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Agenda - Climate Change, Environment, and Infrastructure Committee

Meeting Venue: For further information contact:

Hybrid: Committee room 4 Tŷ Hywel Marc Wyn Jones

and video Conference via Zoom Committee Clerk

Meeting date: 22 September 2022 0300 200 6565

Meeting time: 09.15 <u>SeneddClimate@senedd.wales</u>

Private pre-meeting (09.15-09.40)

Public meeting

1 Introductions, apologies, substitutions, and declarations of interest

(09.40)

2 Draft Environmental Protection (Single-use Plastic) Bill – evidence session 1

(09.40–10.40) (Pages 1 – 58)

Jemma Bere, Policy & Research Manager - Keep Wales Tidy Liz Smith, Advocacy & Policy Officer - Wales Environment Link

The Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

Attached Documents:

Research brief

Bill Summary

Paper - Wales Environment Link

Paper - Keep Wales Tidy



Break (10.40-10.50)

3 Draft Environmental Protection (Single-use Plastic) Bill – evidence session 2

(10.50–11.50) (Pages 59 – 66)

Brett John, Deputy Head of Policy (Wales) - Federation of Small Businesses

David Chapman, Executive Director for Wales - UK Hospitality Wales

Attached Documents:

Paper - Federation of Small Businesses

Paper - UK Hospitality Wales

Break (11.50-12.00)

4 Draft Environmental Protection (Single-use Plastic) Bill – evidence session 3

(12.00–13.00) (Pages 67 – 71)

Dr Richard Caddell - Reader in Law, School of Law and Politics - Wales Governance Centre, Cardiff University

Will Henson, Policy & External Affairs Manager - Institute of Welsh Affairs (IWA)

Megan Thomas, Policy and Research Officer - Disability Wales

Attached Documents:

Paper - Dr Richard Cadell

Paper - Institute of Welsh Affairs (IWA)

Lunch break (13.00-13.25)

Private pre-meeting (13.25-13.30)

5 Draft Environmental Protection (Single-use Plastic) Bill – evidence session 4

(13.30–14.15) (Pages 72 – 75)

Ben Maizey, Chair of Chartered Institution of Wastes Management (CIWM)
Wales

Attached Documents:

Paper - Chartered Institution of Wastes Management (CIWM)

6 Papers to note

(14.15)

6.1 Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

(Pages 76 - 79)

Attached Documents:

Letter from the Chair to Y Llywydd and Chair of the Business Committee in relation to the Single Use Plastics Bill

Response from Y Llywydd and Chair of the Business Committee to the Chair's letter of 11 July 2022 in relation to the Single Use Plastics Bill

6.2 Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

(Pages 80 - 81)

Attached Documents:

Letter from the Chair to the Minister for Climate Change in relation to the scrutiny and proposed timetable for the Single Use Plastics Bill

6.3 Legislative Consent Memorandum (LCM) for the UK Infrastructure Bank Bill

(Pages 82 - 83)

Attached Documents:

Letter from the Chair of the Legislation, Justice and Constitution Committee to the Minister for Finance and Local Government in relation to the Legislative Consent Memorandum (LCM) for the UK Infrastructure Bank Bill

6.4 Legislative Consent Memorandum (LCM) for the UK Infrastructure Bank Bill

(Pages 84 - 92)

Attached Documents:

Response from the Minister for Finance and Local Government to the Chair's letter of 30 June 2022 in relation to the Legislative Consent Memorandum (LCM) for the UK Infrastructure Bank Bill

Letter from the Chair to the Chief Executive Officer of the UK Infrastructure
Bank in relation to the UK Infrastructure Bank Bill

Response from the Chief Executive Officer of the UK Infrastructure Bank to the Chair's letter of 29 July 2022 in relation to the UK Infrastructure Bank Bill

6.5 Scrutiny of the Minister and Deputy Minister for Climate Change

(Pages 93 - 99)

Attached Documents:

Response from the Minister for Climate Change to the Chair's letter of 28 June 2022, following the 15 June Ministerial scrutiny session

6.6 Renewable energy in Wales

(Pages 100 - 113)

Attached Documents:

Welsh Government response to the Committee's report: Renewable energy in Wales

6.7 Environmental governance Bill

(Page 114)

Attached Documents:

Response from the First Minister of Wales to the Chair's letter of 1 July 2022 in relation to an environmental governance Bill

6.8 Inter-Ministerial Group for Environment, Food and Rural Affairs

(Pages 115 – 117)

Attached Documents:

Letter from the Minister for Rural Affairs and North Wales, and Trefnydd to the Chair of the Legislation, Justice and Constitution Committee in relation to the Inter-Ministerial Group for Environment, Food and Rural Affairs meeting held on 20 July 2022.

6.9 Decarbonisation of housing - Welsh Quality Housing Standard

(Pages 118 – 119)

Attached Documents:

Letter to the Chair from Community Housing Cymru, Chartered Institute of Housing Cymru, and Housing Leadership Cymru in relation to the Welsh Quality Housing Standard - WHQS2023

6.10 Avian influenza

(Page 120)

Attached Documents:

Letter from the Chair to the Minister for Climate Change in relation to avian influenza

6.11 House of Lords European Affairs Committee inquiry into the UK's future relationship with the EU

(Page 121)

Attached Documents:

Letter from Lord Kinnoull to the Chair in relation to the House of Lords
European Affairs Committee inquiry into the UK's future relationship with the
EU.

7 Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from the remainder of today's meeting (14.15)

Private meeting (14.15 - 14.45)

8 Draft Environmental Protection (Single-use Plastic) Bill - consideration of evidence heard under items 2, 3, 4, and 5

9	Consideration of the Committee's draft report on operation of the
	interim environmental protection measures

(Pages 122 - 133)

Attached Documents:

Draft report

10 Consideration of the Committee's draft report on the future of bus and rail in Wales

(Pages 134 – 180)

Attached Documents:

Draft report

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

Agenda Item 2

Document is Restricted

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

Document is Restricted



Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP_21

Ymateb gan Cyswyllt Amgylchedd Cymru / Evidence from Wales Environment Link

Climate Change, Environment, & Infrastructure Committee Inquiry:

Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

Deadline: Monday 5th September

Whether a Bill is needed to introduce a ban on commonly littered singleuse plastic items

We believe that a bill to ban commonly littered single-use plastic (SUP) items in Wales is needed. Legislation has been passed in Scotland and England to ban some commonly littered single-use plastic items with said ban having come into force in Scotland in June 2022. Wales has stood still during this time where a bill of this nature would have been a logical and timely first step in achieving the 2050 aims of our 'Beyond Recycling' strategy.

The environmental impacts of the unrestricted sale and supply of SUP items is reflected in data gathered by Marine Conservation Society (MCS) from beach cleans across Wales' coastline. Despite increasing public awareness of the impacts of SUP items, the proportion of plastic and polystyrene waste collected that the items proposed to be banned comprise remains stubbornly high:

Table 1. Annual averages and sums of all SUP items included in the bill and recorded during MCS beach cleans by year.

. У	'ear	Average / 100m	Total of bill items	Total of all Plastic/ Polystyrene Items	Percent of Total Plastic/Polystyrene Total (%)
20	15	13.3	5985	28863	21%
20	16	10.2	3679	23051	20%
20	17	53.6	22204	56542	39%
20	18	13.0	7191	33358	22%
20	19	6.4	2172	17586	12%
20	20	4.6	1227	8386	15%
20	21	5.8	2771	21425	13%

Likewise, data from Keep Wales Tidy shows that many of the commonly littered items found on our streets, beaches, parks and rivers are partially if not wholly composed of plastic.

Whilst a ban on products is not a sophisticated policy instrument, it is clear that voluntary measures, 'nudges' and behaviour change by retailers and consumers will not fully address the problem. Further legislative measure, including this bill are an essential step on the journey to Wales achieving it's aim of becoming a zero-waste nation by 2050.

Furthermore, all of these items found on our streets are 'unnecessary' plastics for which widely available, less harmful and reusable alternatives exist and thus are appropriate to being governed by market restrictions. There are further items not considered by this iteration of the bill that also meet these criteria: we would urge that mechanisms are put in place to review the bill periodically and add both existing and emerging items if they meet the following:

- Unnecessary items or for which many affordable and sustainable alternatives exist;
- Items which are problematic for the environment;
- Items which are prevalent in the environment;
- Items which are unable to be recycled or are hard to recycle; or
- The impact of a ban on these items would not unfairly impact any protected groups.

The advantages and disadvantages of using a Bill rather than secondary legislation to introduce a ban

Introducing a ban via primary legislation is commensurate with the Welsh

Government's aim to 'align Government levers' to achieve the ambitions of the 'Beyond Recycling' strategy. Primary legislation goes some way to achieving the headline commitment of phasing out current unnecessary single-use items and creates a framework for adding further items. It is therefore essential that the bill is a sufficiently flexible enabling Act to allow periodic review of the list of banned items, followed by swift enacting of subordinate legislation to ensure ministers can react to emerging trends and threats.

Whether the provisions of the draft Bill will deliver the policy intention

The Minister sets out the intentions of the bill to be "the first step in a programme of measures aimed at tackling plastic pollution and delivering our Programme for

Government commitment to abolish commonly littered single-use plastic products." We welcome this as a first step but believe that amendments are needed to strengthen the bill to make it as bold a first step as possible:

• We are concerned that, unlike the recent act passed by Scotland, Wales only bans the supply rather than manufacture of listed items. We think that it is important that the legislation prevents the export of known pollutants to other countries.

• We are concerned that the current definition of 'single use' could allow for the supply of 'multi-pack' or 'family size' products that comprise multiple individually packaged items as part of a single product. It is particularly important to ensure that this definition is clear, without loopholes, as we would like to see the same definition used in any future legislation applied to reducing the amount of single use plastic and its impact on the environment. • We ask that the definition of single-use be amended to include the word 'conceived' in reflection of the EU definition of single-use plastic product¹. For instance, a plastic fork would be conceived by its user to be a single use item, but it is not clear if the legislation would permit such cutlery if the packet was relabelled with the instructions to the consumer to wash and reuse. However, the consumer would perceive on viewing the item that this is a single use product.

One item that we are disappointed to see has included at this stage is plastic wet wipes, although we are pleased to note that Section 4 acknowledges that these and other materials may need to be added to the list of banned items in future. In their response to the CCERA Committee's inquiry on microplastics, Dwr Cymru highlighted that wipes are the cause of the majority of sewer blockages and they have led initiatives to educate on this through their 'Let's Stop the Block' campaign. Citizen

education is helpful but, ultimately, this area needs regulatory intervention. There is currently nothing to stop companies putting 'flushable' on wipes which cause severe damage to our water systems and with no standard definition of 'biodegradable', this causes confusion to the public who will assume they've chosen an environmentally friendly alternative. Water UK can test and pass products which meet a genuinely flushable standard to use the 'Fine to Flush' labelling. 'Fine to Flush' wipes are a viable alternative to plastic-containing wipes.

Although all kinds of people use wet wipes, new parents are the key demographic here and they may not be able to afford reusable alternatives or may not be aware of their availability or how to use them. Unfortunately, reusable items usually have a higher upfront price (even though savings are made over the long-term) which poorer families cannot afford. This needs to be tackled to ensure reusable items are available to all Welsh citizens, not just those that can afford it.

We also note that trends in single-use plastic changes quickly, with recent years seeing higher rates of 'on the go' food and drink packing, face masks during the Covid pandemic, and single-use vapes, which contain batteries in addition to plastic, making them a source of chemical pollutants. Because trends in littered items change so quickly, it is important that the Bill contains clear principles for items that meet the criteria for a ban. We also support the need for the legislation to be flexible enough that it can be reviewed and amended regularly to include new items as evidence emerges.

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¹ EU definition: 'single-use plastic product' means a product that is made wholly or partly from plastic and that is not conceived, designed or placed on the market to accomplish, within its life span, multiple trips or rotations by being returned to a producer for refill or reused for the same purpose for which it was conceived;

Whether the powers in the draft Bill for Welsh Ministers to make subordinate legislation are appropriate;

The powers in the draft Bill for Welsh Ministers appear sensible to the lay person, as they appear to allow flexibility for materials to be added or removed to the legislation as evidence emerges, which we believe is necessary. WEL has not taken a legal opinion on these powers, however, so please take these comments as lay interpretation.

One thing we have noted is that there is no deadline included by which the ban will definitely be enacted, as most sections of the legislation are "to come into force on a day appointed by the Welsh Ministers in an order made by statutory instrument." We do not know the reasons for this and would feel more confident if the statutory instrument's introduction had a deadline attached.

Whether there are any unintended consequences arising from the draft Bill:

We would caution that, without the required infrastructure and regulatory clarity, many alternatives are still single use. The Plastic Recycling Charity RECOUP have recently warned against 'material switching' and the validity of some of the industry's sustainability claims. Whilst this is a concern, it is not a rationale for inaction or delay. Rather, an indication of the need for further regulation and clarity which supports our efforts to become a Circular Economy nation.

The need for a definition of 'biodegradable' and 'compostable' materials has been mentioned by the UK Extended Producer Responsibility regulations recently introduced but has so far not been forthcoming. Biodegradable materials currently have no legal definition and commonly do not degrade under naturally occurring conditions. In addition, there is some evidence that these items may be more prone to being discarded as litter (in Keep Wales Tidy's 2021-22 LEAMS surveys, the biodegradable alternatives for drinks stirrers, straws and cotton buds were found on a higher percentage of Wales' streets than the non-biodegradable alternatives) and as they are still potentially harmful and local councils do not have waste infrastructure to reuse these materials, this is an issue which needs urgent regulation.

The financial implications of the draft Bill (including for businesses and consumers).

We note that businesses have warned that the costs 'may be passed on the consumer'. This Bill has come about as a result of the SUP Directive and related EU Plastics Strategy. In this document, market restrictions (eg; bans) are undoubtedly a form of Extended Producer Responsibility and therefore should be borne by the Producer. This is in alignment with the 'Polluter Pays' principle which underpins national and international regulations on reducing and mitigating polluting materials and practices.

