

# Agenda – Climate Change, Environment, and Infrastructure Committee

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Meeting Venue:

Committee room 4 Tŷ Hywel  
and video Conference via Zoom

Meeting date: 16 October 2024

Meeting time: 09.30

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## Hybrid

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**Private pre-meeting (09.15–09.30)**

**Public meeting (09.30–11.45)**

### 1 Introductions, apologies, substitutions, and declarations of interest

(09.30)

### 2 Halting and reversing the loss of nature by 2030 – evidence session with the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

(09.30–11.00)

(Pages 1 – 45)

Huw Irranca-Davies MS, Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – Welsh Government

Alice Teague, Deputy Director, Marine & Fisheries Division – Welsh Government

Claire Bennett, Director of Climate Change and Environmental Sustainability – Welsh Government

Attached Documents:

Research brief – Biodiversity inquiry: halting and reversing the loss of nature



by 2030

Paper – Welsh Government

## **Break (11.00–11.15)**

### **3 Legislative Consent: Water (Special Measures) Bill – Evidence session with the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs**

(11.15–11.45)

(Pages 46 – 53)

Huw Irranca-Davies MS, Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs – Welsh Government

Adriana Kiss, Water Directives Programme Manager – Welsh Government

Clare Fernandes, Deputy Director, Water and Flood – Welsh Government

#### [Legislative Consent: Water \(Special Measures\) Bill](#)

Attached Documents:

Research brief – Legislative Consent: Water (Special Measures) Bill

## **4 Papers to note (11.45)**

### **4.1 UK Emissions Trading Scheme**

(Pages 54 – 55)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Chair in relation to the UK Emissions Trading Scheme

### **4.2 Inter-Ministerial Group for Environment, Food and Rural Affairs**

(Pages 56 – 57)

Attached Documents:

Letter from the Deputy First Minister and Cabinet Secretary for Climate

Change and Rural Affairs. to the Chair in relation to the Inter-Ministerial Group for Environment, Food and Rural Affairs

#### **4.3 Nature Service Wales**

(Pages 58 – 59)

Attached Documents:

Letter from Nature Service Wales to the Chair in relation to Nature Service Wales

#### **4.4 Welsh Government Draft Budget 2024–25**

(Pages 60 – 63)

Attached Documents:

Response from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to recommendations 21, 43, 45 and 49 from the Committee's report: Welsh Government Draft Budget 2024–25

#### **4.5 Cardiff Airport**

(Pages 64 – 71)

Attached Documents:

Letter from the Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee to the First Minister and the Cabinet Secretary for the Economy, Transport and North Wales in relation to Cardiff Wales Airport

Response from the Cabinet Secretary for Economy, Energy and Planning to the Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee in relation to Cardiff Wales Airport

#### **4.6 Petition P-06-1474 Stop Natural Resources Wales closing Bwlch Nant yr Arian, Coed y Brenin & Ynyslas visitor centres**

(Pages 72 – 73)

Attached Documents:

Response from the Chief Executive of Natural Resources Wales to the Clerk of the Petitions Committee in relation to the closure the Bwlch Nant yr Arian, Coed y Brenin & Ynyslas visitor centres

#### **4.7 Natural Resources Wales Library and Information Services**

(Page 74)

Attached Documents:

Response from the Chair to Louis Coiffait-Gunn CEO, CILIP in relation to Natural Resources Wales Library and Information Services

#### **4.8 Legislative Consent: Great British Energy Bill**

(Pages 75 – 79)

Attached Documents:

Letter from the Chair to the Cabinet Secretary for Economy, Energy and Planning in relation to the Legislative Consent Memorandum for the Great British Energy Bill

Letter from the Chair of the Legislation, Justice and Constitution Committee to the Cabinet Secretary for Economy, Energy and Planning in relation to the Legislative Consent Memorandum for the Great British Energy Bill

#### **5 Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from the remainder of this meeting and the start of the meeting on 20 November**

(11.45)

**Private meeting (11.45–12.30)**

#### **6 Consideration of evidence received under item 2**

#### **7 Consideration of the Legislative Consent Memorandum on the Water (Special Measures) Bill**

(Pages 80 – 89)

Attached Documents:

Legal note on the Legislative Consent Memorandum on the Water (Special Measures) Bill

## **8 Consideration of draft report on the Legislative Consent Memorandum for the Passenger Railway Services (Public Ownership) Bill**

(Pages 90 – 93)

Attached Documents:

Draft report on the Legislative Consent Memorandum for the Passenger Railway Services (Public Ownership) Bill

## **9 Consideration of draft report on the Legislative Consent Memorandum for the Great British Energy Bill**

(Pages 94 – 98)

Attached Documents:

Draft report on the Legislative Consent Memorandum for the Great British Energy Bill

Document is Restricted



# Inquiry on Biodiversity

## Halting and reversing the loss of nature by 2030

23/08/2024

Halting and reversing biodiversity loss has become one of the most pressing environmental challenges of our time. The Welsh Government (WG) declared a nature emergency in 2021 and has set in place new and refreshed strategies with the aim of halting and reversing the loss of nature, many as a result of the targets agreed at COP 15 and the subsequent Biodiversity Deep Dive recommendations.

This evidence report aims to sets out how our current policies, funding and statutory duties, current monitoring arrangements and new approaches are contributing to the halt and reverse of nature loss.

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# 1. Current policies and initiatives which contribute to the halting and reverse of nature loss.

1. The State of Nature 2023 shows that since careful monitoring of 380 Welsh species began in 1994, the numbers of those species have declined on average by 20%. Some of the wildlife that has suffered the biggest population losses are the insects, flora and mammals that people may be less familiar with. Well-known species like the Atlantic Salmon and Curlew have also suffered critical declines in Wales.

2. The 2020 State of Natural Resources Report (SoNaRR) said that the key pressures affecting terrestrial biodiversity loss in Wales and across the UK result from: agricultural management; climate change; urbanisation; pollution; hydrological change; invasive non-native species and woodland management. The marine chapter states key pressures from the marine environment are climate change, some human activities, non-native species and inputs from freshwater catchments (i.e. pollution).

3. The WG has a wide range of policies and initiatives which can help to improve the condition of habitats and reverse biodiversity loss by addressing the root causes and drivers of decline. Many of these policies and initiatives have funding streams, details of which are set out in Annex B.

## Welsh Government policies and initiatives

4. **Biodiversity Deep Dive** The former Minister for Climate Change worked with a group of key experts and practitioners to undertake a Biodiversity Deep Dive to identify and prioritise a set of actions to consider how we protect 30% of the land, fresh water and marine environment by 2030 in a way that delivers for nature and meets our international obligations. The core group supported by other key expert groups continue to deliver against the initial recommendations published in October 2022.

5. The Nature Recovery Action Plan (NRAP) for Wales was originally published in December 2015 and was last updated in 2020. In two parts, it covers the **National Biodiversity Strategy and Action Plan for Wales**. It is currently being refreshed and will remain in place until it is realigned to respond to the Kunming-Montreal Global Biodiversity Framework under the UN Convention on Biological Diversity and the Biodiversity Deep Dive recommendations. The NRAP sets out

how best to support Ministerial commitments and strategic objectives, including those set out in [Programme for Government \(PfG\)](#).

6. The new [Climate Action Wales - Public engagement strategy 2023 to 2026](#) was published in July 2023, highlighting the link between the climate and nature emergencies and the need for action on both. It provides the focal point for the national campaign, aiming to provide a trusted public source of information on the climate and nature emergencies.

7. **National Strategy for Flood and Coastal Erosion Risk Management in Wales** includes the aim to deliver nature-based flood management in all major river catchments, expanding wetland and woodland habitats, enhancing biodiversity, and improving ecosystem resilience.

8. The [Woodlands for Wales](#) Strategy, published in 2018, outlines the long-term vision and targets for trees, woodlands, and forests in Wales. Priorities include sustainable management, job creation, and the planting of 43K ha of new woodland by 2030.

9. The forthcoming **Welsh Seabird Conservation Strategy** covering twenty-nine species of breeding and non-breeding seabird will set out objectives to improve conservation and resilience of these species. The inaugural action plan containing key recommendations is expected this year.

