

## **Culture, Communications, Welsh Language, Sport and International Relations: Priorities for the Sixth Senedd**

**Submitted by: Universities Wales and Welsh Higher Education Brussels**

### **About Universities Wales and Welsh Higher Education Brussels.**

Universities Wales represents the interests of universities in Wales. Our mission is to support a university education system that transforms lives through the work Welsh universities do with the people and places of Wales and the wider world. Welsh Higher Education Brussels (WHEB) works closely with Universities Wales and represents the interests of Welsh universities in Brussels providing support for the universities in their engagement with EU policies, policy makers and funding.

At this point in time, it is uncertain what impact COVID-19 will have on universities and their international activities, although as highlighted by Universities UK there are substantial financial risks posed by COVID-19 for the sector<sup>1</sup>. Despite this, it is encouraging to see that international applications to Welsh universities have grown. Universities will inevitably be a core part of Wales' and the UK's recovery from the effects of the pandemic and will continue to play a crucial role in their local economies.

### **Introduction**

In 2015/16 Welsh universities generated £5 billion of output, including £544 million in export earnings. They make a valuable contribution to a dynamic, outward-facing, and competitive Wales and play a central role in strengthening our international trade and investment proposition as well as building diplomatic relationships and soft power.

Welsh universities deliver benefits to wall parts of Wales. 21% of the GVA generated by Welsh universities was generated in local authority areas which do not have a university presence. Similarly, of the 49,216 jobs generated by universities, 11,024 were in parts of Wales that do not have a university presence<sup>2</sup>.

Wales should project itself as a dynamic knowledge economy with many areas of international excellence, including smart and flexible energy, nuclear energy, data, manufacturing, and life sciences. Examples of major research and capacity building connections to Welsh export and inward investment include the [ASTUTE](#), [FLEXIS](#), [SPECIFIC](#), [KESS](#) and [BEACON](#) projects. Universities also play a role in supporting small businesses, including SME's, many of whom go on to export internationally. It is also important to note that

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<sup>1</sup> <https://www.universitiesuk.ac.uk/what-we-do/policy-and-research/publications/achieving-stability-uk-higher-education>

<sup>2</sup> <https://uniswales.ac.uk/media/Unis-Wales-international-student-research.pdf>

Wales has the highest number of graduate start-ups in the UK per capita and supporting their access to international markets also needs to be considered. Universities are valuable partners, collaborators and innovators in many European research and innovation collaborations across the sciences, technology, health, and social sciences with transformational benefits for Wales, the rest of the UK and for Europe. In the Research Excellence Framework 2014<sup>3</sup>, Welsh universities were found to have the highest percentage of 'world leading' research in terms of impact of any part of the UK. The sector's reputation for quality is hard-earned and should be nurtured.

It is critical that universities – as significant contributors to the economy and well networked organisations globally – are actively engaged in discussions relating to future international agreements. Future international relations work should aim to enable conditions for enhanced cooperation in higher education and research and, in particular where matters are devolved, appropriate input should be provided

## Responses

1. *What issues should the committee prioritise in planning our work programme for the immediate and longer term?*

**Ask 1: Universities Wales and WHEB ask that the significant role that Welsh higher education plays in the Welsh economy, in particular relating to education exports, is recognised and given appropriate standing in future policy-making and strategic planning.**

Higher education is a key export, Welsh universities generate £544 million in export earnings annually; that's 4.1% of all Welsh exports<sup>4</sup>. As outlined above, Universities in Wales have a major part to play in promoting economic growth and innovation in Wales. Welsh universities are internationally competitive and a major economic asset, generating £5 billion of output in Wales in 2015/16. In 2017/18, there were 26,980 students studying for Welsh university degrees overseas. Transnational Education (TNE) is potentially one of the areas of higher education which could benefit most directly via future international cooperation agreements.

As well as its income generation power, the soft power value of international higher education should also be recognised. Student and academic exchanges, international HE partnerships and research collaboration have immeasurable value to boosting Wales' academic and cultural profile and reputation across the world.

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<sup>3</sup> <https://www.ref.ac.uk/2014/>

<sup>4</sup> <https://uniswales.ac.uk/media/Unis-Wales-international-student-research.pdf>

**Ask 2: Universities Wales and WHEB ask that the committee works with Welsh Government to ensure that Welsh interests are prioritised by the UK Government as they formalise Free Trade Agreements (FTAs) including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)**

Future international relations work should aim to enable conditions for enhanced cooperation in higher education and research, while acknowledging that follow-on discussions and/or separate agreements, including intergovernmental MOUs, technical agreements and strategic alliances between higher education institutions, may be the more appropriate channel to determine the details of implementation.

- 2. How does Brexit and the new UK-EU relationship affect you or your organisation? What support have you received to respond to the changes? What further support, if any, is needed from Welsh and UK Governments?*

Universities are among the most well-networked organisations in Wales with collaborations and partnerships with researchers and institutions across Europe and around the world. Brexit has caused uncertainties in the wider relationship between the rest of Europe and Wales but universities have worked hard to maintain their connections and support staff and students from across the EU. It has been helpful that the Welsh Government has stated its commitment to working with partners across Europe and that people from across the EU are welcome in Wales.