This principle should be made more explicit in this legislation and all further environmental legislation in Wales to ensure that polluting practices are borne by the polluter, not the consumer. We need to consider the environmental costs of attempting to remove this litter from our pipes, rivers and seas. These costs are being passed on to the public as statutory bodies need to deal with clean up and absorb those costs through public funds or water bills.

Much of our litter is picked up by volunteers – organised by NGOs like Keep Wales Tidy and Marine Conservation Society – or by council workers. Water companies have reported significant problems in sewerage systems from plastic wet wipes, which cause blockages and get into our rivers. Energy and time that could be put towards other improvements in our environment is instead spent on cleaning up. Businesses have been benefitting from the good nature of volunteers and not paying the real environmental price of their products. The more sustainable manufacturers are encouraged to be, the more sustainable alternatives will be available and the cheaper these options will become.

We would also like to see some thought given to how reusable products could be made more affordable; perhaps the Welsh Government could provide a way of making them available on an interest-free loan basis, where reusable products are paid in monthly instalments over a year so it doesn't have the unaffordable upfront price that makes it inaccessible to poorer families. We would like to see this explored for reusable menstrual products, such as absorbent underwear, period cups and reusable, washable sanitary towels, and reusable nappies, as well as wipes, so that future amendments to this legislation could go further.

The above list is not exhaustive. Please feel free to include views on any other matters you consider relevant to the Committee's work on the draft

Bill.

WEL is also calling for the 'polluter pays' principle to be embedded in future legislation, as we will lose this from our frameworks when the EU Transition Period ends at the end of 2020. The polluter needs to bear the costs of pollution and not the consumer; this principle being included in future Environmental Governance & Principles legislation should ensure that businesses don't pass even further costs on to citizens.

Wales Environment Link (WEL) is a network of environmental, countryside and heritage Non-Governmental Organisations in Wales. WEL is a respected intermediary body connecting the government and the environmental NGO sector. Our vision is a thriving Welsh environment for future generations.

This paper represents the consensus view of a group of WEL members working in this specialist area. Members may also produce information individually in order to raise more detailed issues that are important to their particular organisation.























































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Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP_23

Ymateb gan Cadwch Gymru'n Daclus / Evidence from Keep Wales Tidy

Keep Wales Tidy submission of evidence to the Climate Change, Environment, and Infrastructure Committee on the Single Use Plastics (Wales) Bill (2022)



In regard to the need for a Singe Use Plastics Bill;

Keep Wales Tidy believes that there is a plastic pandemic which is wreaking havoc on our oceans¹, wildlife,^{2,3} and our soils.⁴ Studies are increasingly finding microplastics in the food we eat⁵ and the air we breathe⁶ and are beginning to uncover the impacts that this is also having on human health.⁷

Many of the commonly littered items found on our streets, beaches, parks and rivers are partially if not wholly composed of plastic. Many of these are 'unnecessary' plastics for which many other widely available and less harmful alternatives exist.

We recognise that banning products may not the most favourable or sophisticated policy instrument, however, Keep Wales Tidy believe that the items covered in the Single Use Plastics Bill easily fit the criteria for which we would support complete market restrictions. We would suggest that items should be considered for market restrictions if they meet the following:

- Unnecessary items or for which many affordable and sustainable alternatives exist
- Items which are problematic for the environment
- Items which are prevalent in the environment (or may become prevalent in future)
- Items which are unable to be recycled or are hard to recycle
- The impact of a ban on these items would not unfairly impact any protected groups or lower SES groups

The Welsh Government first sought the views on a Single Use Plastics ban in 2020. At the time, Keep Wales Tidy, along with many other organisations urged the need for Welsh Government to take action and to do so with some urgency. Not only do we desperately need the Single Use Plastic Bill, we would also argue that new plastic items have already begun to emerge for which action is desperately needed. Welsh Government risks seriously falling behind on implementing effective legislation that can keep up with consumer and industry trends and behaviours which are already having an impact on the ground.

For example, whilst data shows that litter has generally decreased on our streets over the past decade, the nature of litter has changed and the proportion of food and drink 'on the go' items has

vastly increased due to changing consumer trends and new items on the market. More recently, the Covid-19 pandemic saw a sudden and significant prevalence of PPE litter such as face masks, both on land and in our oceans. There also appears to be an emerging litter trend in single-use vapes which are not only made of plastic but also contain batteries with a variety of harmful chemicals and even pose a fire risk.

We would therefore urge the Committee to examine whether the Bill has the capacity to respond to these changes and whether there is the possibility for the Bill to be reviewed periodically in order to ensure that Ministers can react in good time to new and emerging threats.

Similarly, we also note that there is no deadline or timetable for the implementation for the ban and would urge commitment to a specific date in order to ensure that there is no further delays.

The restriction on single use plastics should have been one of the first steps in our preventionfocused journey towards 'Beyond Recycling' yet this has taken two years to reach fruition as well as the National Litter & Fly-tipping Prevention Plan which could provide the local and national level indicators* to actually measure progress against our own ambitions as well as our international commitments.[†]

In regard to inclusions and exemptions:

The policy intention, in as far as we understand it, is 'to ban or restrict the sale of some of the most commonly littered single-use plastics in Wales'. In as far as the ambition for restrictions go, we believe the mechanism is adequate although it would be pertinent to point out that many of these items are increasingly less in terms of litter prevalence as businesses voluntarily moving away from plastics and exploring other options of potentially unregulated materials⁸ which may not be subject to EPR payments, demonstrating how quickly waste and consumer and business trends change and underlining the point above around the powers to react to changes in a timely manner.

In order to lay down the 'spirit' of the Act (as we understand the Welsh Government intent) and to close the potential loopholes, we would suggest the following amendments to strengthen the Bill:

- Unlike the recent act passed by Scotland, Wales only bans the supply rather than
 manufacture of listed items. We think that it is important that as a 'globally responsible'
 nation, the legislation should prevent the manufacture and export of known pollutants to
 other countries.
- The current definition of 'single use' could allow for the supply of 'multi-pack' or 'family size' products that comprise multiple individually packaged items as part of a single product. It is particularly important to ensure that this definition is clear, without loopholes.
- The definition of single-use should be amended to include the word 'conceived' in reflection of the EU definition of single-use plastic product[†].

It is also worth noting that the exemptions should be enforced / allowed only if they can demonstrate the overall principle of reduction in the spirit of the legislation as exemptions without clarity or purpose will only serve to dilute the policy ambition. As in the previous

consultation response, we reiterate the need for the Welsh Government to adopt stringent and clear guidance for these exemptions and would recommend that these only be applicable to specific settings such as hospitals, registered care homes and registered care agencies.

One of the biggest sources of litter is packaging, much of which is made up of plastic. In the last All

Wales Litter Survey report, packaging was found to be present on 64.2% of our streets. Whilst UK EPR regulations in regard to packaging are pending and the Welsh (and Scottish) Government commitment to litter payments is encouraging, we have also seen the introduction of these regulations delayed across the UK, similarly, with the aligned and long-committed to Deposit Return Scheme. These are mentioned here as plastic packaging (both food packaging and beverage

containers) represent the biggest volume of litter in Wales and beyond and has by far the greatest impact. The SUP Consultation responses demonstrate the confusion and frustration that these items have not been addressed at a national level.

In regard to the potential for unintended consequences;

Ultimately, without the required infrastructure and regulatory clarity, many alternatives are still single use. The Plastic Recycling Charity RECOUP have recently warned against 'material switching' and the validity of some of the industry's sustainability claims. Whilst this is a concern, it is not a rationale for inaction or delay. Rather, an indication of the need for further regulation and clarity which supports our efforts to become a Circular Economy nation.

The need for a definition of 'biodegradable' and 'compostable' materials, which has been mentioned by the UK EPR regulations recently introduced but has so far not been forthcoming. Biodegradable materials currently have no legal definition and commonly do not degrade under naturally occurring conditions. In addition, there is some evidence that these items may be more prone to being discarded as litter (in Keep Wales Tidy's 2021-22 LEAMS surveys, the biodegradable alternatives for drinks stirrers, straws and cotton buds were found on a higher percentage of Wales' streets than the non-biodegradable alternatives§)10 and as they are still potentially harmful and local councils do not have waste infrastructure to reuse these materials, this is an issue which needs urgent regulation.

^{*} Keep Wales Tidy has done extensive work in regard to national indicators for the Plan and are currently working with Keep Scotland Beautiful and the Alan Turing Institute to refine litter data collection and explore technological opportunities.

[†] For example; the Marine Strategic Framework, Global Plastics Pact, UN SD Goals and Net Zero ambitions. [‡] EU definition: 'single-use plastic product' means a product that is made wholly or partly from plastic and that is not conceived, designed or placed on the market to accomplish, within its life span, multiple trips or rotations by being returned to a producer for refill or re-used for the same purpose for which it was conceived; For instance, a plastic fork would be conceived by its user to be a single use item, but it is not clear if the legislation would permit such cutlery if the packet was relabelled with the instructions to the consumer to wash and reuse. However, the consumer would perceive on viewing the item that this is a single use product.

In regard to the financial implications;

We note that businesses have warned that the costs 'may be passed on the consumer'. This consultation has come about as a result of the SUP Directive and related EU Plastics Strategy. In this document, market restrictions (eg; bans) are undoubtedly a form of EPR and therefore should be borne by the Producer. This is in alignment with the 'Polluter Pays' principle which underpins national and international regulations on reducing and mitigating polluting materials and practices.

We would urge that this principle is made more explicit in this legislation and all further environmental legislation in Wales to ensure that polluting practices are borne by the polluter, not the consumer. Currently, the consumer is already bearing costs for the pollution removal through council taxes and / or water bills.

We note other initiatives that are part of plastic reduction efforts such as Extended Producer Responsibility and the consideration of future taxes may also pass costs on to the consumer unless Governments explicitly direct that the costs must be paid by the producer.

Taxpayers already pay the cost of littering in the UK and should not have to bear the costs of Producer pollution in addition. Although small in this instance, the costs for pollution should not fall twice on the taxpayers and effective and long-term change within industry and retail will only occur if they have to bear the costs.

Indirectly, this will also have an impact on how the public view this and future environmental policies from Government and policy needs to ensure that moving towards a more sustainable waste society and circular economy, is not perceived as policy for the privileged.

Furthermore;

We welcome the addition of single use carrier bags to the Bill and believe this is another demonstration of Wales leading the way in this area in the UK. However, as mentioned above, plastics trends are pervasive and can change quickly. Given what we now know about scale and the urgency of the plastics crisis and emerging research findings of its impacts on human health and environmental health, we would urge the committee to consider the process of how quickly they can respond to harmful trends and / or producer loopholes (particularly given the absence of legal definitions for 'alternative' plastics).

[§] Last year's LEAMS survey found biodegradable straws were found on 5.1% of streets, this was 188 biodegradable stirrers total and equivalent to 3133 on all Wales' streets. Plastic straws were found on 3.1% of streets, this was 127 biodegradable stirrers total and equivalent to 2117 on all Wales' streets.

The list of unnecessary plastic that end up disposed of incorrectly or inadequately which could be subject to further restrictions is too long to list. However, we do feel that there are urgent areas of exploration given what we know about their prevalence and their impacts, most notably we would like to see wet wipes and sanitary items earmarked for further action within this Government term.

We would also urge the Committee to consider what the process and data requirements would be for adding items to the Bill in the future and provide clarity as to how this could be supported by, for example, any data collection requirements which could fit into existing surveys currently carried out by eNGO's.

Finally, whilst we hope that the pending EPR regulation will support the shift from plastic packaging in the long term but other policy mechanisms such as the long-promised Deposit Return Scheme for Wales should not be delayed further.

¹ Keep Wales Tidy. (2016). Land-based Sources of Marine Litter. Available: https://keepwalestidy.cymru/carucymru/wp-content/uploads/sites/3/2021/09/Tackling-Land-based-Sources-of-Marine-Litter-min.pdf. Accessed 18th August 2022.

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Wanner, P. (2021). Plastic in agricultural soils – A global risk for groundwater systems and drinking water supplies? – A review. Chemosphere, 264(1). Available: https://doi.org/10.1016/j.chemosphere.2020.128453. Accessed 18th August 2022.

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Circular Online (17th August 2022). 'RECOUP issues warning over "material switching" trend under the guise of plastics reduction' Available: https://www.circularonline.co.uk/news/recoup-issues-warning-over-materialswitching-trend-under-the-guise-of-plastics-reduction/ Accessed 2/9/22 ⁹ Circular Online (17th August 2022). *Ibid*.

¹⁰ Keep Wales Tidy. (2022). *How Clean Are Our Streets? 2021-22 Full Report*. Available: https://keepwalestidy.cymru/caru-cymru/wp-content/uploads/sites/3/2022/03/How-Clean-Are-Our-Streets2021-22.pdf. Accessed 22nd August 2022.

Agenda Item 3

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP_06

Ymateb gan Ffederasiwn Busnesau Bach / Evidence from Federation of Small Businesses

Single Use Plastics Bill

Consultation response: Climate Change, Environment & Infrastructure Committee

September 2022

About FSB

FSB Wales is the authoritative voice of businesses in Wales. It campaigns for a better social, political, and economic environment in which to work and do business. With a strong grassroots structure, a Wales Policy Unit and dedicated Welsh staff to deal with Welsh institutions, media and politicians, FSB Wales makes its members' voices heard at the heart of the decision-making process.

SMEs comprise the vast majority of enterprises in Wales (99.4%) and so policy-making must be rooted in a 'Think Small First' approach. The proposals to ban single use plastics are no exception.

As an organisation, FSB has been clear in its support for the transition towards a low carbon, and environmentally sustainable economy. In general, our approach to environment policy starts from the following principles:

- 1) Small businesses recognise and support the broad, long-term objectives of climate change and environmental sustainability policies.
- 2) Small businesses want to do the right thing and play their part.
- 3) A long-term, strategic approach to environmental policy making is far better than a short-term, reactive approach.
- 4) Policy solutions must be evidence led.
- 5) The impact of policies on small businesses must be understood in granular detail.
- 6) Small businesses should be given adequate time to adapt to new requirements.
- 7) Those small businesses that are particularly impacted, or least able to adapt, should be identified and provided with additional support/time to adapt.

We believe that approaches to environmental policy should follow the above principles. By doing so, we can ensure SMEs are properly brought in to the transition towards a low carbon and sustainable economy, and help to translate our ambitions into practice.

