

Huw Irranca-Davies AS/MS  
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros New  
Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for Climate  
Change & Rural Affairs



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA/HIDCC/3234/25

Mike Hedges MS  
Chair  
Legislation, Justice and Constitution Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

13 January 2026

Dear Mike,

I am writing to inform you that *The Greenhouse Gas Emissions Trading Scheme (Amendment) (Extension to Maritime Activities) Order 2026* (“the Order”) has today been laid in the Senedd.

This follows my letter of 27 November in which I informed of you of the publication of the UK ETS Authority Response to the UK Emissions Trading Scheme Scope Expansion: Maritime consultation, which set out the decision to bring domestic maritime emissions into the scheme. The Order laid in the Senedd today allows for the changes set out in the Authority Response. It sets out that the scheme will apply to vessels of 5000 Gross Tonnage (GT) and above with no de minimis threshold. It applies a 50% reduction in the UK ETS surrender obligation on routes between Northern Ireland and Great Britain to avoid creating a disparity in carbon pricing obligations through different emissions coverage in routes between Northern Ireland and Great Britain, and Republic of Ireland and Great Britain. It also provides an exemption for ferries serving the Scottish islands and peninsulas, and for fishing vessels. Lastly, it enables the increase of the overall cap on UK ETS allowances in line with the projected increase in emissions from the introduction of the Maritime sector into the UK ETS.

The expansion of the UK Emissions Trading Scheme to domestic Maritime activities requires changes to the existing legislation. Today, the Order has been laid in the Senedd, which will allow for this scope expansion.

The Order marks a vital next step in developing effective proposals for expansion of the UK ETS, increasing the level of emissions that will come under the scheme and helping to shape the future of the UK ETS in a way that supports Wales’ long-term net zero ambitions and broader decarbonisation strategy.

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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.

I am also copying this letter to the Chair of the Climate Change, Environment and Infrastructure 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 AS/MS**

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