10. The [Natural Resources Policy](#) sets out our priorities for the management of our natural resources and ecosystems and is supported by the **State of Natural Resources Report (SoNaRR)**, a comprehensive evidence base, provided by **Natural Resources Wales (NRW)**, evaluating the delivery of the sustainable management of our natural resources and ecosystems in Wales.

11. The [Welsh National Marine Plan](#) includes policies supporting the protection, restoration and enhancement of our marine environment. We are working with stakeholders and NRW to develop planning guidance on opportunities for ecosystem restoration, supporting the achievement and maintenance of Good Environmental Status (GES) and Good Ecological Status (GeS).

12. [Planning Policy Wales - Edition 12](#) was published in February 2024. The SSSI Policy, Stepwise Approach, Green Infrastructure policy, and Trees and Woodland policies were strengthened and updated to address the nature emergency.

13. The [Net Zero Skills Action Plan](#) was launched in February 2023 and delivers on our recommendations for 30x30, as part of ‘a fairer, stronger, greener Wales’. It recognises the importance of skills in supporting our net zero challenges by

equipping our current and future workforce with the right options and opportunities.

14. **The National Peatland Action Programme** is focused on restoring, enhancing and protecting peatland ecosystems to enhance biodiversity, mitigate climate change, and improve water supply and quality. This contributes to the **IUCN UK Peatland Strategy**. While the **ban of peat-based products** has been delayed due to the UK General Election, we remain committed to legislate for this in Wales.

15. **Special Area of Conservation (SAC) Rivers Action Plan** is a comprehensive strategy aimed at relieving pressures on SAC river catchments in Wales. The plan outlines clear actions, timescales, and responsibilities to tackle pollution, particularly phosphorus pollution, and address planning constraints that affect the development of affordable housing

16. The **Marine Protected Area Management Action Plan** and Annual Report sets out key actions being undertaken each year to either mitigate against pressures or further our understanding to improve management. This year's documents are currently under development.

17. We remain committed to expanding our Marine Protected Area (MPA) network under the MPA Network Completion Programme. We are collaborating with stakeholders to identify potential sites, while assessing socio-economic impacts.

18. The **Action Plan for Pollinators** launched in 2013 to ensure healthy pollinator populations in Wales and to raise awareness of their importance and management. The **Pollinator Taskforce**, who deliver the Action Plan, launched **Bee Friendly** in 2016 and is an initiative to encourage communities and organisations to take positive action for pollinators.

19. The **It's for Them** campaign launched in 2022. It recognises that changing grass-mowing regimes can support pollinators and a range of other wildlife. The campaign aims to increase awareness of the wider benefits of this practice to the public, and those who manage grassland.

20. **National Parks and National Landscapes** (formerly Areas of Outstanding Natural Beauty (AONBs)). WG has committed to enhancing nature restoration in National Parks and National Landscapes by supporting the development of prioritised action plans for nature recovery. WG has committed to designating a new National Park for Northeast Wales.

21. The **National Forest** was launched in 2020 and is a multi-decade commitment to create woodlands that are high-quality, resilient; accessible and interconnected. The network aims to provide spaces for leisure and nature; help capture and store carbon and supply sustainable timber for construction.
22. **Nature Networks Programme (NNP)** aims to improve the condition, size and connectivity of our protected sites creating resilient ecological networks. It is key in helping to deliver against a number of GBF targets including 30x30. See Annex B for funding details.
23. **Local Nature Partnerships (LNPs)** are strategic partnerships that bring together stakeholders to collaborate on the protection and enhancement of nature at a local level. They co-ordinate action, share resources, and influence policy.
24. The **Biodiversity Taskforce** was established to deliver against the PfG commitment to embed biodiversity in all we do. This internal taskforce aimed at mainstreaming biodiversity across WG through initiatives such as the **Nature Wise** staff training programme, supporting target development, and the implementation of our Section 6 Duty.

### **Wider UK plans**

25. The **UK Biodiversity Framework (UKBF)** published on 9 May 2024, sets out how the four countries of the UK will work collaboratively to meet international commitments on biodiversity.
26. The **UK National Targets** were published to the Convention for Biodiversity Diversity [website](#) on 1 August 2024 meeting the international commitment.
27. The **UK Marine Strategy** aims to achieve and maintain GES of UK marine waters, ensuring that they are clean, healthy, safe, productive, and biologically diverse. The strategy is updated on a six-yearly cycle to reflect new scientific data and policy developments, ensuring continuous progress towards environmental goals and compliance with the Marine Strategy Regulations 2010.
28. The **GB Invasive Non-Native Species Strategy 2023 – 2030** provides a framework to deliver the most effective response to preventing, eradicating and managing **invasive non-native species**. It also underpins our delivery of the internationally agreed targets on invasive alien species domestically.

## 2. Current arrangements for monitoring and evaluating biodiversity

29. Effective and affordable monitoring and evidence frameworks are vital to track our progress towards both the 30x30 target and the longer-term nature positive ambition. They underpin decision making and enable an adaptive management approach necessary to deliver resilient ecosystems that adapt to wider pressures, such as climate change. A range of biodiversity monitoring programmes are currently undertaken by, or on behalf of, WG.

### Current monitoring and evaluation arrangements

30. Led by the UK Centre for Ecology and Hydrology (UKCEH) and supported by WG, agri-environmental support is evaluated through the Environment and Rural Affairs Monitoring and Modelling Programme ([ERAMMP](#)).

31. Monitoring of stocks and trends of key indicator species is undertaken through a series of JNCC [citizen science-led surveillance programmes](#). Much of the data collected through these programmes inform biodiversity trend reporting at the Welsh level e.g. through the NRW produced **SoNaRR**, the National Biodiversity Network Atlas and Global Biodiversity Information Facility (GBIF).

32. The [GB Non-native Species Information Portal](#) (GBNNSIP) provides access to distribution maps and other information including an ‘Alert system’ for all non-native species in Britain.

33. NRW lead ‘[Common Standards Monitoring](#)’ a UK-established approach to measuring the condition of features i.e. notified and qualifying species and habitats, within statutory protected sites (SSSIs, SACs, SPAs).

34. [Living Wales](#) provides a national evidence base and monitoring system of Welsh environment and landscape characteristics, combining satellite imagery, ground survey and remote sensing technologies, providing support to biodiversity through SoNaRR and SFS.

35. WG continue to deliver a routine monitoring programme for **fish species**.

36. **Water Quality monitoring.** Reliable and real time monitoring data is essential for understanding water quality trends and putting in place effective policy interventions. Working with stakeholders we continue to develop an integrated and agile monitoring network.

**37. National Peatland Action Programme.** NPAP includes activity, hydrological and ecological response monitoring. All restoration data is published on the [Welsh Peatland Data Portal](#) and progress reports are published on the [NPAP Website](#). The first five-year evaluation of NPAP is scheduled for 2025.

**38.** The **National Forestry Inventory** is a five-year rolling programme coordinated by Forest Research, monitoring the state of woodlands and trees within Great Britain.

**39. Welsh National Marine Plan.** We are commissioning an independent review of marine planning approaches. This review will consider how we can further develop our marine planning framework to provide greater spatial direction, balancing support for renewable energy and protecting the marine environment.

**40. Air Quality** A key commitment in both our National Air Quality Strategy and PfG was to introduce a Clean Air Act for Wales, which sets out targets for pollutants and have regard to the most recent WHO air quality guidelines.

**41. UK Marine Strategy – Monitoring Programmes.** Details monitoring programmes to address specific indicators under various ecosystem components in marine.

**42. Progress on Biodiversity Deep Dive Recommendations.** A continuing programme of work is being delivered with a broad range of stakeholders and progress reported through the biannual progress report and subsequent written statement.

**43.** As Common Standards Monitoring is costly to implement the Biodiversity Deep Dive is considering new and innovative approaches to measure progress more effectively towards the 30x30 target.

**44.** New legislation to be laid during this Senedd term will incorporate the Nature Positive Framework to include a cycle of effective monitoring, assessment and reporting for the new biodiversity targets to provide greater accountability and transparency.