Introduction

Small businesses support ambitions to stamp out the use of harmful single-use plastic items. The majority are proactively upping their recycling efforts, and a significant share are assessing alternatives to plastic wherever possible. Among smaller retailers, close to half are exclusively using packaging that's recyclable, reusable, or compostable.

The success of this flagship policy in achieving its aspiration will be in the implementation, and in being part of a wider strategy that seeks to mitigate impacts and support SMEs – including microbusinesses and the self-employed who have less capacity and capabilities – to deal with the transition, while strengthening support for the Net Zero agenda in Wales. Conversely, an ineffective process that does not engage and align to business needs could undermine credibility. Early intervention is not as important as effective evidence-based intervention.

FSB Wales believes that the most effective incentives for spurring change must be rooted in the positive aspects these proposals enable, such as driving investment in innovation where replacement materials are concerned, recycling infrastructure, and awareness-raising.

Current economic climate

While the aspirations of the proposals are welcomed, it is salient for policy-makers to recognise the scale of the difficulties that businesses across Wales are currently experiencing. Surging operating costs, a high tax burden and struggles to fill vacancies are threatening the futures of tens of thousands of small firms and sole traders across the Wales.

While the consumer prices rate of inflation bursting through 10% is eye-watering, producer input prices are up by more than double that figure and this will filter through, pushing up the cost of living even more. The cost of doing business crisis has worsened to the point that confidence is now lower than during last year's disrupted festive trading season.

This context does not negate the importance of action on the need to transition away from single use plastics, but rather seeks to demonstrate the intensity of the challenges that small business owners – across sectors and geographies – are experiencing. Heightening the burden of doing business therefore – regardless of how well-intentioned – must only be done if SMEs are effectively engaged and supported throughout.

Whether a Bill is needed to introduce a ban on commonly littered singleuse plastic items;

The advantages and disadvantages of using a Bill rather than secondary legislation to introduce a ban;

FSB Wales notes the use of legislation as a vehicle to facilitate the proposals.

To bolster publicity and clarity, a single Bill outlining the clear scope and ramifications makes for a better way for communicating the expectations and new legal situation for SMEs, particularly those smaller businesses with less capacity to be up to date on legal developments.

To ensure the most benefit from a single Bill, it is important that it sits alongside a proactive engagement and support strategy targeting SMEs, in providing clearer communication.

Given that the Bill makes clear provisions and indicates intention for future amendments to include more plastics, is also important that the process by which this happens provides a full impact assessment, mitigation of any risks, and that it is on an evidence-led basis, with full scrutiny and accountability to such changes by the Senedd, Committees, and stakeholders, with a timeline to secure this.

For businesses to play their part properly, it is important that policy is developed on a rational basis that provides time for understanding impact and ensuring we are all moving forward together.

The danger of the Bill is that the discussion for transition becomes merely the 'ban' and regulation, rather than a positive story for opportunities for businesses, and aligned with economic agenda.

As such, the wider aims should be clear from the outset in introducing the Bill. The legislation should also be part of a strategy that:

- recognises the challenges and limits of SMEs and ways to ensure best delivery of the policy, ensuring a clear strategic approach
- balances the need for clarity and the legal complexity, including any cross-border divergences
- provides clarity on legal liability across supply chains, and in cross border trade
- balances the need for SMEs to be given a lead-in time and grace period ahead of strict enforcement
- ensures enforcement is geared towards support to becoming compliant in the first instance, including managing complex supply chain issues
- guards against compliant SMEs being undercut by cheaper costs of illegal trade
- possesses awareness that many affected in micro businesses and self-employment should be viewed in 'hard to reach' in communications and so there is a risk of noncompliance

As such, ensuring a well-publicised Bill should aim at more clarity and more publicity for the changes involved, but this needs to be aligned with all the above aims.

Whether the provisions of the draft Bill will deliver the policy intention

Yes, in terms of addressing the need to limit use of single use plastics.

However, its success will also depend on implementation. Ensuring that appropriate activity around compliance, communication, advice, and support takes place will prove central to achieving the aspiration.

There is a need to ensure the financial mitigation, awareness of the asymmetrical impact of regulation upon smaller firms and self-employed – this is not only in terms of awareness but also in terms of access to scarce resources. As such, there remains some danger that it will succeed in the

ban but not in providing strategy toward supply chain management of alternatives. We note that during times of scarcity of materials during Covid-19 – through, for example, access to laptops, plasterboard and wide range of building materials at different times – the result was that larger companies could buy in bulk to hoard the materials while SMEs struggled to access any.

With a larger demand for non-single-use plastic, it is important to consider the maturity of supply alternative materials and of sources, home and abroad – with emphasis on access to those markets also.

An approach that seeks to shape market opportunities to these proposals – putting in place finance to scale innovation already in place in Wales, as well as developing skills and competitive companies – would help ensure the Bill supports an enabling strategy that is built alongside the formal regulation.

This is where an economic mission 'making markets' approach from Welsh Government and state bodies, skills sector and finance can ensure that the economic vision sits alongside the social and environmental aspects of the policy and not as a separate passive after effect.

Whether there are any potential barriers to the implementation of the draft Bill's provisions (including the United Kingdom Internal Market Act 2020);

Small businesses are keen to play their part in adopting sustainable practices on the journey to net zero, but often don't have the deep pockets and dedicated specialists enjoyed by their larger counterparts. Thus, they can find identifying and taking the necessary steps a challenge.

To prepare for products no longer being available, government must ensure businesses are aware of alternative, affordable products — replacement items must not be significantly more than expensive than those being restricted.

Alternative products must also be widely available for businesses when any new regulations come into force. As demand increases for the more sustainable products, supply must keep pace. There cannot be a period of time where small businesses are unable to get the products that they need for their business to function as normal.

FSB Wales has expressed concerns to the Welsh Government around the interactions between the UK Internal Market Act 2020 and the draft Bill, specifically around the risk for legal challenge and subsequent uncertainty for Welsh businesses. The Welsh Government's position is that they do no accept the UK Internal Market Act has restricted the Senedd's ability to legislate in the manner it purports to do so.

However, the experiences within this policy area in Scotland over recent months may provide some reassurance. The UK Government has affirmed that:

"The UK Internal Market (UKIM) Act 2020 protects the ability for people and business to trade freely with each other across the UK. However, in some circumstances, the need for UK-wide

regulations is balanced with the recognition that these rules should not unreasonably frustrate the policy aims of individual governments. One recent example of this concerns single-use plastics, like straws and cotton buds.

Following a request from the Scottish Government, ministers from the UK Government and the devolved governments, and civil servants operating under the provisional Resources and Waste

Common Framework, considered the case for an exclusion to the UKIM Act that would ensure that single-use plastics that are banned in Scotland cannot be sold

there. Ministers across the four governments, given their shared ambition to tackle plastic pollution across the UK,

agreed that an exclusion in this case would be appropriate, and the legislation to make

this happen is now under development. This demonstrated that the Common Framework will

help to ensure that the Scottish Government's environmental policy aims are not undermined by

UK-wide regulation."

While a consensus has emerged for this policy ambition, some divergence is anticipated among the types of single use plastics that are banned in respective parts of the UK. The logistics of how this could work in practice – including any potential liability in cross-border trade on this basis – remains unclear.

Whether the powers in the draft Bill for Welsh Ministers to make subordinate legislation are appropriate;

The process concerns for introducing new plastics / materials are notable, as Minsters would possess the power:

- '(a) to add a product to, or remove a product from, column 1 of the Table in paragraph 1;
- (b) to add an exemption to, or remove an exemption from, column 2 of the Table in paragraph 1, or to amend an exemption in that column;
- (c) to add a definition to, or remove a definition from, paragraph 2, or to amend a definition in that paragraph.'

While this power may be appropriate and necessary, as this is an area where amendments and amendments are likely to be needed, it is vital that these powers are scrutinised in their use, and that a role for the Senedd and stakeholders are made clear. It is uncertain whether 'take into account their duty (a) to promote sustainable development under section 79(1) of the Government of Wales Act 2006 (c. 32), and (b) to carry out sustainable development under the Wellbeing of Future Generations (Wales) Act 2015' would require a full impact assessment and mitigations in terms of economic impact on SMEs, for example.

Given that the bill makes clear its intention for future amendments to include more plastics, is also important that the process by which this happens provide for full impact assessment, mitigation of any risks, and that it is on an evidence-led basis, with full scrutiny and accountability to such changes

by the Senedd, Committees, and stakeholders, with appropriate timelines to secure and consider this evidence. This may not necessarily be on the face of the Bill, but it is very important that the process of amending the bill or introducing new significant aspects that impact on businesses and the market ensure this be in place.

We have been concerned that the process for introducing new materials is in danger of not providing the time or clarity for consultation, impact assessments and accountability necessary. As such, the role for accountability is vitally important to ensure any Ministerial powers used are scrutinised in full and are done on fully evidenced basis.

It is noticeable in this respect that the draft Bill includes – but 'is not limited to' – adding 'wet wipes,' and removal of exemptions 'including but not limited to exemptions in respect of cups, takeaway food containers and lids for these products that are not made of polystyrene.' Including these specific examples in the Bill presumably is designed to show intention for their inclusion in the eventual Bill or subsequent interventions.

It is important that — with businesses as the sector that will need to understand these regulations and implement them at a time of significant pressure on the cost of doing business — that businesses of all sizes understand what is expected of them, that they know where support is available to navigate through a complex area of divergent regulation, and that the policy development process ensures that the delivery of the legislation is a success. Doing this first should not be at the expense of doing this well.

It is also important in the context of potential for wider divergence through expansion of materials that there is certainty for future in relation to other polities in the UK and certainty in the context of the application of the internal Markets Act in the future.

Whether there are any unintended consequences arising from the draft Bill.

The financial implications of the draft Bill (including for businesses and consumers).

There are possibilities for unintended consequences and for financial implications. As such, the response to these uncertainties should not be policy inertia, but in ensuring a full strategic approach to implementation, communication, and engagement in the way we have outlined, including for SMEs who are generally disproportionately impacted by regulatory change, and to ensure mitigations in place.

Areas for analysis of impact that could benefit from further investigation and mitigation include, but are not limited to:

- Assessment of where scarcity of recyclable materials may have a disproportionate impact on smaller businesses – during the Covid-19 pandemic when materials were scarce, bigger businesses were able to stockpile materials in ways not possible for smaller businesses.
- The impact on additional burden at a time when businesses face significantly increased costs
 from multiple directions. We are also concerned about the potential cost implications of these
 measures for the consumer, especially in the current context of a cost-of-living and inflationary
 crisis.

- The means by which small business with less capacity can identify the correct supply chains.
- Clarity as to whether there will be a grace period and lead-in time, and assurance that
 enforcement should be aimed at supporting towards encouraging compliance, rather than
 punitive.
- Sources of information that the Welsh Government could draw on to assess the progress of the policy once implemented.
- How the Welsh Government legislation aligns with or deviates from the coming UK legislation, and what publicity and support measures will be in place to help businesses with limited capacity to navigate any complexity.

Conclusion

Our research has consistently demonstrated that small businesses are supportive of the Government's aims to create a circular economy and reduce the use of harmful single use items. Many SMEs are proactively upping their recycling efforts, and a big share are assessing alternatives to plastic wherever possible.

At the same time, small businesses across the country are trading in difficult circumstances. Confidence is shaky, costs are rising, margins are being squeezed, cashflow is tight and supply chain disruption and labour shortages persist.

Welsh Government needs to proceed at an appropriately sensitive pace given this difficult landscape, ensuring that at all stages, the needs of smaller businesses are considered with appropriate support alongside a demonstrable evidence-based approach

Furthermore, it is imperative therefore that any regulatory changes during these economically uncertain times, particularly those related to environmental and health outcomes, do not make trading viably even more difficult.



Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

Submission of evidence

Ymateb gan / Evidence from UK Hospitality Wales

Overview of our stance:

- UKHospitality and its members are supportive of the Government's environmental goals and the sector remains committed in continuing to prioritise sustainable practices.
- UKHospitality and its members recognise the adverse impacts that single-use plastics have on the environment and many hospitality businesses are continuing to transition to more sustainable alternatives.
- The Government should consider the scale of the operations required to transition away from single-use plastics and should therefore be prepared to provide support to businesses, where necessary. Whilst businesses are committed to using less plastic, this will require operators to have conversations with suppliers, and in some cases move to new suppliers in order to comply with the legislation and find more sustainable alternatives.

Sector progress to becoming more sustainable:

Given the extensive reach of the hospitality sector across the country, the industry has an important role to play in promoting sustainability, and many hospitality businesses are progressing with their efforts to reduce emissions and meet the Government's environmental goals.

To support businesses, UKHospitality has developed a Sustainability Strategy that highlights the significant role the sector can play in meeting the Government's Climate Change ambitions. This ambition is set out in the UKH Sustainability Commitment, outlining the pledges that will support the sector to becoming a leading sustainable industry with the additional target of becoming carbon net-zero by 2040. Within the Commitment, 10 specific pledges have been set out. This includes the roll out of EV charging points, facilitating engagement across supply chains to reduce environmental impacts, and also collaborating with the leading champions in our sector such as WRAP, to provide businesses with the tools to reduce food waste and plastic consumption for example.

One of the pledges within the Commitment includes our flagship Guide. With the understanding that SMEs in our sector have not been able to dedicate as much resource to the environmental agenda as they may have liked over the last two years, our Guide is aimed at supporting SMEs by setting out simple and cost-effective ways businesses can become more sustainable.

Both of these documents have been developed with support across the industry, and the Guide includes case studies of UKHospitality members across the UK who are leading the way on sustainability initiatives for the rest of the sector.

The final drafts of the Commitment and Guide have both been attached and are set to be launched at the UKH Sustainability Seminar on 13th September 2022.

Agenda Item 4

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP_33

Ymateb gan Richard Caddell / Evidence from Richard Caddell

Climate Change, Environment and Infrastructure Committee, Welsh Parliament

Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill

Dr Richard Caddell
Head of Law
Reader in Marine and Environmental Law
School of Law and Politics
Wales Governance Centre
Cardiff University

Oral Evidence Session: 22 September 2022

In response to the invitation to give oral evidence to the Climate Change, Environment and Infrastructure Committee in respect of the Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill, I would respectfully draw the attention of the Committee to the following issues.

