

## **Agenda Supplement – Legislation, Justice and Constitution Committee**

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Meeting Venue:

Hybrid – Committee Room 4, Tŷ Hywel  
and videoconference via Zoom

Meeting date: 8 December 2025

Meeting time: 13.00

For further information contact:

P Gareth Williams

Committee Clerk

0300 200 6565

[SeneddLJC@senedd.wales](mailto:SeneddLJC@senedd.wales)

### **Hybrid – Supplementary Pack**

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Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

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#### **5 Senedd Cymru (Member Accountability and Elections) Bill: Draft report**

(14.15 – 14.45)

(Pages 1 – 48)

Attached Documents:

LJC(6)–35–25 – Paper 2 – Draft report

LJC(6)–35–25 – Paper 26 – Letter from the Counsel General and Minister for  
Delivery, 4 December 2025

LJC(6)–35–25 – Paper 27 – Letter to the Counsel General and Minister for  
Delivery, 24 November 2025

#### **9 Instruments that raise issues to be reported to the Senedd under Standing Order 21.2 or 21.3 – previously considered**

(15.05 – 15.10)

##### **9.2 SL(6)674 – The Official Controls (Import of High–Risk Food and Feed of Non– Animal Origin) (Amendment of Commission Implementing Regulation (EU) 2019/1793) (Wales) Regulations 2025**

(Pages 49 – 52)



Attached Documents:

LJC(6)–35–25 – Paper 28 – Report

LJC(6)–35–25 – Paper 29 – Welsh Government response

## **10 Inter–Institutional Relations Agreement**

(15.10 – 15.15)

### **10.3 Written Statement and correspondence from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs: The Control of Mercury (Amendment) Regulations 2025**

(Pages 53 – 55)

Attached Documents:

LJC(6)–35–25 – Paper 30 – Written Statement by the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, 4 December 2025

LJC(6)–35–25 – Paper 31 – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, 4 December 2025

### **10.4 Correspondence from the Welsh Government: Meetings of inter–ministerial groups**

(Pages 56 – 58)

Attached Documents:

LJC(6)–35–25 – Paper 32 – Written Statement by the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs: Inter–Ministerial Group for Environment, Food and Rural Affairs, 5 December 2025

LJC(6)–35–25 – Paper 33 – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs: Inter–Ministerial Group for Environment, Food and Rural Affairs, 5 December 2025

## **11 Papers to note**

(15.15 – 15.20)

## **11.4 Correspondence from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs: Update on UK Emissions Trading Scheme**

(Pages 59 – 64)

Attached Documents:

LJC(6)–35–25 – Paper 34 – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, 4 December 2025

LJC(6)–35–25 – Paper 35 – Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Climate Change, Environment and Infrastructure Committee, 4 December 2025

## **16 Development of Tourism and Regulation of Visitor**

### **Accommodation (Wales) Bill: Draft report**

(15.55 – 16.25)

(Pages 65 – 111)

[Letter to the Cabinet Secretary for Finance and Welsh Language, 12 November 2025](#)

[Letter from the Cabinet Secretary for Finance and Welsh Language, 25 November 2025](#)

Attached Documents:

LJC(6)–35–25 – Paper 25 – Draft report

Document is Restricted

**Julie James AS/MS**  
Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni  
Counsel General and Minister for Delivery



Llywodraeth Cymru  
Welsh Government

Mike Hedges  
Chair, Legislation, Justice and Constitution Committee

4 December 2025

Dear Mike

Thank you for your letter of 24 November 2025, detailing a number of follow-up questions pertaining to my attendance of the Committee's meeting of 17 November 2025, as part of your consideration of the Senedd Cymru (Member Accountability and Elections) Bill.

I have detailed my answers to these questions in an annex to this letter.

I am copying this letter to David Rees MS, Chair of the Member Accountability Bill Committee.