**Ask 3: It will be important that the committee works with the Welsh Government to ensure that Wales' position is effectively communicated to both the UK Government and the European Commission ahead of the 2024 review of the UK's participation in Horizon Europe.**

The UK is awaiting final formalities to be completed to formally associate to the Horizon Europe research and innovation programme but no major issues are expected despite wider political issues around the UK-EU relationship. The participation of the UK in Horizon Europe is strongly supported by universities and research organisations across Europe. In the previous Horizon 2020 programme Welsh organisations, with universities being the most successful sector, have received over €100m euros, have over 250 participations, have been involved in over 2800 collaborative links with 70 countries around the world and are involved in projects worth over €1.4 billion euros. The UK agreed its financial contribution to Horizon Europe as part of the UK-EU Trade and Co-operation Agreement (TCA) so there should be no issues around the UK contribution despite wider questions around research and innovation budgets with UK Government. The UK's financial contribution is derived from a measure of past performance in Horizon 2020, a GDP factor and a participation fee.

The Horizon Europe programme will be evaluated at its mid-term stage by the European Commission in 2024 and the UK will also review its participation in 2024 as part of the wider renegotiation of the TCA arrangements that will take place by the end of 2025. It may also be useful to note that the Northern Ireland Protocol will be subject to its first consent vote in December 2024 so it will be a period of considerable focus on UK-EU relationships. It would be useful for the Committee to note this timeline and encourage early planning for Wales' views and input to be fed into the reviews to enable Wales to shape the direction rather than simply respond in 2024. It will be important for Wales' voice to be heard and effectively communicated to both the UK Government and the European Commission as these processes are undertaken. There will also be ongoing oversight of the UK's participation by the Specialised Committee on Union Programmes which reports to the TCA Partnership Council. It would be useful for the Committee to state that both the university sector and the Welsh Government should have a formal role in relation to this Committee.

The EU has already held discussions with civil society groups to discuss the implications of Brexit and to gather ongoing views on the implementation of the TCA. The Committee of the Regions has held a number of discussions on the impact of Brexit and the implementation of the TCA on regional connections. Representatives from Wales have participated in these discussions including members of the Senedd. The UK Government is currently consulting<sup>5</sup> on how the consultation arrangements it agreed to as part of the TCA should be taken forward including a Domestic Advisory Group (DAG), and UK and EU stakeholders engaging together through a Civil Society Forum (CSF). It would be useful for the Committee to respond to this consultation and advocate for appropriate Welsh input and representation on relevant bodies. The university sector would be willing to support the committee in their engagement in these areas in any way that it can.

**Ask 4: It is essential that the committee asks both Welsh and UK Governments to engage effectively with the research and innovation community to ensure that a replacement to European Structural Funds is available.**

Wales has received proportionally greater investment through European Structural Funds than other parts of the UK having been awarded over £300m as lead partners since 2014. A significant proportion of these funds have been used for research and innovation activities and have brought tangible benefits to people and places in Wales.

In addition, capacity building projects with collaborative work across a number of Welsh universities have also been supported as described in in the

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1008842/Final-Consultation-Document-Civil-Society-Forum-and-Domestic-Advisory-Group.pdf#:~:text=The%20Trade%20and%20Cooperation%20Agreement%20%28TCA%29%20states%20that,domestically%20through%20a%20Domestic%20Advisory%20Group%20%28DAG%29%2C%20and](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1008842/Final-Consultation-Document-Civil-Society-Forum-and-Domestic-Advisory-Group.pdf#:~:text=The%20Trade%20and%20Cooperation%20Agreement%20%28TCA%29%20states%20that,domestically%20through%20a%20Domestic%20Advisory%20Group%20%28DAG%29%2C%20and)

introduction. This capacity building has enabled Welsh universities to then compete successfully for competitive European funding including Framework 7 and Horizon 2020 as highlighted above.

Given how important this funding has been in delivering benefits to regions across Wales, it is vital that levelling up and shared prosperity funds are made available for investment in research and innovation activities that support the Welsh economy and communities across Wales. Our European partners who we will be collaborating with and competing against for Horizon Europe funding will be able to use a number of other European funding programmes to support their Horizon Europe activities including Structural Funds, Erasmus+ and the Recovery and Resilience Funds as the EU continues to implement its 'synergies' approach to programmes. It will be important for UK funding and Welsh funding to be available to enable our universities to continue to collaborate and continue to compete for Horizon Europe funding otherwise we will be at a considerable disadvantage with the economic and social consequences that follow.

While association to Horizon Europe is a positive step, there was considerable disappointment around the UK Government's decision not to associate to the Erasmus+ programme for 2021-27. The Welsh and Scottish Government's expressed their disappointment publicly and the decision was received very negatively by partners across Europe. The UK Government's new mobility programme, the Turing programme, is only a partial replacement for Erasmus+ and is limited in its scope.

In this context the announcement in March 2021 by the Welsh Government of the new International Learning Exchange (ILE) programme with a significant multi-annual investment providing education sector wide inward and outward mobility opportunities was an extremely welcome development. The ILE has been enthusiastically received by partners across Europe and should provide Wales with a very positive advantage in sustaining and building new partnerships with partners across Europe and the world. Universities Wales looks forward to the implementation of the programme from the academic year 2022-23.

Alongside the investment in the ILE the Global Wales initiative will also be supported for a further phase and will now include a focus on Europe in addition to India, Vietnam and the USA. This will provide more support for universities in their European engagement including partnership development and research as well as student recruitment. The impact of Brexit on the attractiveness of the UK to students from the EU is significant so this additional support for universities is very welcome.