Definitions

- 1. The Bill defines a plastic product as one for which 'all or any of the main structural components are made wholly or partly of plastic'. This is an issue that generated considerable interpretive difficulties for the European Union in the development of Directive 2019/904. The EU eventually clarified that there is not a *de minimis* formulation for an item that is 'partly' made of plastic and the Welsh legislation would benefit from similarly clarifying this position.
- 2. The provision of a list of products defined as prohibited single-use plastic products is very welcome, although some concerns may be raised that this will not deter, reduce or otherwise mitigate the use of other plastic products that are prospectively challenging to the environment.
- 3. The proposed legislation as it currently stands is phrased predominantly in the language of prohibition. There is no evident commitment within the Bill towards awareness raising or broader education as to the desirability of reducing common plastic items more generally.
- 4. Beyond the list of prohibited items, the concept of 'single-use' itself is open to considerable interpretation. A number of plastic products are technically multi-use but

are commonly discarded. During the consideration of the EU's legislation, a number of strange everyday examples became apparent. The plastic wrapping surrounding a loaf of bread could technically be multi-use – the consumer simply fills it with a loaf of bread purchased from a baker. Similarly, a packet of confectionary that comes with a peelable sticker could be filled with more items, but this rarely happens. When a packet of sweets is considered through this definitional lens, the individual wrapping surrounding a mint or boiled sweet is 'single-use' but the packet is 'multi-use' as a consumer could fill it with other sweets. Again, commonly littered items demonstrate that both the single-use and multi-use items are discarded at the same time, undermining the progress that legislation is intended to make.

The role of the UK Internal Market Act 2020

- 1. The UK Internal Market Act 2020 provides a significant potential impediment to the success of the Welsh legislation. Under the terms of the 2020 Act, the principles of Mutual Recognition and Non-Discrimination are central features, which restricts the ability of one country of the UK to restrict the availability of a product that is otherwise available in another country.
- 2. Exemptions are available via a circuitous process of negotiating a Statutory Instrument to disapply these principles in particular circumstances and for particular products.
- 3. This is inevitably a cumbersome and time-consuming process and one that can be highly contentious, even concerning the need to address an issue such as single-use plastic that has popular pan-UK support.
- 4. The draft Welsh legislation goes beyond the items considered in the recent United Kingdom Internal Market Act 2020 (Exclusions from Market Access Principles: Single-Use Plastics) Regulations 2022 notably in its listing of carrier bags, which are not considered in the Regulation.
- 5. The process makes it difficult for the Senedd (or similar body) to pivot quickly and reduce the availability of other products, or those that are of particular concern in Wales, but not necessarily in other parts of the UK.
- 6. The operation of the 2020 Act thereby places a clear ceiling on Welsh environmental law and attempts to address a problematic product or substance must inevitably proceed at the speed of the slowest legislative authority or deploy the difficult and time-consuming process to gain an exemption under the Act itself. This has implications far beyond the specific issue of single-use plastic.
- 7. The prospects for a judicial review of the constraints on Senedd competence in this respect have been limited to those areas in which clear draft legislation exists the courts will not entertain hypothetical challenges on the basis of legislative intent. This raises the possibility of slowing legislative progress on environmental law-making that diverges from other parts of the UK to address specific Welsh concerns.

Future opportunities

- 1. In March 2022 UNEA Resolution UNEP/EA5/L23 was adopted by the international community, committing the UN to developing a legally-binding instrument on plastic pollution by the end of 2024.
- 2. Considerable uncertainty remains in this respect and the Intergovernmental Negotiating Committee will convene its first meeting in late November 2022.

- 3. The UK's pre-position is for the instrument to be based upon the report, 'Possible elements of a new global agreement to prevent plastic pollution' produced by the Nordic Council of Ministers as a means of framing the negotiations.
- 4. The Senedd is arguably the most advanced of the national Parliaments in developing a tangible law and policy on plastic pollution and there are thus opportunities to influence the UK negotiating position in this respect, while Welsh legislative concepts such as the wellbeing of future generations could be used as a guide in the early stages of the negotiations.

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP 30

Ymateb gan Sefydliad Materion Cymreig / Evidence from Institute of Welsh Affairs

Senedd Climate Change, Environment, and Infrastructure Committee consideration of the Draft Environmental Protection (Single-use Plastic Products) (Wales) Bill

Contribution from the IWA

5th September 2022

The advantages and disadvantages of using a Bill rather than secondary legislation to introduce a ban

Although secondary legislation may deliver a timelier delivery of a ban and reduce the use of Senedd time, we believe that this matter requires full scrutiny through the primary legislative process.

Additionally, should the Bill result in legal challenge as a result of the United Kingdom Internal Market 2020, having the ban laid out in well scrutinised primary legislation should improve the usefulness of such a challenge in firming up this area of the UK constitution

Whether the provisions of the draft Bill will deliver the policy intention

We have concerns over the resourcing of local authorities to enforce on the new offence created through the Bill. Although it is likely that many outlets will follow any new legislation, some will not for whatever reason.

However, we do not wish to see enforcement action unless deliberate and repeated breaches are made. To support this, provision should be made within the Bill for a minimum introductory period prior to the sections creating the offence coming into force.

Whether there are any potential barriers to the implementation of the draft Bill's provisions (including the United Kingdom Internal Market Act 2020)

The United Kingdom Internal Market Act 2020 (UKIMA) and its principles of 'mutual recognition' are likely to significantly reduce the ability of the Welsh Government to make effective law with regards to the regulation of goods and services.

There is still some uncertainty about how the UKIMA will operate in practice, with the Office for the Internal Market still in its infancy and with the Supreme Court not yet having made substantive judgements in the Welsh Government's challenge (having ruled the challenge was too early and practical examples were needed).

However, it would appear that the UKIMA will have the practical impact of spreading the minimum regulatory standard in any one of the UK's four constituent nations to the other three - significantly reducing the ability of the Welsh Government to create regulation over-and-above that existing in Scotland, England, and Northern Ireland. This risks a practical impact in most cases of ensuring English market rules are applied to Wales.

The Welsh Government has stated its intention to use the Single Use Plastics Bill as a practical example to test the practical impact of the the UKIMA on devolved competencies, and the IWA supports this move due to its strong concerns about the effect of the UKIMA on Wales' ability to take its own path in devolved areas if its citizens vote for it.

Whether the powers in the draft Bill for Welsh Ministers to make subordinate legislation are appropriate

The nature of the use of single use plastic products and the development of suitable replacements are constantly evolving. We do not believe that it would be good use of Senedd time to amend primary legislation in order to add or remove prohibited single use plastic products or exemptions from the Schedule. Therefore, we agree with the powers provided through Section 3.

With regard to Section 17, we believe that it is important for civil sanctions to be consistent and proportionate across all offences created through Welsh law. Therefore, we agree with the ability for penalties to be set through regulations.



Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith / Climate Change, Environment and Infrastructure Committee Bil drafft Diogelu'r Amgylchedd (Cynhyrchion Plastig Untro) (Cymru)/ Draft Environmental Protection (Single-use Plastic Products)(Wales) Bill SUP_33

Ymateb gan Sefydliad Siartredig Rheoli Gwastraff/ The Chartered Institution of Wastes Management (CIWM)

The Chartered Institution of Wastes Management (CIWM) is the leading professional body for the resource and waste management sector with a purpose to move the world beyond waste. Representing over 5,600 individuals in the UK, Ireland and overseas, CIWM has a mission to unite, equip and mobilise its professional community to lead, influence and deliver the science, strategies, businesses and policies for the sustainable management of resources and waste. CIWM has ten regional centres across the UK and Ireland, including CIWM Cymru Wales, that are run by member volunteers.

CIWM Cymru Wales organise an extensive programme of technical meetings, site visits, symposia and social events. Representing over 350 waste professionals working in local and national governments, agencies, private waste companies, consultancies, social enterprises as well as education and research centres, CIWM Cymru Wales provides a forum for professional debate and the opportunity for members to meet and socialise through a strong network of professionals.

Draft Environment Protection (Single-use Plastic Products) (Wales) Bill

- The Climate Change, Environment, and Infrastructure Committee is considering the <u>draft Environmental Protection (Single-use Plastic Products) (Wales)</u>
 <u>Bill</u>, which is due to be introduced to the Senedd early in the autumn. The draft Bill makes provisions to ban commonly littered single-use plastic items.
- 2 It would be helpful if you could frame your response around the following terms of reference:





- 3 Whether a Bill is needed to introduce a ban on commonly littered single-use plastic items;
- 4 CIWM Cymru Wales surveyed its members during the consultation on *Plans to Reducing single use plastic in Wales* and this surveyed indicated via members that "the slow progress of voluntary measures taken by communities and businesses to move away from unnecessary single use plastics is too slow, therefore the ban is required (79%)".
- From a wider UK perspective, CIWM in response to the *EFRA Call for Evidence* on *Plastic Waste 2021* indicated that there were other mechanisms due to come in over the next few years, of which many if not all of these will have an impact on single use plastic.
 - Extended Producer Responsibility (EPR) from 2023.
 - Deposit Return Scheme (DRS) from 2024 (Scotland from 2022).
 - Consistency in household and Business Recycling in England from 2023.
 - Plastics packaging tax from April 2022.
 - Existing single-use plastic ban straws / stirrers / cotton buds.
 - Proposed single-use plastic ban plates / cutlery / balloon sticks?
 - Existing plastic carrier bag charging.
 - The UK plastics PACT a roadmap to 2025.
 - Waste Prevention Programme for England.
- 6 The advantages and disadvantages of using a Bill rather than secondary legislation to introduce a ban;
- 7 CIWM Cymru Wales believes the use of a Bill to introduce a ban indicates the importance of single use and sets primary legislation. Plastic is likely to change and there needs to be, within any legislation, flexibility for future requirements; this has already been seen with a move from single use plastic to other single use materials.
- 8 CIWM Cymru Wales suggests A Single Use Product Bill as the strong message coming from the *Plans to Reducing single use plastic in Wales* member's survey was that "Welsh Government should take care that the proposed ban does not simply push manufacturers from one single use item material to another e.g., from plastic





disposable cutlery to wooden (bamboo) cutlery which is also disposed of once used".

- 9 CIWM Cymru Wales also suggests that green procurement is needed by the public sector to fully support recycling markets, encouraging more material to maintain a circular 'life'.
- 10 Whether the provisions of the draft Bill will deliver the policy intention;
- 11 CIWM Cymru Wales strongly believes the Bill has to take account of single use material, not just plastics. This would indicate how important single use is to Wales and support its original one planet living with reuse and refill as a priority.
- 12 CIWM Cymru Wales believes that local authority funding is paramount to enable them to enforce the changes this Bill outlines, without this it seems difficult to achieve the policy intention.
- Members undertaking the *Plans to Reducing single use plastic in Wales* survey indicated that "The prohibition of specifically named items is not helpful and a law that stipulates a level of need or some kind of test of usefulness (including the availability of alternative materials and life cycle comparisons) would be more beneficial". CIWM Cymru Wales believes this would limit the rush for alternatives that may not deliver the intended policy and ensure that manufacturers don't just use cost as the basis for their material type decisions.
- Whether there are any potential barriers to the implementation of the draft Bill's provisions (including the United Kingdom Internal Market Act 2020);
- 15 As the Bill mirrors the EU Single Use Directive CIWM Cymru Wales assumes there will not be potential barriers to implementation.
- Whether the powers in the draft Bill for Welsh Ministers to make subordinate legislation are appropriate;
- 17 CIWM Cymru Wales supports the power to amend the Schedule that indicates which product(s) are within the regulations and what, if any exemptions there are. This allows for any further materials or uses that come to market and are deemed inappropriate. CIWM Cymru Wales assumes any changes will be consulted on.
- 18 Whether there are any unintended consequences arising from the draft Bill;



- 19 CIWM Cymru Wales asks for a clear definition of reuse and refill. This may seem a strange ask but this is to prevent the unintended consequence of the relabelling of single-use items as reusable.
- We are all aware of the impact that Covid had on going back to single use to prevention contamination, but since then there is the issue of single use cutlery then being packaged in a single use plastic outer!
- 21 CIWM Cymru Wales reiterates the Bill must not be the reason there is a rush to use another material (in plastics place), which could have a knock-on impact on the resources and waste sector in relation to recycling or treatment.
- 22 The financial implications of the draft Bill (including for businesses and consumers).
- There are good examples of reuse systems that need to assessed for use in Wales, as in Bristol the <u>CanCan scheme</u>, where coffee shops sign up and coffee users grab a coffee in a reusable cup and take it back to a café on the scheme where it is washed and reused. This type of scheme CIWM Cymru Wales believes is essential with a significant tourist base like Wales.
- Welsh Government should be encouraged to support reuse and refill; there is an upfront cost, but the container becomes cheaper over time (and uses), reducing the impact of the material's global footprint.
- Reuse and refill support the circular economy and there is less residual material to collect and process, reducing fossil fuel usage for collection systems, helping support good air quality.
- 26 CIWM Cymru Wales are aware that there will need to be a transition period to enable business to adjust the changes proposed in the Bill, to use stock that has recently been purchased and to enable business to source and procure replacements.
- 27 CIWM Cymru Wales is aware that there have been subsequent changes with increases in oil, which adds a price to plastic, making alternatives a more economic possibility and reuse and refill eminently feasible.



Agenda Item 6.1

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

Climate Change, Environment, and Infrastructure Committee

Elin Jones MS Llywydd

11 July 2022

Dear Llywydd,

I am writing to you in your role as Chair of the Business Committee.

On Tuesday, the First Minister delivered his statement on the Welsh Government's legislative programme for the next parliamentary year. The First Minister announced that a Single Use Plastics Bill would be brought forward shortly. The CCEI Committee has long shown an interest in this subject and I would expect the Bill to be referred to the Committee in due course. In reference to the Bill, the First Minister said:

"the Bill will also support our ongoing legal challenge to the UK Internal Market Act. In the current litigation, brought by the Counsel General, the Court has indicated it would find it helpful to consider a practical example, in the form of a piece of Senedd legislation, against which it can test the issues under consideration. This Bill will provide that practical example, and in that context we will be seeking the agreement of Business Committee to expedite Senedd scrutiny."