Yours sincerely,

**Julie James AS/MS**  
Y Cwnsler Cyffredinol a'r Gweinidog Cyflawni  
Counsel General and Minister for Delivery

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1SN

[Gohebiaeth.Cwnsler.Cyffredinol@llyw.cymru](mailto:Gohebiaeth.Cwnsler.Cyffredinol@llyw.cymru)  
[correspondence.Counsel.General@gov.wales](mailto:correspondence.Counsel.General@gov.wales)

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.

## Annex

1. *The Welsh Ministers have a duty to make provision prohibiting the making or publishing of false or false and misleading statements of fact (see paragraphs 113 to 116 of the transcript). Please can you clarify the exact timescale within which the Welsh Ministers must make this provision and identify where in the Bill/explanatory materials this is stated? As part of your response, please can you confirm whether or not a further section 13 Order must be made by the next election in 2030.*

I do not believe that it is appropriate to set an arbitrary timescale for the exercise of this duty. As I have set out, it is essential that careful and detailed consideration is given to the development of any offence, to ensure that it specifically addresses the statements we are looking to prohibit. What the duty ensures is that the next government will be required to consider this issue and take steps to satisfy the duty.

Once new sub-section 13(2A) is enacted and has come into force, which will be after the 2026 election, the Welsh Ministers will be subject to the duty. Although there is no deadline for compliance with the duty, I consider it will be incumbent upon the Welsh Ministers to have made provision to satisfy the duty before the next election when any provision made under section 13(2A) would have effect.

Whilst there is no specific legislative requirement to update the Conduct Order prior to each election, the Conduct Order has been revised or remade in advance of every scheduled Senedd election held to date. I believe it is inconceivable that this would not continue to be the case given the critical role the Order plays in enabling an election to be run.

The provision that must be made is provision “of the kind that must be made under 13(1)(a)” i.e. provision about the conduct of elections for Members of the Senedd so the provision that must be made under that sub-section must have a connection to the conduct of elections and it is for this reason I consider the next election is the point by which the duty will need to have been discharged.

2. *The Bill does not contain a definition of what constitutes a “false statement of fact” or a “misleading statement of fact”. As these terms are crucial to the formulation of the proposed offence, is it desirable to have them on the face of the Bill without being defined?*

The duty in section 13, as amended by section 22 of the Act should be read in conjunction with new sub-section (2B) which sets out a list of the type of provision that may be made when making provision to satisfy the duty in (2A). This illustrative list provides for a wide range of options as to the components of any offence.

The precise nature of any offence of deception is novel and complex and therefore requires careful consideration.

Any attempt to precisely define the nature of what is to be prohibited prior to concluding that careful consideration runs the same risk of the Bill being challenged on competence grounds as if we placed the offence itself on the face of the Bill; a risk we are seeking to insulate this Bill from. As I have already stated, I am satisfied that the duty can be exercised in a way that does not unlawfully interfere with Convention rights however more work needs to be done to determine the exact formulation of an offence that meets the policy objective while remaining within competence.

My officials and I are continuing to work to develop an offence for inclusion in a future Conduct Order. The fact that it is a duty to make such provision means that the next government will continue to take forward this work in the next Senedd term.

3. *In your statement in Plenary on 4 November you stated, in relation to Members: “there's no reason why, in certain circumstances, if they've committed the basic tenets of the offence, they wouldn't be able to be held to that”.*
  - (i) *Can you outline what consideration has been given to this point?*
  - (ii) *Would extending the scope of the offence to cover Members create an element of double-jeopardy where Members are sanctioned through the standards process and separately subject to the new offence?*

In its inquiry into Individual Member Accountability, the Standards of Conduct Committee recognised there is a fundamental difference between an elected Member and a candidate standing for election – which is why they recommended separate systems to address false statements made by each.

However, I am of the view that - as far as is possible - the same broad definition of any wrongdoing should apply to both Members and candidates. It is that view that I was seeking to convey during Plenary on 4 November, rather than extending any specific offence to Members.