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### 3. New approaches needed to halt and reverse the loss of nature

45. WG has proposed several new approaches to halt and reverse the loss of nature by 2030, aligning with international commitments and emphasising sustainability, biodiversity conservation, and community involvement. Here are the key approaches:

46. The **Environmental Governance and Biodiversity Targets Bill** has an introduction date of June 2025. The proposed scope includes the establishment of an environmental governance body, the re-introduction of EU environmental principles, and targets for the protection and stressors of biodiversity in Wales.

47. The **Sustainable Farming Scheme (SFS)** is designed to replace current agricultural support mechanisms, rewarding farmers for sustainable practices that enhance biodiversity. This scheme emphasises the delivery of public goods and nature recovery through sustainable land management, including SSSIs and is due to be launched in 2026.

48. **Control of Agricultural Pollution (Wales) Regulations 2021** provides advice, guidance and financial support to farm businesses to reduce emissions of ammonia and nitrous oxide and improve nutrient management planning. The Regulations apply to all farms in Wales and will be fully implemented by 1 January 2025. The four-year review of the effectiveness of the Regulations will be completed by end March 2025.

49. **Sustainable Finance** – we are developing a new strategic approach to sustainable finance to enable us to increase the scale and pace of nature recovery delivery. The aim of this work is to increase and diversify the funding available while ensuring it is high integrity, avoids greenwashing and engages and benefits local communities. To inform this work WG commissioned a report from Finance Earth looking at a sustainable delivery model for biodiversity.

50. We have committed to publishing and consulting on a set of co-developed **Sustainable Investment Principles** intended to increase and diversify the funding available so that we can effectively tackle the nature emergency and the pressures that drive biodiversity loss – including climate change, pollution, and unsustainable management of natural resources. WG will publish the executive summary of the Finance Earth report, alongside the principles.

51. Two pilot projects are being taken forward: to support the development of the **MARINE Fund Cymru**, a voluntary marine enhancement fund, and to accelerate the development of natural capital and payment for ecosystems services models in **Designated Landscapes**.

52. We are also engaged in sustainable finance initiatives at the UK level, recognising the need for consistent standards. This includes the ongoing work with the British Standards Institute to help develop recognised standards for green and sustainable finance and support financial markets deliver positive environmental outcomes.

53. A new **Forum for Blue Carbon in Wales** will bring together a network of practitioners in Wales to share information and knowledge, and to accelerate the already growing body of expertise and experience we have in Wales, to address specific Welsh policy questions, identify research needs and potentially stimulate larger programmes of research.

54. **The Wales Coasts and Seas Partnership** (CaSP Cymru) is delivering three workstreams to support resilient marine ecosystems and the deep dive recommendations for capacity building, awareness raising and skills - developing ocean literacy, improving long-term investment and building capacity to identify local opportunities and challenges and deliver action.

## 4. Summary

55. The WG’s broader strategy to halt biodiversity decline, promote ecosystem recovery, and ensure a sustainable future for Wales integrates the policies and initiatives detailed in this evidence report. By combining the NRAP, sustainable land and sea management, policy and legislative reforms, climate action, community engagement, monitoring, and public education, the WG aims to create a resilient, biodiverse environment that supports both ecological and human well-being, aligning with national and international commitments including the Kunming-Montreal Global Biodiversity Framework.

56. Recognising the intertwined nature of the climate and biodiversity emergencies, the report highlights the need for coordinated action, as reflected in the Climate Action Wales: Public Engagement Strategy 2023-2026, which addresses climate change as both a stressor and driver of nature loss.

57. We also recognise that tackling the biodiversity crisis requires a ‘whole of Government and whole of Society’ response if we are to put nature on a path to recovery.

## Annex A

### Statutory Duties

WG has several statutory duties that include biodiversity commitments and include:

Legislation	Description
Environment (Wales) Act 2016	<p>Section 6 - Biodiversity and resilience of ecosystems duty: requires that all public authorities must seek to maintain and enhance biodiversity, and in so doing, promote the resilience of ecosystems. This requires the embedding of biodiversity considerations throughout all of their day-to-day activities, policies, plans, programmes and projects.</p> <p>Section 7 - Biodiversity Lists: Welsh Ministers must prepare and publish lists of <u>species</u> and <u>habitats</u> which are of principal importance for the purpose of maintaining and enhancing biodiversity in relation to Wales’.</p> <p>The NRP outlines priorities for managing natural resources sustainably and includes commitments to protect biodiversity.</p>
Well-being of Future Generations (Wales) Act 2015	Public bodies must work towards goals that include having a healthy natural environment that supports social, economic, and ecological resilience and can adapt to change.
The Conservation of Habitats and Species Regulations 2017	Enables the protection of both marine and terrestrial habitats and wild species, including the designation of Special Areas of Conservation (SAC) and Special Protected Areas (SPAs). Public authorities must take steps to maintain or improve these natural habitats and species.
The Wildlife and Countryside Act 1981	Protects wild animals and plants, manages the release of ‘non-native’ species and control of ‘invasive alien’ species. It also designates and protects SSSIs. The act further provides legal protection to public rights of way.
EU Regulation 1143/2014 (the EU Invasive Alien Species Regulation)	Retains the EU Regulation 1143/2014 in domestic law. It imposes strict restrictions on a list of ‘species of special concern’ (SOSC) whose adverse impacts are such across GB that concerted action is required.
The Invasive Alien Species (Enforcement and Permitting) Order 2019	Contains provisions relating to offences, penalties, enforcement, licensing and permitting to meet requirements of the retained EU Invasive Alien Species Regulation.

<b>Marine Strategy Regulations 2010</b>	Requires action to be taken to achieve and maintain Good Environmental Status, through the publication and subsequent reviews of the UK Marine Strategy.
<b>Marine and Coastal Access Act 2009</b>	Sets up a system to manage the marine environment, including the designation of Marine Conservation Zones (MCZs) to protect important marine wildlife and habitats.
<b>Planning (Wales) Act 2015</b>	Requires that biodiversity be considered in the planning process. Local Development Plans (LDPs) must include policies that help protect and improve biodiversity.
<b>Public Health (Wales) Act 2017</b>	Focuses mainly on public health but also recognizes the importance of the natural environment in promoting health and well-being, indirectly supporting biodiversity.
<b>The Agriculture (Wales) Act</b>	Aims to support farmers post-Brexit, focusing on sustainable land management and practices that enhance biodiversity.
<b>Pollution Prevention and Control (Agriculture) Regulations</b>	Control pollutions from farming activities, helping to maintain healthy ecosystems and support biodiversity by reducing harmful impacts.
<b>The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021</b>	Prevents or reduce pollutions from agricultural activities through baseline nutrient management standards. Welsh Ministers must review the Regulations at least every four years and revised if necessary.
<b>The Heather and Grass etc. Burning (Wales) Regulations 2008</b>	Regulates controlled burning of certain types of upland vegetation, such as heather, gorse, and bracken.

## Annex B

WG funding schemes that contribute to halting and reversing the decline in nature. The following funding schemes are currently available or have recently come to an end and are in the evaluation and reporting process.

