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### **Open letter on the Unprecedented £205m subsidy to Cardiff Airport**

Dear Cabinet Secretary,

I am writing an open letter to raise serious concerns following the publication of the Written Statement published on 3 April 2025 – just before the Senedd Easter recess – on the proposed investment package for Cardiff Airport.

The statement sets out how the Welsh Government will proceed with a first investment of £20 million. At the same time, we noted on the following day that on the UK Subsidy Transparency Database, that the Welsh Government in fact plans to spend an unprecedented **£205.2 million** of taxpayers' money, which was omitted from the Written Statement. This brings the total state funding being awarded to Cardiff Airport since it was nationalised to £286 for every household in Wales<sup>1</sup>.

The proposed subsidy would exceed Cardiff Airport's current annual turnover, in each year of the planned 10-year duration. No other airport in the UK has ever received anything close to this level of public subsidy, and as such it is unprecedented, and comes on top of the nearly £200m of taxpayers' money already provided to Cardiff Airport.

Bristol Airport welcomes competition, but this must be on a level playing field to avoid market distortions. This subsidy could move activity between locations at huge cost to the taxpayer but without any net economic benefit. Distorting competition between airports and airlines will lead to higher prices for consumers and unbalanced public subsidies will have a chilling-effect on future private sector investment.

Bristol Airport is proud to be the primary airport for the whole South West quarter of the UK, providing connectivity to more than 115 destinations. One in five of our passengers are travelling to or from South Wales. Our role includes supporting the Welsh visitor economy as well as sports fixtures held in the region. We are currently investing £400m of private capital to improve the customer experience, at no cost to the taxpayer.

The Competition and Markets Authority (CMA) sharply criticised the Welsh Government for the "unevidenced assumptions" made about Bristol Airport's future growth plans. In your most recent Written Statement, you explain that '*consideration has been given to the Competition and Markets Authority's assessment*' – yet you have failed to sufficiently engage with Bristol Airport to understand the potential impact this would have on competition for the aviation sector.

It is deeply concerning that major announcements on the proposed subsidy have all taken place immediately prior to holidays and there was again no attempt to re-engage with Bristol Airport,

despite repeated requests. Furthermore, repeated attempts by Members of the Senedd and others to seek further detail on how Welsh Government intends to respond to the concerns raised in the CMA assessment has also been unsuccessful, resulting in a serious lack of transparency around this unprecedented subsidy in UK aviation, which is being funded at great expense by the taxpayer.

Our concerns remain as follows:

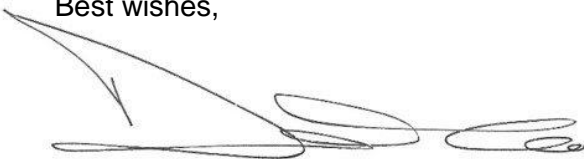
- **Unprecedented subsidy** - The proposed size and duration of the £205.2m subsidy to Cardiff Airport is unprecedented in the UK airport sector.
- **Lack of Transparency** – No detailed information has been made publicly available on the largest public subsidy to a UK Airport.
- **Hindering economic growth** - The decision to grant such a large subsidy and over a long period of 10 years means that distortions to ongoing competition will be more severe, therefore reducing competition and choice for customers including those living in South Wales.
- **Disrupting the level playing field for airports and airlines** - State subsidy will mean there is no longer a level playing field for competition between airports and airlines operating within the UK. This proposal will undermine the confidence on future private sector investment in UK transport infrastructure.

We are publicly calling for details to be urgently made available on the proposed subsidy including the benefits it will deliver, what alternatives have been considered, how the impacts have been assessed, in the context of the significant additional cost burden to the taxpayer in Wales.

In addition to this letter, Bristol Airport will be making a separate, formal pre-application request for more detailed information on the proposed subsidy, as there has been insufficient detail published or shared to date to fully understand what is being proposed.

As previously highlighted, Bristol Airport remains open to dialogue on a range of issues including to help address some of the serious concerns that the CMA report highlighted. We look forward to hearing from you.

Best wishes,



**Dave Lees**  
**CEO, Bristol Airport Limited**

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<sup>i</sup> £181m provided by Welsh Government up to and including 2024. [Source](#).  
£205m subsidy announced by Welsh Government. [Source](#)  
Number of households in Wales – 2021 Census. [Source](#).