I understand that is also the position set out by the Standards of Conduct Committee when they recommended that any definition that is developed should be “replicated in any associated Standing Orders and guidance”. I am aware that the Standards of Conduct Committee is currently undertaking work in response to those recommendations, and I am happy to work with them to ensure that, where possible, there is appropriate read-across between the definitions.

With regards to the “double-jeopardy” point, avoiding such a possibility will be a key issue that requires resolving when defining the scope of any future offence. It will be necessary to ensure that a sitting Member is excluded from any definition of “candidate” for the purposes of that definition.

4. *In that same statement on 4 November you mentioned that there were some competence issues relating to extending the offence to Members that you would need to discuss in committee. Can you expand on what these issues are?*

Any attempt to legislate in a way that restricts speech - and in this context political speech – will engage Convention rights, in particular Article 10 freedom of expression. Therefore the same competence issues that arise in relation to candidates would arise for Members.

Of equal concern however is the constitutional appropriateness of a government Bill seeking to place restrictions on the speech of Members. Members are held to account through the Code of Conduct and the standards regime more generally.

The Government of Wales Act already provides for some protections in relation to statements and publications of Members in the context of Senedd proceedings. We have

not yet had sufficient time to consider what the full consequences, including unintended consequences, of creating an offence in relation to Members' speech more generally might be.

5. *The Welsh Government's Statement of Policy Intent states that: "Given the time available for the passage of this Bill in the current Senedd term, it has not been possible to undertake the necessary engagement in the development of an offence at this time."*

*Can you confirm what engagement has already taken place up to this point and, looking forward to the next Senedd, what would you say is a realistic timescale within which such engagement could take place?*

Specific engagement will be undertaken with key stakeholders in the criminal justice system during the development of any future offence itself, in discharge of this new duty.

However, it is important to note that during the Standards of Conduct Committee's inquiry – the recommendations from which form the basis of this Bill – evidence was received from the Chief Constables in Wales and the Crown Prosecution Service.

That evidence noted that specific observations would be entirely dependent on the detail contained within the legislation and welcomed further close engagement on that detail as proposals were developed.

Julie James MS

Counsel General and Minister for Delivery

24 November 2025

Dear Julie

**Senedd Cymru (Member Accountability and Elections) Bill**

At our meeting on 17 November 2025, we took evidence from you on the Senedd Cymru (Member Accountability and Elections) Bill.

The Committee would welcome further information and clarity as regards a number of matters as set out in the questions in the attached Annex. Given the short reporting deadline, we would be grateful to receive a response by Thursday December 4 2025.

I am copying this letter to the Chair of the Member Accountability Bill Committee, David Rees MS.

Yours sincerely,



Mike Hedges  
Chair

## ANNEX

1. The Welsh Ministers have a duty to make provision prohibiting the making or publishing of false or false and misleading statements of fact (see paragraphs 113 to 116 of the [transcript](#)). Please can you clarify the exact timescale within which the Welsh Ministers must make this provision and identify where in the Bill/explanatory materials this is stated? As part of your response, please can you confirm whether or not a further section 13 Order must be made by the next election in 2030.

2. The Bill does not contain a definition of what constitutes a “false statement of fact” or a “misleading statement of fact”. As these terms are crucial to the formulation of the proposed offence, is it desirable to have them on the face of the Bill without being defined?

3. In your statement in Plenary on 4 November you stated, in relation to Members: “there's no reason why, in certain circumstances, if they've committed the basic tenets of the offence, they wouldn't be able to be held to that”.

- (i) Can you outline what consideration has been given to this point?
- (ii) Would extending the scope of the offence to cover Members create an element of double-jeopardy where Members are sanctioned through the standards process and separately subject to the new offence?

4. In that same statement on 4 November you mentioned that there were some competence issues relating to extending the offence to Members that you would need to discuss in committee. Can you expand on what these issues are?

5. The Welsh Government’s Statement of Policy Intent states that: “Given the time available for the passage of this Bill in the current Senedd term, it has not been possible to undertake the necessary engagement in the development of an offence at this time.”