Funding Schemes	Description
<b>Nature Networks Fund (NNF)</b>	<p>A targeted funding component within the Nature Networks Programme (NNP) delivered in partnership with the National Lottery Heritage Fund and NRW. It is specifically aimed at financing projects that support the NNP's aims including capacity building whilst encouraging community engagement and green finance initiatives.</p> <p>WG are committed to evaluating the effectiveness of NNF in 2025.</p>
<b>Local Places for Nature.</b>	<p>A targeted funding component within LNP, specifically aimed at projects which restore and create natural spaces within communities across Wales. It emphasises direct action to enhance biodiversity and improve people's access to nature in their daily lives.</p> <p>WG are committed to evaluating the effectiveness of LPN in 2025.</p>
<b>Rural Investment Schemes (RIS)</b>	<p>The WG have announced a <u>number of schemes</u>, including Habitat Wales Scheme and Integrated Natural Resources Scheme to support farmers and landowners before the Sustainable Farming Scheme (SFS) is introduced in 2026. These schemes will allow for more collaborative work between Welsh farmers, landowners and third sector organisations.</p>
<b>Sustainable Farming Scheme (SFS)</b>	<p>The SFS is designed to replace Glastir, Basic Payment and previous agri-environment schemes, meeting all four Sustainable Land Management (SLM) objectives from the Agriculture (Wales) Act and rewarding farmers for delivering SLM outcomes including increasing ecosystem resilience.</p>
<b>Natural Flood Management</b>	<p>Following our NRP, WG promotes natural flood risk management interventions wherever they can provide real benefits to a community. In the PfG, we committed to delivering Nature-based Flood Management (NFM) in all major river catchments, expanding wetland and woodland habitats in the process.</p>
<b>National Parks and National Landscapes Capital schemes</b>	<p>WG operates the Sustainable Landscapes, Sustainable Places (SLSP) scheme, with nature recovery a priority, and the Sustainable Development Fund (SDF) for National Landscapes, aimed at local, grass-roots projects.</p>

	A review of SLSP and SDF funding post-2025 is looking at ways to increase provision for nature recovery works.
<b>Marine Protected Area Management Grant Scheme</b>	This WG grant scheme is based on the MPA Management Framework which includes the guiding principles of management of our network and has supported research of pressures such as climate change or direct interventions ranging from a surveillance programme for Grassholm to marine litter initiatives.
<b>The Welsh Marine and Fisheries Scheme (WMFS)</b>	This provides funding to support environmentally and economically sustainable growth in the Welsh seafood industry and coastal communities.
<b>The Coastal Capacity Building Fund</b>	The fund aims to build capacity, helping communities to deliver sustainable action which supports growth and recovery in local marine and coastal areas. It runs until March 2025.
<b>Seagrass and Saltmarsh Restoration</b>	WG have funded restoration of seagrass and saltmarsh and continue to work with stakeholders to develop a longer-term restoration programme.

## Annex C

### Case study 1

**Project SIARC** (Sharks Inspiring Action and Research with Communities), supported by the Nature Networks Programme, conducts crucial conservation research in Carmarthen Bay and Tremadog Bay, focusing on sharks, skates, and rays. The project, which spans across Wales, collaborates with fishers, communities, researchers, and citizen scientists to fill data gaps for six key species while also engaging over 3,000 members of the public and 600 schoolchildren through bilingual educational resources and interactive sessions. Awarded Wales Project of the Year in the National Lottery Awards, Project SIARC has made significant contributions to marine conservation and education.

### Case study 2

WG's **Property Infrastructure scheme** at Parc Coed Elai, Rhondda Cynon Taff has won the Best Practice Small-scale Practical Nature Conservation Project at the 2024 CIEEM national awards.

Formerly a colliery, the site was remediated in 2001, with infrastructure works completed in 2019/20 to create an investment-ready employment site. The project focused on enhancing biodiversity in line with the Environment (Wales) Act 2016 and the Well-being Future Generations (Wales) Act 2015.

The 25-year Landscape and Habitat Management Plan, implemented in 2021, emphasizes nature conservation over traditional business park design, with measures like managing invasive species, creating new habitats, and restoring wetlands. The site serves as a model for sustainable development on former colliery land in South Wales.

### Case study 3

The Welsh **End-of-Life fishing gear** recycling scheme was introduced in 2021 in response to the lack of recycling opportunities for the Welsh fishing industry. The Scheme, which continues to be the only national scheme of its kind in the UK has so far collected more than 12 tons of fishing gear which may have otherwise been discarded at sea impacting marine biodiversity.

### Case study 4

Welsh peatlands are crucial for biodiversity, flood management, food production, and carbon storage, covering over 90,000 hectares, with 50% designated as Sites of Special Scientific Interest (SSSIs). Despite their importance, 70% were in poor condition by 2018 due to activities like drainage and overgrazing. In response, the Welsh Government launched the **National Peatland Action Programme** (NPAP) with over £8 million in funding from 2020-2025, aiming to restore 5,000 hectares. By 2024, the NPAP had restored 3,000 hectares, with Natural Resources Wales (NRW) leading efforts and using tools like the Wales Peatland Data Portal to track progress.

### Case study 5

**Dr Beynon's Bug Farm**, a 100-acre site focused on nature recovery, serves as a vital wildlife corridor on the St Davids peninsula, linking critical habitats and integrating farming with conservation under the Glastir Advanced agri-environment scheme. Supported by the

Nature Networks Fund with £211,624, the Connected Commons & The Centre for Nature Recovery project aims to strengthen the region's fragmented habitat corridor, contributing to a larger vision of turning the farm into a nature reserve. This project has connected 200 hectares of wildlife habitat, with efforts including ecological surveys, habitat restoration, and sustainable woodland creation. Additionally, the Bug Farm is expanding its educational outreach and planning to reintroduce the marsh fritillary butterfly.

### **Case study 6**

**The Celtic Rainforests Wales project**, running from 2018 to 2025, seeks to restore fragmented temperate rainforests in five Special Areas of Conservation (SACs) across Wales, which once covered nearly half the country. These ancient, biodiverse ecosystems, rich in cultural significance and vital as carbon sinks, are threatened by climate change, disease, and invasive species. The £6.5 million project, led by the Eryri National Park Authority with multiple partners, focuses on eradicating invasive species, implementing sustainable grazing, and restoring native woodlands. Community involvement is also key, with over 2,000 people engaged in raising awareness about the importance of these rainforests.

### **Case study 7**

The **Natur am Byth** initiative, a collaboration of nine environmental charities with Natural Resources Wales (NRW), is Wales' largest natural heritage and outreach program, with an £8 million budget, aimed at saving 67 priority species and reconnecting people with nature. The program focuses on demonstrating effective species recovery strategies, raising awareness of threats, and inspiring action from diverse communities across nine target regions. Through community engagement in activities like species ID workshops and habitat management, notable successes include the reintroduction of rosy saxifrage to Eryri National Park and the world's first inoculation of oak polypore fungus in native woodlands.

### **Case study 8**

The **Action Plan for Pollinators Taskforce** created the **Bee Friendly scheme** to encourage communities and organisations to learn about pollinators and implement local solutions to support their survival.

Cletwr, a community-run café and shop, became part of this initiative through its volunteer-led gardening club. Joining the Bee Friendly scheme allowed them to consolidate and showcase their efforts, inspiring others in the community and visitors to take action. In 2021, Cletwr earned the Bee Friendly award, and by 2024, a volunteer who became a local Bee Friendly Champion helped two schools achieve the same recognition.

# Agenda Item 3

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

# Agenda Item 4.1

Huw Irranca-Davies MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros  
Newid Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for Climate  
Change and Rural Affairs



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA/HIDCC/5924/24

Llŷr Gruffydd MS  
Chair  
Climate Change, Environment and Infrastructure Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

26 September 2024

Dear Llŷr,

I am writing to inform you that the UK Emissions Trading Scheme (ETS) Authority (formed of Welsh Government, UK Government, Scottish Government, and Northern Ireland Executive), has today contacted ETS scheme participants to seek views on moving the start of the scheme's second free allocation period from 2026 to 2027.

A key role of the UK ETS Authority is to align the Scheme to net zero targets, ensure it is functioning as intended, and supports decarbonisation in ways which maintain business competitiveness. One way of maintaining market competitiveness is the free allocation of UK ETS allowances. Free allocations aim to protect trade-exposed industry in the UK from global competitors which are not subject to carbon pricing (carbon leakage).

To provide UK ETS participants with certainty over their future free allocations, the Authority consulted on a review of the process of assessing free allocations, which was published in December 2023<sup>1</sup>. This review is particularly key for Wales as some of our industries, are very trade exposed and harder to decarbonise.

Welsh industry currently receives high levels of support through free allocations. It is important we do not disadvantage Welsh industry, as this would result in these industries relocating to countries that do not have the same climate ambitions, risking increased global emissions and an unfair transition to net zero as a result.

<sup>1</sup> [UK Emissions Trading Scheme: free allocation review - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/uk-emissions-trading-scheme-free-allocation-review)

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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.