I would like to share some initial views on this matter with the Business Committee.

First, it would be very difficult for the Business Committee to decide not to refer a Bill for scrutiny without first seeing the Bill in question. Standing Order 26.9 recognises this and says:

"Once a Bill has been introduced, the Business Committee must decide whether or not to refer consideration of the general principles to a responsible committee"



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Cardiff Bay, Cardiff, CF99 1SN SeneddClimate@senedd.wales senedd.wales/SeneddClimate 0300 200 6565 The Business Committee can only take such a decision after a Bill has been introduced.

Second, it would be useful if the Business Committee's decision could be informed by consultation with the responsible committee in question. I suggest that the Business Committee uses the time between the introduction of the Bill and the point when it makes its decision to consult with the responsible Committee.

Finally, it should be noted that no one outside the Welsh Government is currently aware of the detailed provisions of the Bill. A consultation took place around 20 months ago (between 30 July and 22 October 2020) on proposals to ban certain single use plastics but the responses have not been published. As it currently stands, the Stage 1 scrutiny process would be the only opportunity for stakeholders and the public to be consulted on the detailed provisions in the Bill.

I was invited to meet the Minister for Climate Change earlier today to discuss the proposed timetable for the Bill. During the meeting, the Minister gave a commitment to explore whether the Bill could be published in draft during the summer recess. If that is possible, it would enable the CCEI Committee (subject to members' agreement) to undertake a limited consultation over the summer to be followed, potentially, with oral evidence sessions early in the autumn. Given that a degree of scrutiny work would already be underway, the Business Committee might feel it would be appropriate to agree a curtailed timetable once the Bill is introduced, and, of course, following consultation with the CCEI Committee.

I hope this is helpful and provides a solution that results in a degree of public consultation and committee scrutiny of the Bill.

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.



Y Pwyllgor Busnes

Business Committee

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

13 July 2022

The Environmental Protection (Single-use Plastic Products) (Wales) Bill

Dear Llyr,

At its meeting this week, the Business Committee considered a paper from the Government on the Environmental Protection (Single-use Plastic Products) (Wales) Bill alongside your correspondence dated 11 July.

As stated in your letter, Standing Orders require a decision over whether a Bill should be referred to a responsible committee for consideration of its general principles to be taken once it has been introduced. We also noted your recent discussions with the Minister for Climate Change, including her commitment to explore whether the Bill could be published in draft during the summer recess.

Consequently, Business Committee agreed that it would return to further consideration of the Bill timetable at the beginning of the autumn term, including in light of whether the Bill was published in draft over the summer and whether or not your Committee has subsequently been able to undertake any consultation work over the summer.

Kind regards,



The Rt Hon. Elin Jones MS

Y Llywydd and Chair of the Business Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Climate Change, Environment, and Infrastructure Committee

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Julie James MS Minister for Climate Change

15 July 2022

Dear Julie,

Further to our meeting earlier this week to discuss your proposed timetable for the Single Use Plastics Bill, I thought it would be useful to set out the latest position as I understand it.

You will be aware that the Business Committee agreed to postpone a decision on whether or not to refer the Bill until after it has been introduced. The Business Committee agreed that it would return to further consideration of the Bill timetable at the beginning of the autumn term, in light of whether the Bill was published in draft over the summer and whether or not the Climate Change, Environment and Infrastructure Committee has subsequently been able to undertake any consultation work.

During our meeting, you agreed you would explore whether the Bill could be published in draft during the summer recess. I would be grateful if you could publish the draft Bill as early as possible in the summer recess, to enable the Committee to undertake a short public consultation on the draft.

I would also be grateful if you would publish drafts of any supporting documentation, such as an Explanatory Memorandum or Regulatory Impact Assessment, as this would greatly assist the Committee and stakeholders in being able to come to a view on the Bill. It would also be useful if you could publish a summary of the consultation that was undertaken between April and October 2020.

In order to be able to undertake this work in any meaningful way, I believe it is necessary for these documents to be made available in early August.



Finally, I would like to take this opportunity to thank you for your offer to appear before the Committee to be scrutinised in relation to the Bill. Subject to any further decision by the Business Committee, we intend to hold an oral evidence session on the Bill on 22 September and would be grateful if you would confirm your availability for the afternoon.

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.

Agenda Item 6.3

Y Pwyllgor Deddfwriaeth, Cyfiawnder a'r Cyfansoddiad

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Legislation, Justice and Constitution Committee

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Rebecca Evans MS

Minister for Finance and Local Government

8 July 2022

Dear Rebecca,

Legislative Consent Memorandum: UK Infrastructure Bank Bill

At our meeting on <u>Monday 4 July 2022</u> we considered the Welsh Government's <u>Legislative Consent</u> <u>Memorandum for the UK Infrastructure Bank Bill</u> (the Bill).

To assist us in our scrutiny and to inform our report on the memorandum, there are a number of matters which we would like to raise with you. I would be grateful if you would respond to our questions by 5 August.

- 1. In the Counsel General's <u>written statement</u> on 13 May 2022 on the UK Government's Legislative Programme he said "Following discussions at the first Inter-Ministerial Standing Committee meeting on 23 March, I am encouraged that there has been some positive engagement between UK Government and Welsh Government officials on a number of Bills in the UK Government's legislative programme". A UK Infrastructure Bank Bill is one of the 12 Bills noted in this statement. Can you confirm that the Bill was the subject of intergovernmental discussion before its introduction to the UK Parliament?
- 2. Did the UK Government share with the Welsh Government the Bill in draft form? If so, when?
- 3. If the UK Government did not share a draft Bill with you, given a UK Infrastructure Bank has been operating on a non-statutory footing since June 2021 and given the information the Welsh Government had received from the UK Government as regards its legislative programme, did the Welsh Government proactively seek to directly influence the drafting of the Bill?



- 4. In the memorandum you state that you have written to the Economic Secretary to the Treasury "to urge him to amend the Bill to enable the Senedd and the Welsh Ministers to take their appropriate role within Governance structures to ensure proper democratic accountability". What specific amendments have you sought to the Bill?
- 5. The scope of the Bank's activities, including the definition of "infrastructure", may be changed via delegated powers that will be subject to the affirmative scrutiny procedure in the UK Parliament. At paragraph 49 of the memorandum you state that you have written to the Economic Secretary to the Treasury to advocate that "the Senedd, the Welsh Ministers and Welsh Government officials all exercise equivalent powers to those of our UK counterparts".
- i. Have you sought amendments to the Bill which would provide the Welsh Minister's with directly equivalent delegated legislative powers, meaning the Senedd would be responsible for scrutinising the exercise of those powers?
- ii. Have you sought amendments to the Bill which would provide the Welsh Ministers with a consultative role before UK Minister's exercise their delegated powers, meaning there would be no role for the Senedd in scrutinising the exercise of those powers?

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

Yours sincerely,

Huw Irranca-Davies

Huw Irranca - Davies

Chair

Agenda Item 6.4

Rebecca Evans AS/MS
Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government

Our ref: RE/739/22



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

20 July 2022

Dear Llyr,

Legislative Consent Memorandum (LCM) for the UK Infrastructure Bank Bill

Thank you for your letter relating to this LCM. I have responded to your questions in turn as below.

1. To what extent does the Bill, as drafted, reflect the Welsh Government's policy priorities in relation to infrastructure investment?

The Government's approach to infrastructure was set out in the Wales Infrastructure Investment strategy (WIIS), which I published alongside the draft budget on 20 December 2021. The WIIS establishes the outcomes that investment in infrastructure must enable, while recognising our overarching commitment to tackle the climate and nature emergencies.

In principle, as a lender to public and private borrowers with a wide-ranging mandate to help tackle climate change and support regional and local economic growth, the UK Infrastructure Bank (UKIB) has the potential to support the Welsh Government's infrastructure priorities.

2. To what extent are you satisfied with the Bank's 'objectives' set out in section 2(3)? Are there any other objectives that you believe should be included, for example, tackling the decline in biodiversity?

I discussed the Bank's objectives with its Chair and CEO. As drafted I understand these objectives to be non-exhaustive, and that they are sufficiently broad to encompass a comprehensive range of interventions with respect to climate change, including biodiversity, nature-based solutions or the circular economy. However, I would not be averse to seeing these objectives on the face of the Bill.

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

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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.

You will also be aware from the Legislative Consent Memorandum that I tabled on 25 May 2022 that I believe there should be equivalence between administrations in terms of the Bank's governance, such that Devolved Governments would, for example, have a role to play in the setting of the Bank's Strategic Priorities and Plans. This would allow for the honing of the Bank's objectives and for priorities and plans to be revisited where necessary while fully respecting devolved competences.

3. How will the Bank take into account Welsh legislation, for example, the Well-being of Future Generations Act, when making its investment decisions?

This question would be better directed at the UKIB, which you may wish to invite to give evidence.

4. Much of the detail relating to the Bank's core principles and parameters within which it will operate are set out in the UK Infrastructure Bank Framework Document ('the Framework Document'). To what extent are you satisfied that an appropriate balance has been struck between the detail contained in the Bill and that left to the non-legally binding Framework Document, which has been agreed by the UK Government?

I remain concerned, as set out in the Legislative Consent Memorandum of 25 May 2022 that issues pertaining to the governance of the Bank have been left solely in the hands of HM Treasury as exemplified by both the Bill and the Framework Document. In order for devolved competences to be respected, it is necessary that such matters be corrected; and in doing so my preference would be that UK Government makes amendments to the Bill.

- 5. As noted in the LCM, the Framework Document states "where an investment is primarily to support economic growth, the Bank will ensure that it does not do significant harm against its climate objective". Please set out your understanding of:
- the meaning of 'significant harm' in this context, and
- how the Bank will determine whether an investment will do 'significant harm'.

This question would be better directed at the UKIB, which you may wish to invite to give evidence.

6. Even though a specific investment decision may not meet the threshold of 'significant harm', it is possible that a series of decisions could be considered cumulatively to cause significant harm. Please set out your understanding of whether and how the Bank will consider the cumulative effect of its investment decisions.

This question would be better directed at the UKIB, which you may wish to invite to give evidence.

7. To what extent are you satisfied with the meaning of 'infrastructure' set out in section 2(5)? Are there any other aspects/measures that you believe should be included within the meaning?

As with the Bank' objectives, the definition appears to be reasonably broad. However, I would reiterate my remarks concerning the need for equivalence between administrations in the terms of the governance of the Bank. This would provide the means by which we revisit collaboratively and with full respect to developed competences the objectives and definitions if they were found, for example, to be too restrictive.

8. As drafted, the Bill would permit the Bank to provide financial assistance to infrastructure projects relating to roads. To what extent does this align with the Pack Page 85

Welsh Government's current transport priorities and its sustainable transport hierarchy?

The Wales Transport Strategy, Llwybr Newydd, prioritises active travel and public transport over private car use. Whilst the Welsh Ministers have paused the current pipeline of roads projects pending review by an independent panel, they have been clear that this is not the end of road works in Wales. Revisions to the road network will be essential to enable this modal shift, reduce private car trips and, ultimately, achieve the 2050 net zero targets shared by all Governments. Welsh Government will work with partners and stakeholders to develop and implement road infrastructure that meets national, regional and local needs.

9. The UK Government has made clear its intention that the Bank should be permitted to provide financial assistance/loans for projects aimed at improving the energy efficiency within homes. Can you explain whether and how this will help support the Welsh Government to deliver its ambitions to decarbonise Wales' housing stock?

Innovative funding models are needed to pay for the decarbonisation of homes across the range of tenures, such as the private rented and owner occupied sectors, the costs of which cannot rest fully on Government. We know that decarbonising these homes is going to cost a significant amount and that the funding will need to come from a variety of sources – both government and private funding.

Welsh Government has started evaluating a variety of options for financing retrofit in the owner-occupied and private rented sectors. These incorporate both grant funding and repayable finance. The financial capacity of the end user will be utilised to help direct them to the most appropriate financing solution in the medium term. We are also bringing together a panel of experts from across the finance sector to work with us evaluating options and shaping those viable funding solutions.

This proposal has the potential to provide an additional source of funding, to those organisations/projects that have the ability to take on and repay debt funding. Further details on the funding offer will be needed to determine how useful it will be in helping to support Welsh Government's ambition to decarbonise Wales' housing stock.

10. The Framework Document sets out types of projects that should not be supported by the bank, including projects involving extraction, production, transportation and refining of crude oil, natural gas or thermal coal with very limited exemptions. Please set out your understanding of the 'very limited exemptions'.

This question would be better directed at the UKIB, which you may wish to invite to give evidence.

11. Are there any other types of projects that you believe the Bank should not be permitted to support?

I note from the Framework Document that investments in infrastructure that support economic growth should "not do significant harm against its [the Bank's] climate objective;" and indeed that there is a stipulation on the Bank to ensure such that is the case. It is clear to me that the Bank's exercise of due diligence in regard of this stipulation must be central to determining whether a project is supported or otherwise.

12. In reference to the policy mentioned in question 8, the Explanatory Notes states that "This policy will be updated over time to reflect changes in government policy and regulatory standards". How will the Welsh Government ensure these changes reflect policies or regulatory standards that fall within devolved competence? Pack Page 86

Please see my answers to question 2 and question 7.

13. The Bill creates delegated powers to enable the Treasury to change the Bank's activities or the definition of infrastructure using secondary legislation under the affirmative procedure in the UK Parliament. What arrangements are in place to ensure the Welsh Government (and other devolved governments) are consulted in advance of any such changes?

Please see my answers to question 2 and question 7.

14. What role will the Senedd have in considering subordinate legislation to change the Bank's activities or the definition of infrastructure?

Please see my answers to question 2 and question 7.

Yours sincerely,

Rebecca Evans AS/MS

Rebeca Evans.

Y Gweinidog Cyllid a Llywodraeth Leol Minister for Finance and Local Government

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

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Climate Change, Environment, and Infrastructure Committee

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John Flint
Chief Executive Officer
UK Infrastructure Bank

29 July 2022

Dear Mr Flint,

The UK Infrastructure Bank Bill

The Senedd/Welsh Parliament's <u>Climate Change</u>, <u>Environment and Infrastructure Committee</u> ('the Committee'), examines policy and legislation, and holds the Welsh Government to account in specific areas. These areas include climate change policy, the environment, energy, planning, transport, and connectivity.