Can you confirm what engagement has already taken place up to this point and, looking forward to the next Senedd, what would you say is a realistic timescale within which such engagement could take place?

## **SL(6)674 – The Official Controls (Import of High-Risk Food and Feed of Non-Animal Origin) (Amendment of Commission Implementing Regulation (EU) 2019/1793) (Wales) Regulations 2025**

### **Background and Purpose**

These Regulations amend imported food legislation which was retained by the UK on its departure from the EU.

Assimilated Commission Implementing Regulation (EU) 2019/1793 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries ("Regulation 2019/1793") lays down provisions that apply to certain higher risk food and feed commodities not of animal origin on entry into Great Britain.

The Annexes to Regulation 2019/1793 contain lists of food and feed commodities which are either subjected to a temporary increase in official controls, subject to emergency measures or subject to suspension of entry into Great Britain.

These Regulations make changes to the Annexes to provide for the following:

- commodities to be removed from controls;
- commodities to be subject to reduced controls;
- commodities to be subject to increased controls; and
- commodities to require new controls.

The Regulations also update the presentation of the codes used to identify the commodities subject to controls to align with the UK's Integrated Tariff system and amend footnotes.

### **Procedure**

Negative.

These Regulations were made by the Welsh Ministers before they were laid before the Senedd. The Senedd can annul the Regulations within 40 days (excluding any days when the Senedd is: (i) dissolved, or (ii) in recess for more than four days) of the date they were laid before the Senedd.

### **Technical Scrutiny**

The following points are identified for reporting under Standing Order 21.2 in respect of this instrument.



### **1. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts.**

In Schedule 1, in the new Annex 1, in Table 1, there is a difference between the English and Welsh versions. In the English version, in the entry for “Uzbekistan”, in the second column, after “Dried apricots” it notes “(Food and feed)”. However, in the Welsh version of the corresponding place, after “Dried apricots” it only notes “**(Food)**” which is also formatted differently in bold. In addition, in the Welsh version of that entry for “Uzbekistan”, in the second column, it also notes “**(Food)**” in bold immediately after “Apricots, otherwise prepared or preserved” although no words appear in the English version.

### **2. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts.**

In Schedule 1, in the new Annex 1, in Table 1, there is a difference between the English and Welsh versions. In the English version, in the entry for “Uzbekistan”, the abbreviation “(UZ)” is missing in the first column after the name of that country although it is found in the corresponding place in the Welsh version. In this regard, all the other entries in that Table include the relevant abbreviation after the names of the countries in both the English and Welsh versions.

### **3. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts.**

In Schedule 2, in the new Annex 2, in Table 1, there is a difference between the English and Welsh versions. In the English version, in the entry for “India”, in the row for “Groundnuts (peanuts), otherwise prepared or preserved”, in the second column, it notes “**(Food and feed)**”. But in the Welsh version, in the corresponding entry, those words appear in Welsh as “**(Bwyd a bwyd anifeiliaid)**” rather than in English. The new Table 1 is being inserted into legislation that was not made bilingually in English and Welsh, therefore those words should be noted in the English language in both the English and Welsh versions of these Regulations.

## **Merits Scrutiny**

No points are identified for reporting under Standing Order 21.3 in respect of this instrument.

## **Welsh Government response**

A Welsh Government response is required.

## **Committee Consideration**

The Committee considered the instrument at its meeting on 25 November 2025 and reports to the Senedd in line with the reporting points above.



**Government Response: The Official Controls (Import of High-Risk Food and Feed of Non-Animal Origin) (Amendment of Commission Implementing Regulation (EU) 2019/1793) (Wales) Regulations 2025**

**Technical Scrutiny point 1:** In the entry for “Uzbekistan”, in the second column, after “Dried apricots”, the English version should contain only “(*Food*)” as per the Welsh version. “(*Food*)” should appear in the English version immediately after “Apricots, otherwise prepared or preserved” in the entry for “Uzbekistan” as per the Welsh version.