Following the Free Allocation Review, the second free allocation period, originally planned for 2026, will be used to implement any changes. Moving the scheme's second free allocation period to 2027 would mean any changes from the review are implemented a year later than previously planned. However, it would enable us to align changes to the UK ETS free allocation policy with the UK Government's plans to introduce a UK Carbon Border Adjustment Mechanism (CBAM) in 2027, which is in itself a carbon leakage mitigation measure. The Authority received a significant number of responses to the Free Allocation Review consultation earlier this year indicating a preference for alignment to ensure a consistent approach to carbon leakage mitigation. The move to 2027 will also provide additional time for careful consideration of stakeholder views and policy development in what is a complex and challenging area.

The Authority will be engaging directly with affected stakeholders, the consultation will be open for two weeks and the UK ETS Authority will respond as quickly as possible to give scheme participants certainty over their free allocations in the 2026 scheme year. The consultation will not be translated as affected stakeholders have already expressed their language preference in English.

I will of course write to you again when the Authority Response to the consultation on the Free Allocation Review is published. The information gathered will aid us in refining the scheme and enable us to create more robust mechanisms that will incentivise innovation, drive emission reductions, and secure a resilient, sustainable future for Wales.

I am copying this letter to Mike Hedges MS, Chair of Legislation, Justice and Constitution Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Huw Irranca-Davies', written in a cursive style.

**Huw Irranca-Davies AS/MS**

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd  
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

# Agenda Item 4.2

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros  
Newid Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for Climate  
Change and Rural Affairs



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: HIDCC/PO/0254/24

Mike Hedges MS  
Chair  
Legislation, Justice and Constitution Committee  
Welsh Parliament  
Cardiff Bay  
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26 September 2024

Dear Mike,

In accordance with the inter-institutional relations agreement, I wanted to report on the latest meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs on 16 September 2024 which I attended.

The meeting was chaired by Steve Reed MP, Secretary of State for Environment, Food and Rural Affairs.

The meeting was also attended by Mary Creagh MP, Parliamentary Under-Secretary of State (Minister for Nature), Baroness Hayman, Parliamentary Under-Secretary of State at the Department for Environment, Food and Rural Affairs, Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs, Land Reform and Islands, Jim Fairlie MSP, Minister for Agriculture and Connectivity, and Andrew Muir MLA, Minister for Agriculture, Environment and Rural Affairs.

I have issued a Written Ministerial Statement summarising the discussions. The Group agreed to establish stronger intergovernmental relations based on the principles of honesty, trust and respect and, in this context, we agreed new and ambitious Terms of Reference. These will be published on the UK Government website and I will provide you with a link to these in due course.

We agreed a schedule of meetings for 2024 and 2025 to facilitate engagement and oversee several areas of enhanced collaboration.

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**Back Page 56**  
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.

The next meeting will take place 18 November.

I have also copied this letter to the Climate Change, Environment and Infrastructure Committee and the Economy, Trade and Rural Affairs Committee.

Yours sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Huw Irranca-Davies'.

**Huw Irranca-Davies AS/MS**

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd  
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

Llyr Gruffydd MS  
Chair, Climate Change, Environment and Infrastructure Committee  
Welsh Government  
Cardiff Bay  
CF99 1NA

25th September 2024

**Re: Introduction and Update on Nature Service Wales**

Dear Llyr,

I hope this letter finds you well. Following the recent meeting of the CCEI Committee, during which Joyce Watson MS raised a question regarding Nature Service Wales (NSW), I felt it would be a good moment to introduce myself as the newly appointed Director of NSW and provide the committee with some background and an update on our current progress.

As you may know, Nature Service Wales received financial support from Welsh Government in 2022 to produce a business plan, and in July this year, we secured a further small grant to begin building our core team. We are now in the early stages of delivering Strand 1 of that plan, which focuses on establishing NSW as an entity. This includes developing clear governance structures, securing additional funding for the core team, and broadening the partnership to build a national framework with a focus on both terrestrial and marine, reflecting the holistic approach needed for environmental restoration in Wales.

Nature Service Wales envisions a country-wide movement delivering nature-based skills and knowledge through structured education, training, and volunteering, delivered via a network of local partners. This will create pathways to employment, support health and wellbeing, engage diverse communities and strengthen our collective response to the Nature and Climate Emergencies.

A broad partnership is already working to develop this approach. Through this next phase we will build on that, bringing together environmental organisations and stakeholders from across sectors to offer coordinated opportunities that educate, upskill, and inspire. This fully embodies the spirit of the Wellbeing of Future Generations Act, turning its principles into action with a long-term, coordinated approach to nature recovery while addressing skills gaps, fostering collaboration across sectors, and empowering individuals from all backgrounds to engage. This will help us build the capacity needed to transform Wales from one of the most nature-depleted countries in the world, to a global leader in nature recovery.



We see Welsh Government as a key partner and are committed to aligning with its environmental and climate goals, with a particular focus on increasing public engagement and addressing the urgent need for nature-based skills development. These aims would also deliver on recommendations from the Government's Biodiversity Deep Dive, which emphasise the need for capacity building, behaviour change, and skills development to achieve long-term nature recovery goals.

We have already outlined our key asks of Welsh Government, including a recommendation for a cross-departmental project board with a point of contact, so partners can engage across the relevant policy areas including education, skills, biodiversity, economy, agriculture, community, and marine. A key action for this group would be a review to identify where existing funding streams can support nature-based skills development.

We have also requested that Welsh Government become a partner investor in Strand 1 of our business plan, which focuses on establishing a national framework for delivery. While we are seeking investment from other sources, government backing will be crucial in demonstrating leadership and long-term commitment.

As we continue to build momentum, we are planning a launch event to formally introduce NSW to a broader audience and highlight opportunities for greater engagement. I would be delighted to keep you informed of our plans and would welcome any feedback or support you may offer as we move forward. We have previously met with government official Alison Kitchener and will continue to engage through this development phase.

I am keen to work closely with the Welsh Government and all relevant stakeholders to ensure NSW plays a meaningful role in advancing Wales's environmental and climate ambitions. I have copied Joyce Watson MS into this letter, and I would be happy to meet with you to discuss how NSW can best align with the Welsh Government's strategic goals.

Thank you for your time, and I look forward to keeping you updated on our progress.

Yours sincerely,

Daniel Lock  
Director, Nature Service Wales  
[daniel.lock@ffcc.co.uk](mailto:daniel.lock@ffcc.co.uk)

**Cc: Joyce Watson MS**

# Agenda Item 4.4

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid  
Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for Climate  
Change & Rural Affairs



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Welsh Government

Ein cyf/Our ref: HIDCC/PO/0259/24

Llŷr Gruffydd MS  
Chair  
Climate Change, Environment and Infrastructure Committee  
Welsh Parliament  
Cardiff Bay  
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CF99 1SN

26 September 2024

Dear Llŷr,

I am writing to provide the committee with further information following my predecessor's letter of the 1 March. In that letter, the Government committed to provide you with an update on recommendations 21, 43, 45 and 49 of your report on your Scrutiny of the Welsh Government Draft Budget 2024-25. Please find this below.

## Recommendation 21

Within six months of the publication of this report, the Minister should report to the Committee on progress made towards developing an innovative and sustainable finance model to deliver nature recovery. This should include the draft guiding principles for responsible private investment to support nature recovery.

Response: Accept

## Sustainable Investment Principles

On 10 September 2024 we launched the consultation period of our Sustainable Investment Principles. These principles set out the traits we seek when considering projects and engaging with investors and developers. The consultation documents are available at the following links:

- [Egwyddorion Buddsoddi Cynaliadwy drafft | LLYW.CYMRU](#)
- [Draft Sustainable Investment Principles | GOV.WALES](#)

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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.

These principles form part of our new approach to sustainable finance for nature recovery, as recommended by the Finance Earth report on developing nature markets in Wales. The Principles were co-developed with the sustainable finance Task and Finish group which comprises of eNGOs and other organisations including RSPB, Wildlife Trusts Wales, WWF and Marine Conservation Society, Dwr Cymru and Natural Resources Wales. These Principles aim to increase and diversify the available funding to effectively tackle the nature emergency and the pressures that drive biodiversity loss – including climate change, pollution, and unsustainable management of natural resources. These Principles will help ensure that any funding is of high integrity, benefits and engages local communities and avoids inappropriate land use change and greenwashing.