The Committee is currently considering the <u>UK Infrastructure Bank Bill</u>, insofar as it relates to Wales. This will help inform the Senedd's decision on whether to consent to the UK Government legislating for Wales by means of the Bill in areas that fall within the Senedd's devolved competence. To assist in our consideration of the Bill, it would be helpful if you could address the questions set out below:

- 1. What mechanisms are in place to ensure that the Bank's investment decisions are not in conflict with the Welsh Government's infrastructure priorities and policies to tackle the climate change and nature emergencies?
- 2. How will the Bank take into account Welsh legislation, for example, the <u>Well-being of Future</u> Generations (Wales) Act 2015, when making its investment decisions?
- 3. The UK Infrastructure Bank Framework Document ('the Framework Document') states "where an investment is primarily to support economic growth, the Bank will ensure that it does not do significant harm against its climate objective". Please set out:



- your understanding of the meaning of 'significant harm' in this context, and
- how the Bank will determine whether an investment will do 'significant harm'.
- 4. Even though a specific investment decision may not meet the threshold of 'significant harm', it is possible that a series of decisions could be considered cumulatively to cause significant harm. Please set out whether and how the Bank will consider the cumulative effect of its investment decisions.
- 5. The Framework Document sets out types of projects that should not be supported by the Bank, including projects involving extraction, production, transportation and refining of crude oil, natural gas or thermal coal with 'very limited exemptions'. Paragraph 4.3 of the Framework Document provides a non-exhaustive list of exemptions. Please provide details of the criteria the Bank will use when determining whether a project should be subject to an exemption.

I look forward to receiving your response, preferably by **26 August 2022**. Please send your response to **SeneddClimate@senedd.wales**. In the meantime, if you have any queries, please feel free to contact us.

Thank you, in advance, for your assistance.

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.



John Flint CEO UK Infrastructure Bank 1 The Embankment Leeds LS1 4DW

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

25 August 2022

Dear Llyr,

Thank you for your letter. We very much welcome the interest of the Senedd/Welsh Parliament's Climate Change, Environment, and Infrastructure Committee in the UK Infrastructure Bank and how it considers Welsh Government priorities and policy in its investment decision making and assessments of impact.

The UKIB has been established to help drive increased infrastructure investment in all nations of the UK, whilst our dual mandate gives us a shared interest in delivering Welsh policy priorities, such as the Net Zero Wales Plan. This has included provided finance to NextEnergy for the initial seed assets of a fund that could double the amount of subsidy-free solar power in the UK, including a site in Llanwern in South Wales. This commitment from the Bank was welcomed as contributing towards Wales' net zero ambitions. I have also enjoyed meeting with representatives from Welsh Government and the Development Bank of Wales to discuss opportunities for collaboration. I look forward to continuing our close work with the Welsh Government on catalysing new private investment into climate and economic infrastructure.

The following sets out our response to the questions included in your letter.

1. Welsh Government priorities

In June 2022, we published our first <u>Strategic Plan</u>, which sets out how we will deliver on our mission to help tackle climate change and deliver local and regional economic growth, including our investment priorities. Regular meetings with the Welsh Government, along with Welsh local authorities and wider stakeholders, including the Welsh Development Bank, helped to align our Plan with Welsh priorities and policy drivers. When making investment decisions we consider the extent to which each investment opportunity delivers on our Strategic Plan and towards wider UK policy on climate change and economic infrastructure, including that of Wales. Our Strategic Plan will be refreshed regularly and so will remain up to date with Welsh policy. We also continue to engage frequently with Welsh Government, local authorities, and other market players on its delivery.

2. Legislation in Wales

We comply with all applicable legislation. In respect of legislation that does not apply to us directly and is consistent with our objectives, as is the case with certain aspects of the Wellbeing of Future Generations (Wales) Act 2015, we anticipate that while we advance our chosen transactions we will be contributing towards the ultimate goals of such legislation.

3. Do no significant harm

All investments financed by the Bank undergo environmental, social, resilience & governance (ESRG) screening. Our identification of ESRG concerns and "significant harm" is risk-based and seeks to ensure that adequate mitigants are in place. This includes, amongst other things, assessing how projects manage their direct and indirect environmental and social impact, the climate resilience of their projects, risks, and the robustness of their ESRG governance structures. UKIB requires ongoing regular reporting on key metrics and annual and environmental reports from our clients to ensure ongoing alignment with our mandate.

We are currently further enhancing our ESRG standards, including improving our approach to assessing "do no significant harm", so ensuring it is fit for purpose in this fast-progressing area. Our annual reports will set out details of our evolving ESRG approach and disclosure on any material concerns related to our portfolio.

4. Cumulative harm

We recognise the importance of monitoring cumulative impact and are committed to delivering on our strategic objectives by investing in resilient infrastructure throughout the UK, without compromising on environmental integrity. The Bank manages its overall portfolio and monitors closely the progress of its investments. Each of our investments is considered on a case-by case basis, ensuring all risks are identified, addressed and adequate mitigants are in place. ESRG considerations and climate risks are an important part of the due diligence process. We consider every new investment in relation to assets already financed, including impact and additionality. In accordance with our net zero mandate, the cumulative contribution of the Bank to climate mitigation will be measured with time. The location specific environmental characteristics of investment projects are considered in our assessments of cumulative impact, including in relation to our "do no significant harm" principle.

5. Fossil fuel exemptions

We have a dedicated objective to achieve net zero emissions and will invest accordingly in technologies and projects that actively contribute to climate change mitigation. We consider the relative emissions of all our investments, both carbon emitted and relative savings compared to existing technologies. We expect most investments across our portfolio to positively contribute to the transition to net zero and for companies to report their progress.

Exemptions will be considered in the context of the energy transition where the benefit of moving a technology, business or sector to a lower carbon emissions intensity is critical to net zero and we can evidence the relative avoided emissions from the investment. Fossil fuel generation of any kind will only be considered by exception with adequate and proportionate carbon capture storage where emissions will be reduced over the lifetime of the asset. Judgements on exemptions will always be made with strong consideration of any risk mitigants and decisions will be made in collaborative and transparent fashion.

We are required to seek written approval from our shareholder before entering into any transaction that is or could be deemed novel, contentious, or repercussive. Where possible and practical to do so, we will look to consult with the Welsh Government on any potentially contentious issues arising from our activities in Wales.

I hope this information is of use to the Climate Change, Environment, and Infrastructure Committee. I would be very happy to follow up with further details should this be helpful.

Yours sincerely,

John Flint



Llyr Gruffydd MS

Chair, Climate Change, Environment and Infrastructure Committee

SeneddClimate@senedd.wales

11 August 2022

Dear Llyr,

Thank you for your letter of 28 June 2022 containing questions from the Climate Change, Environment and Infrastructure Committee following my attendance on 15 June 2022. Please find attached my response.

Yours sincerely,

Julie James AS/MS

Gweinidog Newid Hinsawdd Minister for Climate Change

July James

Minister for Climate Change attendance at CCEI Committee 15 June 2022 — additional questions

1. Could you share details of the roadmap with the Committee?

A route map for decarbonisation across the public sector, including Buildings, is published on the Welsh Government website at the link below:

Net zero carbon status by 2030: A route map for decarbonisation across the Welsh public sector (gov.wales).

2. Can you clarify whether the Welsh Government intends to move to a rolling programme of funding to support RSLs to in delivering its ambition for the sector to decarbonise by 2033? If so, what timeline are you working towards?

Regarding the current funding for the Optimised Retrofit Programme (ORP) in the social housing sector we are discussing proposals focussed on a change in approach and a move away from competitive bidding. My officials are currently consulting on the proposals through meetings with stakeholders such as Registered Social Landlords (RSLs), Welsh Local Government Association (WLGA), Community Housing Cymru (CHC) and our Decarbonisation Implementation Group (DIG) to gather in views and will then submit advice to me

We are undertaking this work in recognition that all RSLs need to come on the decarbonisation journey; we want to ensure that support is consistently available to them to support this.

However, ORP is not the only element of funding received by Local Authorities and Large Scale Voluntary Transfers (LSVTs), they also received MRA and Dowry funding and all RSLs have their own income and the ability to leverage other independent funding. We must recognise that funding will have to come from a variety of sources and that both government and private funding will be needed so we need to work up viable funding solutions with the sector. In the meantime, £220m has been made available for ORP to help landlords start their decarbonisation journey.

3. Can you provide details of funding available to traditional RSLs to support them in decarbonising their existing housing stock?

We need a standard to be confirmed before we start modelling and making financial assumptions and we are currently in the consultation phase of formalising the new standard WHQS 2023. This consultation focuses specifically on agreeing that standard. Once this is agreed, we will work through the financial modelling.

Current WHQS funding is aimed at supporting the maintenance of older social homes, much built by local authorities in the period 1950s to 1970s. For those held by local authorities, this support is provided as Major Repairs Allowance. For the stock transfer Registered Social Landlords, dowry gap funding was agreed at the point of transfer to ensure that the new organisations could support the ongoing maintenance of the stock

and remain viable. As WHQS was implemented, the traditional housing associations held homes which were able to achieve WHQS more quickly, so funding was not directed at supporting them reach the original WHQS standard.

As we look forward to the new WHQS 2023, funding to support affordable warmth and decarbonisation has already been available to all social landlords through the Optimised Retrofit Programme. But we continue to work with landlords to understand more about the funding models required to support our proposals for the future standard.

Across the 20 years since the implementation of the original WHQS together with our social landlord delivery partners, we have invested billions of pounds to significantly improve and maintain the quality of social homes across Wales through WHQS. Spanning six administrations, WHQS is an example of how we can take the long view: investing in long-term policies and programmes, with long-term funding models. We have enabled social landlords to confidently invest over the long term in assets and communities. We intend to ensure that the new standard further enables this approach.

4. How confident are you that sufficient learning from ORP will have taken place by 2023 to start the decarbonising of homes in other tenures?

We are clear that in terms of retrofit, there are few simple solutions and indeed no one size fits all in terms of the housing stock here in Wales. In light of this we are committed to getting as clear an understanding of the issues and committed to working with partners across the sector to ensure that our plans are evidence based and, while ambitious, also ultimately achievable.

We are gathering evidence and collecting baseline data from properties currently being retrofitted. This data will ensure we can measure the impact of our investment activities. Only through an evidence-based approach can we ensure that future investment relies on solutions that we can be confident work across different homes and different tenures. Working with the social housing sector first also helps support the growth of the skills base, offers secure materials and supply chains that are needed to decarbonise Welsh homes at scale and pace.

Decarbonisation of homes in the privately rented and owner-occupied sectors is undoubtedly more complex. Moreover, we know that innovative funding models will be needed to pay for the decarbonisation of these homes, the costs of which cannot rest fully on Welsh government. However, we are confident that the learning from ORP, and other schemes, along with learning from the wider system (such as UK government schemes and our expert Decarbonisation Implementation Group), will put us in a strong position to start the work in other tenures.

5. Can you provide an update on the steps the Welsh Government has taken, and plans to take, to ensure that new homes (across housing sectors) are built to zero carbon in operation standards?

The 'Welsh Development Quality Requirements 2021 - 'Creating beautiful homes & places' came into force from October 2021. WDQR2021 as it is known, sets a bold new standard for new affordable homes funded by Welsh Government. The standard promotes low carbon designs as well as moving away from fossil fuels for domestic heating and hot water systems. It sets new quality requirements for social housing centred on flexibility, space and sustainability. It ensures social housing will lead the way in reducing carbon emissions, with private developers expected to build to the same low carbon requirements by 2025.

There are also a number of projects supporting the journey to net zero such as Home Grown Homes 2, net zero Hwb and the net zero new home 'pattern' book utilising a Modern Method of Construction (MMC) manufacturing approach.

Welsh Government has been working with the Development Bank for Wales (DBW) to explore how two existing property funds for SME house builders, the Wales Property Development Fund (WPDF) and Wales Stalled Sites Fund (WSSF), could be flexed to support the climate change agenda. As a result, the Green Homes Incentive has been established and will use existing funds from the WPDF and WSSF to provide a pilot programme that offers developers tapered reductions in loan costs based on the extent of the energy efficiency and low carbon measures they incorporate into their new housing developments.

6. Given that both the Scottish and Welsh Governments expressed disappointment at the narrow nature of the exclusion, how satisfied are you that the dispute resolution procedure has been effective in this instance?

With regards to the dispute surrounding the single-use plastic exclusion, it was the Scottish Government that sought an exclusion and latterly instigated the early stages of dispute avoidance and resolution process under the Resources and Waste Framework. A solution was proposed by officials and agreed by Ministers before the formal process was triggered. This is why Committees were not informed. I refer you to my letter of 31 May, the Welsh Government does not believe an exclusion is required to achieve our policy and legislative aims, as we do not believe the United Kingdom Internal Market Act (UKIMA) can have the impact on Senedd competence it purports to.

Although the Scottish Government accepted the exclusion, they expressed frustration it was not as wide as they initially requested. I was happy to support their position in this even though I do not believe the exclusion is necessary for us.

7. Can you clarify whether the dispute reached Ministerial level? If so, why did you not notify this Committee/the Senedd?

Please see my answer above. The formal dispute resolution mechanism was not triggered, which is why I did not notify the Committee or the Senedd.

8. Can you explain why you chose not to seek the Senedd's views on the exclusion prior to giving consent to the making of The United Kingdom Internal Market Act 2020 (Exclusions from Market Access Principles: Single-Use Plastics) Regulations 2022?

The process requires the Secretary of State to write to Welsh Ministers to seek consent in advance of making the exclusions SI. If no response is received within 30 days, then the Secretary of State can proceed to make the exclusions SI. If consent is to be given, the relevant Minister should write to the LJCC and relevant committees signalling as much and the reasons, ideally ahead of signalling consent to the UK Government. Written statements should be laid once the SI is made.