The Government acknowledges the error, however, considers that it is a minor one and enquiries are being made with the SI Registrar as to the use of a correction slip to correct the error. If we cannot correct the error via this method, it will be considered for further amendment as part of the ongoing duty to review the lists set out in Annexes 1 and 2 on a regular basis, not exceeding a period of 6 months.

**Technical Scrutiny points 2 and 3:** The Government acknowledges the reporting points, however, considers that the errors are minor and do not cause any confusion as to the scope of the relevant entries in Annexes 1 and 2 to Commission Implementing Regulation (EU) 2019/1793.

Enquiries are being made with the SI Registrar as to the use of a correction slip to correct these errors. If we cannot correct the errors via this method, they will also be considered for further amendment as part of the ongoing duty to review the lists set out in Annexes 1 and 2 on a regular basis, not exceeding a period of 6 months.

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**WRITTEN STATEMENT  
BY  
THE WELSH GOVERNMENT**

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**TITLE**            **The Control of Mercury (Amendment) Regulations 2025**

**DATE**            **04 December 2025**

**BY**                **Huw Irranca-Davies MS, Deputy First Minister and Cabinet  
Secretary for Climate Change and Rural Affairs**

Members of the Senedd will wish to be aware I have given consent to the UK Government's Defra Secretary of State exercising a subordinate legislation-making power in a devolved area in relation to Wales.

In accordance with Article 21(8) of Regulation (EU) 2017/852 on mercury ("the Mercury Regulation"), consent was sought from Baroness Hayman of Ullock to make a Statutory Instrument titled *The Control of Mercury (Amendment) Regulations 2025* ("the 2025 Regulations") in relation to Wales.

The 2025 Regulations amend the Mercury Regulation, which applies to England, Wales, and Scotland. They update Part A of Annex II to align UK law with recent decisions adopted under the Minamata Convention on Mercury (COP-4 and COP-5), thereby reflecting the UK's international commitments.

The 2025 Regulations introduce new entries and phase-out dates for specific mercury-containing products. These include very high accuracy capacitance and loss measurement bridges, as well as high frequency radio switches and relays used in monitoring and control instruments, with a maximum mercury content of 20 mg per item, except for those used in research and development.

The 2025 Regulations also address compact fluorescent lamps (CFLs) for general lighting purposes, specifying various wattage categories and deadlines for prohibition. Additionally, linear fluorescent lamps (LFLs) and non-linear fluorescent lamps (NFLs) are covered, with particular phosphor types and phase-out deadlines. Further provisions apply to cold cathode fluorescent lamps (CCFLs) and external electrode fluorescent lamps (EEFLs) for electronic displays not previously regulated. The 2025 Regulations extend to strain gauges for use in plethysmographs, melt pressure transducers, transmitters, and sensors (with

exceptions for high precision measurement), as well as mercury vacuum pumps, tyre balancers and wheel weights, photographic film and paper, and propellant for satellites and spacecraft.

Each product category is assigned a specific date by which its use is prohibited, mostly between 2025 and 2027.

While the Welsh Government's general principle is that subordinate legislation in devolved areas should be made by the Welsh Ministers where there is executive competence, in this case it is considered appropriate for the 2025 Regulations to be made by the Secretary of State. I consider it appropriate for the substance of the UK Government amendments to apply to Wales, as timely implementation will ensure compliance with our international obligations under the Minamata Convention on Mercury. Legislating separately for Wales would not be the most effective way to give effect to the necessary changes.

The 2025 Regulations were made on 2 December by the Secretary of State in exercise of powers conferred by Article 21(8) of the Mercury Regulations and come into force on 23 December 2025.