Welsh Government is proposing the following four principles to guide its approach towards private investment in nature.

1. Support integrated land use and the equitable sharing of the benefits
  - This principle is to ensure that those seeking to invest in natural capital markets do so in partnership with the landowners and managers. Under this principle, investments and projects should strive to deliver supplementary outcomes, such as biodiversity improvements in addition to carbon sequestration.
2. Deliver public, private, community and cultural well-being benefits
  - This sets out that investment and management decisions must account for the local conditions and suitability while showing consideration of the four capital resources (natural, social, economic and cultural).
3. Demonstrate best practice engagement and collaboration
  - Under this investors and land managers must collaborate openly with the wider public and public bodies to develop a coherent approach to delivering their projects.
4. Demonstrate values-led and high integrity
  - This principle considers additionality, data robustness, transparency of assessment techniques and methodology and the duration of derived benefits.

## **Support for Nature Market Development**

Sustainable finance, payments for ecosystem services, and natural capital markets are still a relatively new sector. In order to begin building Wales' capacity and knowledge base Welsh Government has funded two pathfinder pilots (see below for further information) and is considering further pilots.

### **Marine Cymru Fund**

Welsh Government has recently provided £85,000 of funding to the WCVA to recruit a Fund Development Manager for the Marine Cymru Fund. The Marine Cymru Fund seeks to invest in programmes and projects that enable, maintain and enhance the resilience of marine and coastal ecosystems for the long term, facilitating the delivery of wider benefits to individuals, communities and businesses. The Fund Development Manager will draft a strategic framework to guide project funding and will work to attract seed funding from investors.

### **Bannau Brycheiniog National Park Authority**

Welsh Government has provided Brecon Beacons National Park Authority (Y Bannau) with £119,000 of funding for a Head of Natural Capital Development position to accelerate the realisation of benefits from private finance nature investment. This role will help scale up nature recovery funding by exploring and implementing high-integrity ecosystem service markets and disseminating this knowledge across our other national park authorities.

## **UK Government engagement**

We continue to engage with Defra and the British Standards Institute (BSI) on developing a Nature Investment Standards Programme, which will provide a benchmark for industry codes and markets recognised as sufficiently robust and credible. Our engagement ensures that our Welsh values are reflected within these new standards. BSI concluded their consultation on the Overarching Principles at the beginning of the summer and are preparing to consult on their Biodiversity and Carbon standards early this fall.

I also discussed some of these issues with the Secretary of State for Environment and Rural Affairs and Ministers from Scotland and Northern Ireland at the IMG meeting in September.

### **Recommendation 43**

Within six months of the publication of this report, the Minister should report back to the Committee on progress towards the development of new statutory recycling targets.

Response: Accept in principle

The new, increased 70% recycling target has only just come into effect this financial year. We have begun the engagement with Local Authorities and given a clear steer that, in working towards zero waste by 2050, it will mean staying in line with the transition rate needed to reach that level.

As a first key step we have been developing an update to the Blueprint on which we are actively engaging with Local Authorities so that there is clear guidance on the steps need for Local Authorities to go beyond 70%.

We are also exploring with UK Government, working together on a circular economy strategy. This work is likely to inform our future approach to new targets, and the road to meeting them.

### **Recommendation 45**

Within six months of the publication of this report, the Minister should report back to the Committee on progress towards the introduction of the Deposit Return Scheme. This should include whether the DRS remains on track to go live in October 2025.

Response: Accept

We continue to work closely with the three other nations on the development of the Deposit Return Scheme. Timelines are being reviewed following the impact of the UK Internal Market Act decision which halted the DRS scheme from going live in Scotland and which has had a knock-on effect on the interoperability of the schemes across the four nations.

I will report to the Committee on progress and the impact on the go live date when plans are confirmed.

### **Recommendation 49**

The Minister should update the Committee within the next six months on progress towards restructuring NRW's funding model regarding timber income.

Response: Accept

The Welsh Government continues to work with Natural Resource Wales (NRW) in exploring opportunities to develop and implement alternative funding frameworks in order to provide NRW with additional flexibility to support its work.

For this financial year (2024-2025), the Welsh Government has established a new funding model to support NRW's management of the Welsh Government's Woodland Estate. These new arrangements provide NRW with a dedicated annual assured budget, netted against the timber income received, with any shortfall being absorbed by the Welsh Government. These arrangements help mitigate against the impact of volatile wood prices and buoyancy of the timber market and allows NRW to operate on a stable financial footing in relation to its management of the Woodland Estate.

Welsh Government will continue to monitor these arrangements moving forward and will make adjustments where appropriate in partnership with NRW.

Yours sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Huw Irranca-Davies'.

**Huw Irranca-Davies AS/MS**

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for Climate Change & Rural Affairs

—  
**Culture, Communications, Welsh Language,  
Sport, and International Relations  
Committee**

Eluned Morgan MS  
First Minister  
Ken Skates  
Cabinet Secretary for the Economy, Transport  
and North Wales  
Welsh Government

20 August 2024

## **International Strategy and Cardiff Wales Airport**

Dear Eluned and Ken

I write in relation to the **written statement** issued on 22 July 2024, announcing planned long-term additional investment funding for Cardiff Airport across a ten-year period, subject to regulatory approval.

The statement references the Welsh Government's **International Strategy** as follows:

*To improve connectivity, the Airport will seek to develop routes to those parts of the world identified in the Welsh Government's international strategy as being important for economic growth, such as:*

- *The Middle East and South Asia*
- *The European Union - major economic and finance centres and hub airports*
- *North America*

As the Committee responsible for the scrutiny of the Welsh Government's international relations activity, including its International Strategy, I would like to request more information on this significant development as outlined under the subheadings below.

## Delivery of the International Strategy

You will be aware that there are two references to Cardiff Airport in the International Strategy, published in 2020. These references are in the context of describing Wales's connectivity to the rest of the world and, separately, in relation to sustainable adventure tourism and the ambition for the airport to become a UK centre for low-carbon aviation. Can you clarify the timeframe for the investment decision? Also, can you confirm which routes are being considered for development and how each route will support the delivery of the International Strategy?

The International Strategy sets out three core aims which are to:

1. raise Wales's global profile;
2. grow the economy by increasing exports and inwards investment; and
3. for Wales to be a globally responsible nation.

I would welcome detailed information on:

- how this investment contributes to each of the three core aims, as outlined; and
- what consideration was given to balancing the core aims, particularly with regards to sustainability?

I would also be grateful if you could clarify:

- whether the investment will be used to action the Airport's plans to commit to net zero targets (which was not met by March 2023), such as for a solar farm at the airport or for the purchase of electric or hybrid vehicles?
- to what extent the failure to meet this target undermines the International Strategy's aim for the airport to become a UK centre for low-carbon aviation?
- how the resumption of Qatar Airways services, if it is secured, will support the delivery of the International Strategy?

## Role of overseas offices in the investment decision

Could you explain what involvement the Welsh Government's overseas offices have had in the investment decision as it relates to Wales's connectivity to the rest of the world? In addition, will the overseas offices have a role in the delivery of the airport's future plans that are linked to the International Strategy?

## Budgetary implications

The scale of the investment is significant, and it does highlight budgetary implications. While the investment package is subject to regulatory approval, it could total a maximum of £206million across a ten-year period. This is substantially more than the allocated international relations budget of £8.093million for this financial year.

You note in the statement that this investment is, in part, linked to improving connections with parts of the world identified in the International Strategy as being important for economic growth. In that regard, can you explain:

- How will the investment relate to the International Relations budget?
- The Welsh Government has repeatedly told us that it faces a challenging financial situation and cannot plan beyond annual cycles, particularly in relation to other areas of our Committee's remit such as the culture sector. How has the Welsh Government made these funds available?
- On what basis was the airport investment prioritised over other financial pressures such as the financial crisis in the arts, culture and sport?