That is why I wrote to this committee at the same time as the LJCC committee, signalling my intent to give consent. This first piece of legislation which has come forward under these arrangements. I recognise this was not ideal and will seek to avoid this in the future. I have asked officials to work to ensure we are given more notification in any future processes so there is an opportunity to discuss any future consent with the Senedd.

9. Can you provide a list of stakeholder your officials are engaging with? When will the review be completed and will you commit to publishing the outcome?

Officials have been engaging with a wide variety of stakeholders, including bodies representing the plastics industry, manufacturers, businesses and environmental groups. Officials have also engaged with representatives of groups who may be disproportionately impacted by these plans. For example, disabled people and those who care for young children. These discussions are ongoing and an overview of these engagement sessions will feed into the Bill's supporting documentation.

10. Can you clarify when the outcome of the Deep Dive will be made available?

Due to an unavoidable postponement of one of the sessions, the timetable for the deep dive was delayed slightly, which meant that the Ministerial Statement will now be made following the summer recess.

Having received invaluable input from a range of people and organisations over the course of the engagement, officials will now use the summer recess to consider the actions, evidence and views we received to produce a set of clear recommendations. I will share the recommendations in the Ministerial Statement and at the Wales Biodiversity Partnership conference in early October.

11. Can you provide further details of the Welsh Government's position on the latest draft of the 2020 global biodiversity framework?

Welsh Government is fully supportive of the need to conclude negotiations and agree a new post-2020 Global Biodiversity Framework in December 2022. The biodiversity crisis is real and pressing. We recognise the need for urgent,

transformative action, not just by governments, but by the whole of society. As such, we have been feeding into the UK position on the development of their position on the Framework.

As a sub-national government, we are a key player in the Edinburgh process. We are sensitive to the crucial role of sub-national governments, cities and local authorities can play in the achievement of the post-2020 Framework - halting and reversing the decline of biodiversity by 2030 will require cooperation at all levels and in all groups of society.

The recent biodiversity Deep Dive has shown at first glance just how important it is we seek innovative approaches to the challenges ahead; this, coupled with our support for the SMART targets within to the Global Biodiversity Framework, will drive forward the progress we need.

As I raised in committee, I am eager to achieve the most out of COP15, however, sharing our position ahead of the conference runs the risk of undermining our negotiating position. I will update the committee in due course, once I am able to.

12. COP15 has now been put back to December 2022. What impact will this have on the Welsh Government's plans in this policy area, including the development of statutory biodiversity targets?

We will take account of the outcomes of the new post-2020 CBD Global Biodiversity Framework negotiations later this year in developing nature targets and future monitoring in Wales. Further, I want to ensure our approach to statutory targets considers the recommendations from the Biodiversity Deep Dive. I am therefore eager that we take both the recommendations from the biodiversity deep dive and the agreed version of the post-2020 Global Biodiversity Framework into account before the introduction of statutory biodiversity targets.

Importantly, targets need to be robust and stretching, driving progress over the short, medium and long term. We must also ensure the targets are feasible, viable and take account of the ecosystems resilience approach set out in our Environment and Wellbeing of Future Generations Acts.

The committee will note that the timeline for such targets is dependent on the identification of an appropriate legislative vehicle and bill slot.

During the meeting, you committed: – to seek the UK Government's agreement to share its settled negotiating position in relation to the draft 2020 GBF with the Committee.

My officials are in contact with DEFRA colleagues who lead as UK focal point to seek agreement to share the negotiating position. I will update the committee in due course.

Agenda Jhen 1/6,6 Y Gweinidog Newid Hinsawdd Minister for Climate Change



Ein cyf/Our ref MA/JJ/2276/22

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

11 July 2022

Dear Llyr

Thank you for your report of 26 May on renewable energy in Wales.

I welcome the focus from the Committee on the recommendations from the Renewable Energy Deep Dive. We set up the deep dive process as we share your frustration that we are not realising the full benefits of the renewable energy potential across Wales. We are confident we have sufficient natural resources to be a net exporter of renewable energy.

However, we do not support an explosion in deployment of energy infrastructure without the host communities deriving tangible benefits from the developments. We will look to secure local and shared ownership of all projects and, where this is not desired by the community, we will support them to negotiate acceptable levels of community benefit. We will ensure our citizens are appropriately skilled and can access good quality employment in the energy industry and work with developers and businesses to establish strong local supply chains.

We are aware that there are deep rooted, systemic issues to resolve if we are to meaningfully accelerate deployment. This means some of our recommendations will require concerted effort over a period of time, alongside short-term actions to inject early momentum. We are also supporting partners in Wales to help us deliver, and building on our relationship with the Crown Estate and Ofgem to ensure their activities support our vision rather than frustrate progress.

Our response to the recommendations within the report are attached.

Yours sincerely

Julie James AS/MS

Y Gweinidog Newid Hinsawdd Minister for Climate Change

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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.

Written response by the Welsh Government to the report of the Climate Change, Environment and Infrastructure Committee entitled Renewable Energy in Wales

Recommendation 1

The Committee recommends that

The Welsh Government should explain the reasons for the slow down in renewable energy development since 2015, and how the recommendations from the Deep Dive will address this.

Response: Accept

The UK Government's approach to the Contract for Difference regime for onshore wind and solar developments, which denied developers the security that supported them to access development capital or investment decisions, was the main reason for the reduction in the pace of development. The end of the Feed-in-Tariff scheme equally significantly impacted the financial viability to take forward smaller scale developments, more suited to non-commercial developers looking to implement local solutions to energy use.

Specifically within Wales, the lengthy combined public inquiry, and subsequent delayed decision, around five onshore wind farms and an associated overhead power line in mid-Wales, also had a significant impact on the project pipeline.

A number of the barriers and constraints have changed over the period from 2015. Onshore wind and solar PV are now the cheapest form of renewable energy generation, while ringfenced support through the Contract for Difference (CfD) process is now required to bring forward wave and tidal energy projects. The viability of new small scale hydropower projects continues to be impacted by the decision on the Feed-in-Tariff. While there has been further devolution of energy consents, our position is that there should be full devolution with no upper limit, including decisions over the power lines.

The Deep Dive into renewable energy focussed on interrogating the current barriers and opportunities for accelerating renewable energy generation. Grid constraints and consenting arrangements were the primary barriers identified by project developers as the main constraint to deployment at scale. The Welsh Future Energy Grid for Net Zero project and our energy planning work will provide further evidence on the grid we need tor Wales as we work with, and influence, Ofgem to support investment in the grid and support for innovative solutions. Our suite of interventions seek to address the process, resources and supporting evidence required to make timely consenting decisions.

However, there is little value in boosting deployment for Wales to become a net exporter of renewable energy if we do not realise any benefit from the developments. Therefore, a significant number of the recommendations address specific barriers to ensure our citizens, communities, public sector and businesses can play an active part in building the energy system of the future through shared and local ownership and the development of strong, local supply chains.

Financial Implications - None

Recommendation 2

The Committee recommends that

The Welsh Government should publish a detailed action plan setting out how it intends to take forward each of the Deep Dive's recommendations, including a timeline for implementation. It should report back to the Committee on progress towards implementation of recommendations in its response to this report, and commit to progress reports every six months thereafter.

Response: Accept

The Deep Dive recommendations include short-, medium- and long-term actions. Three of the recommendations are confirmed as scheduled for completion in 2022: the review of consenting and supporting evidence and advice (recommendation 7); the guidance on shared ownership (recommendation 17); and the development of a net zero skills action plan (recommendation19). The identification of marine strategic resource areas (recommendation 8) is due to be completed in 2023; and the energy plan for Wales 2024 (recommendation 2).

Others are part of longer-term plans and some, such as recommendation 10, will be completed this year but will themselves result in further actions.

Good progress has been made across a range of recommendations, while there remain significant challenges in other areas as we look to address deep rooted barriers. The following provides a summary by theme.

The initial recommendations on **Strategy (recommendations 1-4)** are all progressing forward with recent completed milestones including:

- the appointment of Energy Systems Catapult to lead the implementation of our Local Area Energy Plans (LAEPs);
- the publication of our <u>Stakeholder Engagement plan</u> to support wider Net Zero engagement and behaviour change;
- the upcoming appoint of an independent expert to assist us in develop our Heat Strategy;
- the ongoing work to develop the next iteration of our Warm Homes Programme; and
- consultation planned for later this year on our review of renewable energy targets, as committed in Net Zero Wales.

While the **Grid** (**recommendations 5-6**) is an area where we expect progress to take some time due to the complexity of the issues in play presenting some challenges, we are seeing some progress as we engage with Ofgem in planning for a net zero grid, including through our <u>Future Energy Grid Project</u>. We continue to work with deep dive members to refine the scope of a Wales Energy Systems Architect and the options the Systems Architect will have to engage Ofgem with our vision for **Innovation** (21).

The recommendations on **Consenting & Licensing (7-9)** are making steady progress with ongoing discussion between Welsh Government and Natural Resources Wales (NRW) to resolve resourcing issues, particularly for their Offshore Renewable Energy Programme (OREP) which has now secured appropriate funding, but wider discussions around resourcing and alignment continue. Meanwhile, the mapping of marine Strategic Resource Areas continues as planned with outputs expected in October and NRW should shortly produce options for the Welsh Government to consider regarding offshore advisory powers. We have stated our ambition to see the Crown Estate devolved and as we progress the case we are continuing to work closely with The Crown Estate to shape the supply chain requirements for future leasing rounds in the Celtic Sea.

The recommendations on **Finance (10-13)** have largely been led by our Investment in Renewables subgroup, and its findings will be considered by the Deputy Minister for Climate Change over the summer. The CfD process for the next auction contains a ringfenced pot for wave and tidal projects (recommendation 11b). Due to a risk of legal action by the European Union, we are focussing on Crown Estate seabed leasing rounds to secure local supply chain benefits (recommendation 11a). We continue to consider options for supporting investment in renewable energy through the Non-Domestic Rates system and we are disseminating best practice on procurement and ongoing support for projects through the Welsh Government Energy Service (WGES) and Community Energy Wales (CEW).

The recommendations on **Community & Local Energy (14-17)** are all progressing with a number of key highlights as noted below:

- We have published our <u>Guidance on Shared Ownership</u> as an important tool to incentivise and support the development of locally-owned community renewables.
- Welsh Ministers have agreed a four-fold increase in funding for CEW for the next 3 financial years, as well as additional resourcing to the Welsh Government Energy Service (WGES) to support community renewables.
- The Renewable Energy Developer (RED) interim board has been established, including the appointment of a permanent non-executive director to represent the interests of community energy.

We continue to make progress on the recommendations on **Economy & Social Value (18-20)**. We are working with the port operators in Wales to assess the funds required to support port and marine infrastructure, and are exploring potential sources of funding including those available from the UK government. Our Net Zero Skills Action Plan was not published in line with original timescales due to resource constraints. However, it is set to be published later this year and officials are actively gathering evidence on the baseline of skills required to reach net zero. Plans for industrial clusters to adopt renewable energy on the rooftop space and land will be supported by the newly established Net Zero Industry Wales as part of the Cluster Plan outputs.

The Deep Dive Implementation Steering Group continue to consider, advise and inform the Deputy Minister on Climate Change on progress. Bi-monthly meetings include regular updates on overall progress, detailed discussions on specific policy areas and a forum to challenge our approach.

In order to report publicly on the implementation of recommendations, we will publish a full review of progress and action plan with key milestones in the Autumn. We will follow up initially every six months thereafter, but will keep the frequency under review as implementation progresses.

Financial Implications - None

Recommendation 3

The Committee recommends that

The Welsh Government must commit to an ambition that Wales becomes a net exporter of renewable energy. It should set out how it will achieve that ambition. More stretching renewable energy targets should be developed to underpin its delivery.

Response: Accept

The Deep Dive vision "...to generate renewable energy to at least fully meet our energy needs..." is consistent with this commitment.

As noted by the committee, Net Zero Wales commits us to consulting on our renewable energy targets by the end of 2022. We intend on hosting a scoping workshop in the summer of 2022, which will provide key stakeholders an opportunity to early and supply evidence to inform our thinking. A review of the available evidence to support the targets will provide further insights. We expect this evidence to be available by autumn 2022. A full consultation process will ensure that the targets the Welsh Government set are appropriately stretching and take account of a range of benefits, risks and tensions - for instance, the availability of land to deliver against multiple policy outcomes.

Financial Implications: No additional implications (budget allocation has been agreed for this work in MA-JJ-1237-22).

Recommendation 4

The Committee recommends that

The Welsh Government's latest report on progress towards its renewable energy targets was published over two years ago. The Welsh Government must publish its next report as a matter of priority.

Response: Accept

The latest Energy Generation in Wales <u>report</u>, covering progress in 2020 towards Wales' renewable energy targets, was published on 30 June 2022 alongside our Energy Use in Wales Second Edition. The next iteration of Energy Generation in Wales, covering progress in 2021, will be published before the end of 2022.

Financial Implications - Funding already agreed for our Energy Generation in Wales and Energy Use in Wales reports.

Recommendation 5

The Committee recommends that

The Welsh Government should set out in detail the action it is taking, and plans to take, to ensure Wales' current and future grid infrastructure requirements are met. It should also provide an update on its Future Energy Grid Project.

Response: Accept

The responsibility for ensuring the Great Britain energy system has appropriate infrastructure lies with the UK Government, who retain control over the regulatory regime governing the gas and electricity grids and access to funding. However, the Welsh Government agrees that this regime has not met Wales' needs and the Minister for Climate Change announced in September 2021 the actions we are taking to establish what networks Wales needs in future.

In December 2021, the Welsh Government appointed the Energy Systems Catapult (ESC) to support the <u>Future Energy Grids for Wales</u> project. This work involves all the companies who own and operate networks in Wales and Ofgem. It will develop scenarios of the various paths Wales could take to decarbonise the energy system and provide insight into the implications of these scenarios for the grid networks in Wales. The output will be an action plan setting out actions for networks, Ofgem, Welsh Government and UK Government to enable optimal, long-term whole system network planning and operation.

We held a webinar on what is currently a technical piece of work on 29 June attended by a wide range of organisations. The content from this webinar will be available through the ESC website. We will continue to provide updates on the work as we reach important milestones.