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

Mike Hedges MS Chair,  
Legislation, Justice and Constitution Committee

[SeneddLJC@senedd.wales](mailto:SeneddLJC@senedd.wales)

4 December 2025

Dear Mike,

### **The Control of Mercury (Amendment) Regulations 2025**

I refer to my letter to you of 3 November 2025 regarding The Control of Mercury (Amendment) Regulations 2025 (“the 2025 Regulations”) in which I notified the Committee of my intention to give consent to the Secretary of State for Environment, Food and Rural Affairs for the 2025 Regulations to apply to Wales. Please note, I have now provided this consent and I have also laid a Written Statement which can be found at <https://laiddocuments.senedd.wales/ws-ld17608-en.pdf>

The 2025 Regulations, intersecting with devolved policy, will apply to Wales, England and Scotland. The 2025 Regulations, subject to the negative procedure, were laid and made on 2 December 2025 and will come into force on 23 December 2025.

Yours sincerely,

**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

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1SN

[Gohebiaeth.Huw.Irranca-Davies@llyw.cymru](mailto:Gohebiaeth.Huw.Irranca-Davies@llyw.cymru)  
[Correspondence.Huw.Irranca-Davies@gov.wales](mailto:Correspondence.Huw.Irranca-Davies@gov.wales)

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## WRITTEN STATEMENT BY THE WELSH GOVERNMENT

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<b>TITLE</b>	<b>Inter-Ministerial Group for Environment, Food and Rural Affairs meeting, 24 November 2025.</b>
<b>DATE</b>	<b>5 December 2025</b>
<b>BY</b>	<b>Huw Irranca-Davies MS, Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs</b>

In accordance with the inter-institutional relations agreement, I can report to Members I chaired the latest meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs on 24 November 2025.

The meeting was attended by Jim Fairlie MSP, Minister for Agriculture and Connectivity of the Scottish Government; Gillian Martin MSP, Cabinet Secretary for Climate Action and Energy also for the Scottish Government; Andrew Muir MLA, Minister of Agriculture, Environment and Rural Affairs attended for the Northern Ireland Executive; Emma Reynolds MP, Secretary of State for Environment Food and Rural Affairs; and Baroness Sue Hayman, Parliamentary Under-Secretary of State at the Department for Environment, Food and Rural Affairs.

We held a water quality deep dive which was focused on nutrient management practices and behavioural change.

We discussed the EU-UK Common Understanding agreement, with emphasis that devolved governments are consistently and meaningfully engaged throughout the negotiations. Members also noted the importance of maintaining current levels of border and biosecurity arrangements whilst the SPS Agreement is negotiated and implemented.

The meeting discussed the Fisheries and Coastal Growth Fund and UK Government committed to providing a written explanation about how the methodology of how funding has been shared.

We discussed funding in the EFRA sector and the Autumn Statement. Devolved ministers made the case that the Autumn Statement should support small and medium farms.

The final substantive item was on the resilience of the CO2 supply chain and devolved ministers requested governments work together and collaborate to address the concerns of industry.

A communique regarding this meeting will be published on the UK Government website at <https://www.gov.uk/government/publications/inter-ministerial-group-for-environment-food-and-rural-affairs-communications>

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

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

5 December 2025

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 24 November 2025.

I chaired the meeting which was attended by attended by Jim Fairlie MSP, Minister for Agriculture and Connectivity of the Scottish Government, and Gillian Martin MSP, Cabinet Secretary for Climate Action and Energy also for the Scottish Government. Andrew Muir MLA, Minister of Agriculture, Environment and Rural Affairs attended for the Northern Ireland Executive. The UK Government was represented by Emma Reynolds MP, Secretary of State for Environment Food and Rural Affairs, and Baroness Sue Hayman, Parliamentary Under-Secretary of State at the Department for Environment, Food and Rural Affairs.

I have issued a Written Ministerial Statement summarising the discussions.

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

Yours sincerely,

**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

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1SN

[Gohebiaeth.Huw.Irranca-Davies@llyw.cymru](mailto:Gohebiaeth.Huw.Irranca-Davies@llyw.cymru)  
[Correspondence.Huw.Irranca-Davies@gov.wales](mailto:Correspondence.Huw.Irranca-Davies@gov.wales)

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.