Finally, I would like to note how disappointing it was to learn of this information by written statement on the first Monday of the summer recess. There were ample opportunities to update Members during term time. For example, the former First Minister attended our scrutiny session on international relations on 19 June 2024, just four weeks before this statement was issued. During the session, the airport was not raised despite specific discussions on the Welsh Government's future international priorities, delivery of the International Strategy and activity in the regions earmarked for new flight routes.

I would be grateful for a response to this letter by no later than 17 September 2024. I am copying this letter to the Chair of the Public Accounts and Public Administration Committee, the Chair of the Climate Change, Environment and Infrastructure Committee, and the Chair of the Economy, Trade and Rural Affairs Committee for their information.

Yours sincerely



**Delyth Jewell MS**  
**Committee Chair**

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Delyth Jewell MS  
Chair – Culture, Communications, Welsh Language, Sport, and International Relations  
Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

2 October 2024

Dear Delyth,

## **INTERNATIONAL STRATEGY AND CARDIFF AIRPORT**

Thank you for your letter of 20 August to the First Minister and the then Cabinet Secretary for the Economy, Transport and North Wales regarding the Welsh Government's international strategy and Cardiff Airport. I am responding to you as I am now the Cabinet Secretary responsible for Cardiff Airport.

Firstly, please accept my apologies for the delay in replying, which is related to the need to formally confirm new Ministerial portfolios to the Senedd prior to communicating in my new capacity.

As you know, on 22 July, the then Cabinet Secretary for Economy, Transport and North Wales issued a statement which set out our proposed future strategy for Cardiff Airport. The statement can be found here: [Written Statement: Cardiff Wales Airport – long term strategy \(22 July 2024\) | GOV.WALES](#)

Following the Statement, the Welsh Government submitted its referral to the Subsidy Advice Unit (SAU), part of the Competition and Markets Authority (CMA) on 15 August 2024. The SAU acknowledged receipt of our submission is currently preparing its report which will be published this week on 2<sup>nd</sup> October. The approach set out, using subsidy investment to maximise Cardiff Airport's economic potential, is our current preferred option for supporting the Airport in the long term.

Once we have received the CMA's report, I will deliberate on its findings with Ministerial colleagues prior to a final decision on the future subsidy package. Once we have made a final decision on what form any investment package should take, I will update the Senedd

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accordingly. The CMA referral process will not conclude formally until the Welsh Government has published its final subsidy proposal on the relevant transparency database and subsequent 30-day window for any potential challenge has closed. With the formal process still underway, I am limited in what I can say about the final shape of any investment into the Airport.

I have set out below what I can say at this time in relation to your questions. I must also point out that should the Welsh Government proceed with the subsidy investment as planned, much of the detail behind the strategy will be of a commercially confidential nature and will remain so even after the CMA process has concluded. To release such information would place Cardiff Airport at a very significant disadvantage when negotiating for potential new business. It may also expose the commercial positions of businesses linked to the Airport.

As set out in the Written Statement, the strategy aims to build on the Airport's unique strengths with two main objectives:

- attracting and growing aviation and aerospace businesses linked to the Airport
- a targeted programme of air service development, with a focus on passenger connectivity to a small number of global air hubs and economic centres of importance to Wales

Maximising the economic benefits that Cardiff Airport can bring to Wales has been at the heart of our proposed strategy for the future of the Airport. It is an economic subsidy that sees the Airport as a catalyst for generating new jobs and increasing economic activity in its hinterland, as part of the aerospace cluster. Whilst we envisage a growth in direct employment and GVA contribution from the Airport itself, we also expect significant benefits for the wider related economy, for example at the nearby Bro Tathan business park. The Welsh Government International Strategy references the South East Wales Aerospace and Defence Sector cluster as one of its Magnet Projects.

International connectivity is an integral element to enable future economic growth and as such, the core aims of the Welsh Government's International Strategy formed an important part of our thinking. In developing the proposed approach to supporting the Airport in the long term, my officials have worked closely with their colleagues from across the Welsh Government, including those in International Relations and Trade. The intentions around air route development are to improve connectivity to regions of economic importance to Wales, reflecting the regions of the world referenced in the International Strategy. This includes the Middle East & Asia, Europe, and North America/Canada. I am not in a position at this time to identify a specific routes or individual destinations as it will be for the Airport executive team, who are responsible for the commercial operation of the Airport and who lead on those commercial negotiations, to seek to secure the best possible arrangements with airlines that serve these regions. I have agreed that the Airport should consider a small number of targeted routes focused on attracting inbound tourism and foreign investment. If the Welsh Government's international priorities change, I am confident that Cardiff Airport will be required to flex its approach accordingly, so long as its activities remain within the parameters of the final subsidy package that emerges from the CMA referral process.

As outlined in the recent Written Statement, we have acknowledged the policy tensions between owning an airport, the significant economic benefits the Airport can deliver for Wales and our need to address the climate emergency. The proposed strategy for the Airport aims to

encourage the development and local adoption of more sustainable aircraft propulsion technologies and to reduce carbon emissions from the Airport's infrastructure.

I would like to take this opportunity to address a misunderstanding regarding a claim that the Airport has missed a net zero target. Under the terms of the Rescue and Restructure grant, the Airport was required to provide a commitment by 31 March 2023 to becoming carbon neutral, which it has done. The target was not to achieve carbon neutrality by 2023.

Cardiff Airport is committed to reducing its carbon footprint and I am pleased to advise the Committee that the Airport has reduced carbon emissions from its ground operations by over 60% in the last four years, from 1,700 tonnes to under 600 tonnes of CO<sub>2</sub> annually, with an aim to reduce this by a further 50% over the next five years. The Airport has also recently announced that it has added six new electric powered vehicles to its operational fleet which will be used across Cardiff Airport and St Athan Aerodrome by the car parks, security, airfield operations and bird control teams.

As specific examples of achievements in this area, the Airport has:

- Switched to entirely renewable and clean electricity sources;
- Had a heavy focus on recycling and is zero waste-to-landfill;
- Reduced its natural gas consumption by 30%;
- Replaced assets with modern and more energy efficient technology;
- Restricted ground running of engines during anti-social hours;
- Employed continuous descent operations for aircraft on approach, promoting noise abatement;
- Encouraged twin engine aircraft to taxi with one engine;
- Introduced a replacement programme of LED lighting; and
- Continued to reduce plastic consumption with its partners.

The proposed long-term strategy will enable the Airport to continue on its path to net zero. The Airport is working on updating its Environmental Flight Path which it will publish once the future route to funding has been confirmed following completion of the CMA process.

On the subject of Qatar Airways, the Airport executive team is leading on the commercial negotiations with the airline regarding the resumption of the Doha service. It would not be appropriate for me to comment further while those negotiations are still underway, other than to say that I would very much welcome the resumption of the route when the time is right for both the Airport and the operator.

Cardiff Airport is a wholly owned subsidiary of the Welsh Government, operated at an arms-length as a private limited company. It operates in an independent and commercial manner and is liable for its own actions and any issues arising from the running of its business. Ministers do not intervene in the Airport's day-to-day commercial operating matters. It will therefore be for the Airport executive team, with appropriate scrutiny from WGC Holdco Ltd, to decide how, on a commercial basis, they deliver on the Welsh Government's strategy. It is my intention that Holdco will play a more prominent role in the governance, challenge and scrutiny of the Airport going forward. Once the future strategy has been confirmed I will ensure that appropriate success metrics and governance arrangements are put in place to monitor the Airport's performance against its economic objectives.

With regard to budgets, decisions on annual allocations of funding to the Airport will be considered in context of the specific investment opportunities that have been secured by the Airport executive team and will be considered alongside other priorities for spending across the Welsh Government. Any expenditure on the Airport will of course be subject to the outcome of the CMA process.

I hope that the Committee finds the information within this letter of help.

Yours sincerely,

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

**Rebecca Evans AS/MS**

Cabinet Secretary for Economy, Energy and Planning  
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

**CC:** First Minister of Wales;  
Chair of the Public Accounts and Public Administration Committee;  
Chair of the Climate Change, Environment and Infrastructure Committee; and  
Chair of the Economy, Trade and Rural Affairs Committee.

