing on the sterling value of Structural Funds programmes. This movement will provide a benefit in a higher value of the programmes but a disbenefit in terms of fitting the programmes into the overall Welsh budget. Should the value of the euro fall the balance of benefit and disbenefit will reverse. No further discussions have taken place with the Treasury regarding any variation in the sum of £421m resulting from the 2000 Spending Review and the £492m from the Spending Review 2002, allocated over and above the Barnett Formula public expenditure cover for the period 2001 –2006.

Although there have not been any discussions of issues relating to funding EU programmes with the Treasury, Finance Ministers regularly meet the Chief Secretary to the Treasury to discuss a number of matters of mutual interest.

*Sue Essex*



BUDDSODDWR MEWN POBL  
INVESTOR IN PEOPLE