**Back Page 58**  
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.

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

Ein cyf/Our ref: HID-PO-628-25

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

4 December 2025

Dear Mike,

I am writing to inform you that the UK Emissions Trading Scheme (UK ETS) Authority (comprising of the Welsh Government, the UK Government, the Scottish Government, and the Northern Ireland Executive) has today published two responses to UK ETS consultations.

The first is an Authority Response to the consultation on extending the UK ETS cap beyond 2030<sup>1</sup>. Since the launch of the UK ETS in 2021, the Authority has worked to develop and expand the Scheme in line with net zero commitments across the UK. The Authority intends for the ETS to be a cornerstone of the UK-wide approach to decarbonisation over the coming decades. This response confirms the Authority's decision to extend the UK ETS, continuing to drive decarbonisation beyond 2030 while supporting industries in the transition to net zero by 2050.

The Greenhouse Gas Emissions Trading Scheme Order 2020 currently provides for the UK ETS to operate until the end of the current trading period on 31 December 2030 (UK ETS Phase I). To ensure that the UK ETS continues to operate after 2030, the Scheme will be extended into a UK ETS Phase II to begin on 1 of January 2031. UK ETS Phase II will run for 10 years from 1 January 2031 to 31 December 2040. This will ensure that market signals remain consistent with long-term decarbonisation goals, enabling strategic planning and long-term decarbonisation investment.

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<sup>1</sup> [Extending the UK Emissions Trading Scheme cap beyond 2030 - GOV.UK](#)

The Authority has also decided to allow banking of allowances<sup>2</sup> between Phases I and II of the UK ETS. Allowing interphase banking between UK ETS Phases I and II will extend the Scheme's existing flexibility provisions and give participants greater opportunity to take advantage of longer-term abatement options.

The Authority, including officials across the Welsh Government, engaged extensively with affected stakeholders including the Climate Change Committee (CCC), who supported the extension of the scheme and interphase banking.

This Authority Response relates to the extension of the scheme beyond 2030. It does not propose a specific trajectory for the UK ETS Phase II. Before legislating to extend the Scheme, the Authority will consult on the specifics of a detailed Phase II cap profile. We will seek to consult again on a specific trajectory for the Phase II cap as soon as possible. The consultation process will outline the analytical basis for the range of trajectories we are considering, and the emerging impacts of those trajectories. It will also consult on potential review points, to ensure the design and operation of the Scheme achieves our ambitious climate targets while supporting businesses to decarbonise. The Phase II cap will be set sufficiently ahead of the beginning of Phase II on 1 January 2031 to provide the required certainty for participants.

The second publication is an Authority Response to the UK ETS: Future Markets Policy consultation<sup>3</sup>, which reviewed markets policy to ensure the UK ETS remains fit for purpose and is effective in managing the risks faced by an established and maturing scheme. The response considers interactions with the announcement on 19 May 2025 that the UK and EU will work towards establishing a link between the UK ETS and the EU ETS. It confirms that changes to markets policy will only apply in the context of a domestic standalone scheme. Markets policy in a linked scheme will be determined through ongoing negotiations between the EU and the UK.

The response sets out the decision to retain and inflation-proof the Auction Reserve Price (ARP). The ARP was introduced in 2021 and currently sets a minimum bid price at auctions of £22. The response confirms that there will be an initial inflation-based increase in 2026 from £22 to £28 with a yearly increase based on inflation from 2027. This rectifies the decrease in real terms of the ARP since it was introduced and ensures it continues to provide market participants with a long-term minimum price signal.

Other existing markets policies will be maintained as further changes would require complex technical reforms which may be impacted by linking negotiations. The response reflects the policy decisions the Authority considers proportionate to support an effective standalone market while negotiations to link the EU and UK ETSs are ongoing.

The Authority, including officials across the Welsh Government, engaged extensively with affected stakeholders including the Climate Change Committee (CCC), who supported the changes to the ARP.