# Agenda Item 4.6

Your ref: P-06-1474  
Our ref: CX24-154

Gareth Price  
Petitions Committee Clerk  
Senedd Cymru  
Cardiff Bay  
CF99 1SN

By email only: [petitions@senedd.wales](mailto:petitions@senedd.wales)

30 September 2024

Dear Gareth

## **Petition P-06-1474 Stop Natural Resources Wales closing Bwlch Nant yr Arian, Coed y Brenin and Ynyslas Visitor Centres**

Thank you for your letter of 16 September.

As the Petitions Committee will be aware, public funding is very tight, not only for NRW but also for other public sector bodies. NRW needs to make a minimum saving of £13 million over the next two years. As such, we are having to look across all of our remit and critically review what we can and must continue to do, what we stop, and what we slow or do differently to fulfil our Corporate Plan ambitions. We are having to make difficult decisions in order to achieve these savings.

While we fully recognise how well loved and regarded our visitor centres are, the truth is that NRW is not best placed to operate catering and retail facilities. We have acknowledged that if we are to support visitor access and maintain the sites for future use, the centres themselves need to be run by organisations that have the skills, knowledge and financial capacity to operate in the retail and catering sector.

In the Case for Change, we proposed that visitor centre sites remain open for recreation access, such as walking and biking, as they are currently. Services such as play areas, car parking and toilet provision will also remain available. The proposal is that we no longer operate catering and retail provision at visitor centres but that we will seek to identify and work with partners to run these services. Our visitor centre staff are not responsible for managing the land in and around the centres, so are not responsible for trail and access management.

We are currently reviewing the services we provide as part of our Case for Change process. This impacts all our services, not just visitor centres. Our consultation with Trade

Unions on the proposals has now closed, and we will review the information received during the consultation to determine if any adjustments are needed. The final proposals will be presented to the NRW Board for consideration in the autumn.

The outcome of the Case for Change will then be communicated to staff, and further information on impacted services will be shared with the public and stakeholders in due course. At that point, we will re-engage with local groups and potential partners about the next steps at each visitor centre site. These may be slightly different, as each site has bespoke needs that will need to be considered.

We have already been approached by multiple community groups and private enterprises that are interested in operating the visitor centres, and we are planning further public meetings in mid-November. Information about those meetings will be shared in due course.

It is very important to NRW that we do this responsibly and in the right way, and that we secure the future of the sites for maximum benefit in the long-term. It is a great opportunity to secure future investment in the sites, provide refreshed interest in the areas and promote the ongoing attractiveness of mid-Wales as a destination for visitors to Wales.

Yours sincerely



*pp. Sarah Jennings, Executive Director for Customer, Communications & Commercial*

**Clare Pillman**

**Prif Weithredwr, Cyfoeth Naturiol Cymru  
Chief Executive, Natural Resources Wales**

Croesewir gohebiaeth yn Gymraeg a byddwn yn ymateb yn Gymraeg, heb i hynny arwain at oedi. Correspondence in Welsh is welcomed, and we will respond in Welsh without it leading to a delay.

—  
**Climate Change, Environment,  
and Infrastructure Committee**

**Senedd Cymru**  
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—  
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Louis Coiffait-Gunn CEO, CILIP  
The library and information association

10 October 2024

Thank you for your letter about the possible closure of the Natural Resources Wales (NRW) Library and Information Services and for sharing the Chartered Institute of Library and Information Professionals' (CILIP) concerns on this matter.

I wanted to reassure you that the Committee is taking a close interest in developments at NRW. I raised this issue as Committee Chair during a Plenary debate on the Committee's annual report on NRW on October 2.

I am grateful for your offer to keep the Committee updated, and we will continue to consider the impact of developments in this area.

Yours sincerely,



Llyr Gruffydd MS,  
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.

Rebecca Evans MS

Cabinet Secretary for Economy, Energy and Planning

7 October 2024

Dear Rebecca,

### Legislative Consent Memorandum for the Great British Energy Bill

You will be aware that the Legislative Consent Memorandum for the Great British Energy Bill has been referred to the Climate Change, Environment and Infrastructure Committee (the Committee) for consideration with a reporting deadline of 15 November 2024.

The Committee considered the LCM at its meeting on 3 October 2024 and agreed I should write to you to seek further information to inform our work.

At the time the LCM was laid, the Welsh Government acknowledged there is overlap between the aims and operation of Great British Energy (GBE) and Trydan Gwyrdd Cymru. It added:

*"given the high-level strategic approach of this Bill and information available currently on GBE in general, it is difficult to determine what the impact may be in terms of the operational application of GBE as a company and potential conflicts of competition with Trydan Gwyrdd Cymru or other aspects of Welsh Government energy delivery functions."*

1. What consideration have you given to the potential duplication of functions of GBE and Trydan Gwyrdd Cymru, and how is this influencing your decision on whether to recommend the Senedd gives consent to the provisions in the Bill?
2. Do you have any concerns that the operation of GBE will impact on the ability of Trydan Gwyrdd Cymru to deliver its aims successfully?

3. What consideration have you given to how the interplay between GBE and Trydan Gwyrdd Cymru will be managed in practice?

4. Are there any circumstances under which you would seek to deliver projects in Wales through GBE and, if so, what would the criteria for doing so be?

According to the LCM, the UK Government intends for GBE to be able to provide support to “local authorities and community groups through a variety of mechanisms including but not limited to equity, loans, grants, insurance, and guarantees”.

4. Can you clarify whether there is any potential overlap between the remit, aims and operation of GBE and those of Ynni Cymru, the Welsh Energy Service and Community Energy Wales?

The LCM states the Welsh Government is supportive of the Bill and GBE in general “but are seeking further engagement with UK Government on the role of Welsh Ministers and the Senedd with the Bill”.

5. Can you provide an update on any such engagement?

Clause 5 of the Bill (Strategic priorities and plans) provides that the Secretary of State must prepare a statement of strategic priorities for GBE. Before making a statement, the Secretary of State must consult with the Welsh Ministers to the extent that the statement concerns subject matters within the Senedd’s legislative competence.

Clause 5(7) provides that the duty to consult may be satisfied by consultation carried out before the Act comes into force.

6. To what extent do you consider it appropriate for the Secretary of State to be required to consult the Welsh Ministers, rather than to seek the consent of the Welsh Ministers for any strategic priorities concerning devolved matters?

7. What involvement have you had in discussions on the proposed strategic priorities for GBE thus far?

8. What role will the Senedd have in scrutinising the statement before it is made if it concerns subject matters within the Senedd’s legislative competence?

Given the timescale the Committee is working towards to report on the LCM, I should be grateful for a response as soon as possible, and by 21 October 2024 at the latest.

Regards,

A handwritten signature in black ink, appearing to read 'Llyr', is centered on a light yellow rectangular background.

Llyr Gruffydd MS,  
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.

Rebecca Evans MS

Cabinet Secretary for Economy, Energy and Planning

10 October 2024

Dear Rebecca

### Legislative Consent Memorandum on the Great British Energy Bill

At our meeting on 7 October, we considered the Welsh Government's Legislative Consent Memorandum on the Great British Energy Bill, laid by the then Cabinet Secretary for Economy Transport, and North Wales, in August.

We understand that you are now responsible for the Memorandum; we would therefore be grateful if you could provide further information to help inform our scrutiny.

We note that the Memorandum does not include a section setting out the reasons for making the relevant provisions for Wales in the Bill, which are often contained in legislative consent memoranda laid by the Welsh Government. Please could you therefore provide an explanation as to why it is considered appropriate for the relevant provision to be made in the Bill.

We would also like to consider matters in relation to the Memorandum with you in an oral evidence session. We would be grateful if your officials could liaise with the Committee's clerking team to make the relevant arrangements for holding the session in good time ahead of the reporting deadline of 15 November 2024.

I am copying this letter to Llyr Gruffydd, Chair of the Climate Change, Environment, and Infrastructure Committee.



Yours sincerely,

Mike Hedges

Mike Hedges

Chair

# Agenda Item 7

By virtue of paragraph(s) vi of Standing Order 17.42

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# Agenda Item 8

By virtue of paragraph(s) vi of Standing Order 17.42

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# Agenda Item 9

By virtue of paragraph(s) vi of Standing Order 17.42

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