These rule changes will require changes to The Greenhouse Gas Emissions Trading Scheme Auctioning Regulations 2021 ("the Auctioning Regulations"), which the UK Government will take forward in The Greenhouse Gas Emissions Trading Scheme Auctioning (Amendment) Regulations 2026 by way of an enabling power within the Finance Act 2020. The Auctioning Regulations are part of the UK ETS framework and set out the auction design, including the auction clearing price.

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<sup>2</sup> Banking means purchasing an allowance in a given year for surrender in subsequent years. This ensures that emissions abatement can happen at least cost, by supporting participants to meet their purchase and surrender obligations under the Scheme as flexibly as possible, while decarbonising their operations when it is cheapest to do so.

<sup>3</sup> [UK Emissions Trading Scheme: future markets policy GOV.UK](#)

In accordance with the UK ETS Common Framework, the Welsh Government's stance on the UK ETS is that the financial elements are simply the mechanism by which the ultimate goal of the system – environmental protection via incentivising decarbonisation – is achieved. As the amendment to lower the auctioning allowances is being made to the Auctioning Regulations, and not primary legislation, a Legislative Consent Motion is not relevant. The amendment is being made by an SI to subordinate legislation. As the SI does not amend primary legislation within the legislative competence of the Senedd, an SI Consent Memorandum is not required under Standing Order 30A of the Senedd Standing Orders. However, I can assure you that my officials and our Legal Services will be involved in reviewing the drafting of The Greenhouse Gas Emissions Trading Scheme Auctioning (Amendment) Regulations 2026 and I will write to you again when the SI is laid, which is currently aimed for March 2026.

Overall, I believe that the UK ETS remains a highly influential policy lever in achieving net zero in Wales and provides a crucial platform for encouraging businesses to invest in and adopt decarbonisation technologies. These publications are part of ongoing developments to refine the scheme, allowing us to create more robust mechanisms that will incentivise innovation, drive emission reductions, and secure a resilient, sustainable future for Wales.

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

Yours sincerely,



**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

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: HID-PO-629-25

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

4 December 2025

Dear Llyr,

I am writing to inform you that the UK Emissions Trading Scheme (UK ETS) Authority (comprising of the Welsh Government, the UK Government, the Scottish Government, and the Northern Ireland Executive) has today published two responses to UK ETS consultations.

The first is an Authority Response to the consultation on extending the UK ETS cap beyond 2030<sup>1</sup>. Since the launch of the UK ETS in 2021, the Authority has worked to develop and expand the Scheme in line with net zero commitments across the UK. The Authority intends for the ETS to be a cornerstone of the UK-wide approach to decarbonisation over the coming decades. This response confirms the Authority's decision to extend the UK ETS, continuing to drive decarbonisation beyond 2030 while supporting industries in the transition to net zero by 2050.

The Greenhouse Gas Emissions Trading Scheme Order 2020 currently provides for the UK ETS to operate until the end of the current trading period on 31 December 2030 (UK ETS Phase I). To ensure that the UK ETS continues to operate after 2030, the Scheme will be extended into a UK ETS Phase II to begin on 1 of January 2031. UK ETS Phase II will run for 10 years from 1 January 2031 to 31 December 2040. This will ensure that market signals remain consistent with long-term decarbonisation goals, enabling strategic planning and long-term decarbonisation investment.

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<sup>1</sup> [Extending the UK Emissions Trading Scheme cap beyond 2030 - GOV.UK](#)

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

Bae Caerdydd • Cardiff Bay  
Caerdydd • Cardiff  
CF99 1SN

[Gohebiaeth.Huw.Irranca-Davies@llyw.cymru](mailto:Gohebiaeth.Huw.Irranca-Davies@llyw.cymru)  
[Correspondence.Huw.Irranca-Davies@gov.wales](mailto:Correspondence.Huw.Irranca-Davies@gov.wales)

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.

The Authority has also decided to allow banking of allowances<sup>2</sup> between Phases I and II of the UK ETS. Allowing interphase banking between UK ETS Phases I and II will extend the Scheme's existing flexibility provisions and give participants greater opportunity to take advantage of longer-term abatement options.

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I am also copying this letter to the Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely,



**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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