Financial Implications – Funding for the ESC is already agreed

Recommendation 6

The Committee recommends that

The Welsh Government should provide further details on how it intends to engage the UK Government and Ofgem to ensure:

- Wales' current and future grid infrastructure requirements are fully understood and met, and
- investment decisions are made in a way that delivers a just transition.

Response: Accept

Ministers have led discussions with Ofgem about their role in recognising and meeting our network needs, and the Chair of GEMA, Ofgem's Board, has taken on the role of championing Wales' interests.

We have worked with network operators as they developed their plans for the next five years, to ensure they are tackling the issues in Wales and are planning to upgrade networks across the country. We are scrutinising the way Ofgem has responded to these plans and will continue to make sure that an appropriate balance is struck between building new infrastructure and keeping the impacts on bills as low as possible. We continue to challenge the UK Government to reconsider how the costs of decarbonising the energy system are met, particularly given the recent increases in energy costs.

The Action Plan produced by the Future Grids for Wales project will identify actions for networks, Ofgem, Welsh Government and UK Government and will form the basis for future work in this area.

Financial Implications – Funding for Catapult already agreed

Recommendation 7

The Committee recommends that

The Welsh Government should seek urgent discussions on the lack of grid capacity in Wales at the next Interministerial Group for Net Zero, Energy and Climate Change. In line with the Inter-Institutional Relations Agreement, it should report back to the Committee on the outcome of those discussions.

Response: Accept in principle

The Welsh Government is concerned by the view emerging from the House of Commons Welsh Affairs Select Committee that the UK Government is broadly unsighted on the issues in Wales regarding access to the grid. The Minister for Climate Change was very clear in her evidence to the Committee that these issues are of long standing and are a direct hindrance to both achieving net zero and prosperity in Wales.

Subsequently, the Minister for Climate Change took the opportunity to raise the issue with UK Ministers at a meeting on 29 June regarding the offshore and onshore grid infrastructure required across Great Britain to support increased aspirations around renewable energy, including offshore wind. At the meeting, the Minister for Climate Change stressed the need for infrastructure to improve connectivity in mid Wales and support decarbonisation in rural areas, as well as supporting new generation. However, she also stressed that it must be managed in a way that people feel acceptable and that local communities must receive a tangible and recognisable benefit from the infrastructure.

The Inter-Ministerial Group is a quadrilateral discussion with Ministers from all UK governments and does not offer the most appropriate forum for sufficiently detailed conversations around issues specific to Wales. Welsh Ministers will, however, continue to use bilateral meetings to discuss this issue with UK Ministers and we will report on progress.

Financial Implications - None

Recommendation 8

The Committee recommends that

The Welsh Government should clarify whether and how it intends to progress its proposal for a Wales Energy System Architect, reflecting on Ofgem's evidence to this Committee

Response: Accept

This is a complex area, particularly with a number of relevant initiatives already under way, such as the proposal for a Future Systems Operator (FSO) to be spun out from the existing Energy System Operator (ESO) and the ongoing discussions about the relative roles of these bodies and the Distribution Network Operators (DNOs) and the need for Distribution System Operators (DSOs), led by the Energy Networks Association. Ofgem has also recently published a <u>Call for Evidence</u> on the future of local energy systems and governance.

Welsh Government has convened a small group of members of the Deep Dive with a specialism in grid to clarify and progress the proposal for a Wales Energy System Architect. The group will analyse the potential rationale and aim for an Architect and provide the definition and timeframe to allow Welsh Government to progress this recommendation. Ofgem's evidence to this Committee will inform the discussion. Welsh Government will publish the output from this group which will inform next steps.

Financial Implications – None at this stage

Recommendation 9

The Committee recommends that

If the Welsh Government is to achieve its ambition for renewables, it must ensure the resource needs of key delivery partners, including local planning authorities, are fully met. The Welsh Government must explore options to ensure local planning authorities are fully resourced to meet current and future demand on services arising from the growth in the renewable energy sector.

Response: Accept

The Deep Dive recommended that Welsh Government undertake a review of consenting and supporting evidence and advice, to ensure a timely and proportionate process. We have been working with key stakeholders to ensure that this recommendation is delivered.

NRW are required to ensure they are able to discharge their statutory and nonstatutory duties within their funding envelope, including Grant in Aid and their charging regime. We encourage the setting of appropriate levels of charges to cover the relevant regulatory activities and to allocate their Grant in Aid to deliver against agreed priorities.

We have provided additional resource for regions to carry out local energy planning, which will provide a strong evidence base for local and regional development plans. The evidence will provide better visibility of the requirement for capacity to enable new developments.

Financial Implications – None

Recommendation 10

The Committee recommends that

The Welsh Government should provide an update on the development of legislative proposals for its Welsh Infrastructure Consenting Bill, including an indicative timeline for the introduction the Bill.

Response: Accept

The Welsh Government will provide an update to the Committee on the legislative proposals for its Welsh Infrastructure Consenting Bill as the project develops.

Financial Implications - None

Recommendation 11

The Committee recommends that

The Welsh Government should explain what steps it will take to "streamline the process for developing the Celtic Sea renewable energy projects" as set out in the Deep Dive's recommendations.

Response: Accept

We have commissioned an end-to-end review of NRW's marine licensing, consenting and supporting advisory processes to remove barriers, drawing on the work of existing groups. This work will provide a number of the solutions to streamlining the process for developing renewable energy projects at sea.

Welsh Ministers have met with the Crown Estate to discuss their operations in Wales, and their intentions regarding the Celtic Sea. We are encouraged that the Crown Estate has highlighting the areas of greatest potential for floating offshore wind deployment in the Celtic Sea ahead of round 4, providing greater certainty for developers. Furthermore, the indication that the Celtic Sea has the economic potential to accommodate up to an additional 20GW of floating offshore wind capacity by 2045 improves the case for investing in our ports and supply chains.

Welsh Government are also involved in discussions with the UK Department for Environment, Farming and Rural Affairs on the UK Government's proposals for the Habitats Regulations Assessment process outlined in their Energy Security Strategy, and the implications this might have for Wales if we adopted the same proposals.

Financial Implications - None

Recommendation 12

The Committee recommends that

The Welsh Government's guidance on shared ownership must clearly set out its expectation for commercial developers to offer shared ownership as an option for all new projects, including those currently in the pipeline, and for existing developments when they are repowered or extended.

Response: Accept

The Welsh Government has already published a clear policy statement on our support for shared ownership, with the requirement that all new developments should include at least an element of local ownership from 2020. We deliberately did not place a figure on this proportion: on the one hand, this could limit the opportunities for high levels of local ownership in some cases, and on the other we are aware that securing a large proportion of local ownership to some projects may be more challenging.

The Welsh Government published its guidance on shared ownership in June 2022. The guidance sets out our expectations of commercial developers when developing new renewable developments.

Financial Implications - None

Recommendation 13

The Committee recommends that

The Welsh Government must set out how it is using the levers it has at its disposal to encourage and incentivise shared ownership.

Response: Accept

The Welsh Government published its guidance on shared ownership in June 2022. This guidance forms part of a package of support to encourage and incentivise shared ownership alongside our Welsh Government Energy Service and funding for Community Energy Wales.

We intend to monitor the uptake of our shared and local ownership aspirations for energy projects and publish our findings in future Energy Generation in Wales reports. We will also highlight emerging case studies that demonstrate good practices and embrace our policy ambitions.

We have provided additional funding to the Welsh Government Energy Service to introduce two new categories of grant within our Local Energy Grant scheme to support shared and local ownership:

- a resource grant to increase capacity and capability within community energy enterprises;
- a shared ownership grant to support community energy enterprises looking to invest in a renewable energy project being developed commercially.

This support should help to develop communities' capacity to be effective partners in negotiations with large commercial developers.

The Welsh Government has provided a significant increase in funding for Community Energy Wales' 3-year business plan (2022-25), which will enable them to scale up support for community and local energy in Wales. This will include further support for taking a share in commercial developments on behalf of communities.

Financial Implications - Funding already agreed for WGES, CEW and our Energy Generation in Wales and Energy Use in Wales reports.

Recommendation 14

The Committee recommends that

The Welsh Government should set out its position on the use of all public land (including local authority and local health board owned land) for renewable energy developments and explain how it is working with the public sector to identify publicly owned sites suitable for potential projects.

Response: Accept

The Welsh Government is considering opportunities for renewable energy across the Welsh Government woodland estate as part of our development of a publicly owned renewable developer. We will provide an update to the Committee on this work as part of our update on the renewable energy developer.

We are also reviewing our other assets and land for renewable energy potential in support of our commitment to a net zero Public Sector by 2030.

The WGES has worked with public bodies over a number of years to identify suitable public land for renewable energy developments, and is now supporting organisations to bring forward a pipeline of projects. The opportunities are primarily within the local authorities' estates, as they are the organisations with the largest land holdings.

Financial Implications - None as yet

Recommendation 15

The Committee recommends that

The Welsh Government should commit to exploring whether and how the public estate can be better utilised to support the growth of the renewable energy sector, including shared ownership developments.

Response: Accept

The Welsh Government Energy Service has been supporting public bodies to assess the potential for renewables on their land, particularly where it can meet local needs and reduce energy costs to free up funding for delivering services. We have also encouraged collaborations such as the Egni Cooperative working with Newport Council on solar rooftop roll-out. How we can more effectively use the public estate will be considered as we roll out a proactive approach to future energy needs in the local area energy planning process we are supporting at local authority level.

As an example of how the public sector is better supporting the renewable energy sector, a former landfill site is home to Cardiff City Council's new 9MW solar farm. The site's average annual generation is equivalent to around 20% of the Council's total electricity consumption (2019/20 baseline). The majority of this is being delivered via a direct wire to help decarbonise energy demands at the local wastewater treatment works, with surplus generation sold to the National Grid.

Overall, this development is estimated to save around 1,150 tonnes of CO2 each year and provide the council with a net benefit of more than £20m over the lifetime of the development, based on cost savings and income generated.

Financial Implications – Funding for WGES already agreed

Recommendation 16

The Committee recommends that

The Welsh Government must set out how it intends to ensure that local communities are supported and empowered to secure 'community benefits' from commercial developments where shared ownership is not considered a favourable option. It must also set out its position on mandating an appropriate level for Community Benefit Funds, including options for achieving this.

Response: Accept

The Welsh Government already provides direct support to our local communities through our funding arrangements for Community Energy Wales, who help to empower local communities to secure acceptable community benefits when shared ownership is not possible. Our Welsh Government Energy Service also advises local communities and project leaders on solutions to maximise benefits for the local community.

In our guidance on local and shared ownership of energy projects, we are not overly prescriptive as to the appropriate level of Community Benefit Funds as we welcome creative and innovative approaches to meeting the needs of each local community. We will be considering this matter further as projects come forward.

We recognise that different levels of community benefits risks competitiveness issues for developers bidding to the UK Government for CfDs. Bidding is highly competitive and, consequently, developers are naturally inclined to limit their community benefits offering to secure a contract. It may, therefore, be appropriate for the UK Government to set a minimum expected level of community benefit for all projects applying to each CfD pot.

Financial Implications – Funding already agreed for CEW and WGES

Recommendation 17

The Committee recommends that

The Welsh Government must provide an update on progress towards the development of proposals for Ynni Cymru, including how it will complement the work of the commercial sector, the Welsh Government's Energy Service and other Welsh Government funded organisations whose purpose is to support community and public sector projects.

Response: Accept

The Welsh Government will provide an update on the implementation of the Cooperation Agreement commitment to work towards setting up Ynni Cymru in due course. The scope of the commitment is to support an increase in community energy and is intended to be in addition to existing delivery mechanisms.

Financial Implications – None as yet

Julie James MS

Minister for Climate Change

Agenda Item 6.7

Y Gwir Anrh/Rt Hon Mark Drakeford AS/MS Prif Weinidog Cymru/First Minister of Wales

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



Llywodraeth Cymru Welsh Government

18 July 2022

Dear Llyr,

I am writing in response to your letter of 1 July 2022 about the 2022/2023 legislative statement and a Bill on environmental governance.

Our Programme for Government puts the climate and nature emergencies central to all of our work. As outlined during my legislative statement of 5 July, the Welsh Government is bringing forward a number of important pieces of legislation over the coming year aimed at creating a greener Wales. These include a Bill to ban or restrict the sale of some of the most commonly littered single-use plastics in Wales; a clean air Bill; an agriculture Bill to reform the way our farming communities are supported in the future; and a Bill on coal tip safety.

This Government is committed to upholding EU environmental standards. Working towards the establishment of an environmental governance body is part of our Programme for Government and the Cooperation Agreement between the Welsh Government and Plaid Cymru and we are committed to bringing forward legislation on this important issue during this Senedd term. In the meantime, the Interim Environmental Protection Assessor for Wales (IEPAW) will continue her valuable work until legislation is brought forward to create a permanent body.

Since its formation, the IEPAW has been constantly reviewing and improving its processes in order to strengthen the interim arrangements. This has included the introduction of a new process for scoping submissions, the development of prioritisation principles, the publication of a pro-forma to ensure the right information is received at the outset, and the creation of an infographic setting out the different environmental regulators operating in Wales. While these interim arrangements are in place, the IEPAW and Welsh Government will continue to consider what more can be done to improve their effectiveness and to ensure that the Interim Assessor has the resources she needs to carry out her role.

Yours sincerely,

MARK DRAKEFORD

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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.

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

Llywodraeth Cymru Welsh Government

Huw Irranca-Davies MS

Chair

Legislation, Justice and Constitution Committee

Huw.Irranca-Davies@senedd.wales

4 August 2022

Dear Huw,

In accordance with the inter-institutional relations agreement, I wish to notify you a further meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs was held on 20 July at the Royal Welsh Show.

The meeting was attended by Edwin Poots MLA, Minister of Agriculture, Environment and Rural Affairs, Northern Ireland Government; George Eustice MP, Secretary of State for Environment, Food and Rural Affairs, UK Government; David TC Davies MP, Parliamentary Under-Secretary of State for Wales; Lord Malcom Offord, Parliamentary Under-Secretary of State to the Scotland Office; Mairi McAllan, Minister for Environment and Land Reform, Scottish Government; Mairi Gougeon, Cabinet Secretary for Rural Affairs and Islands, Scottish Government.

I chaired the IMG where I presented on Welsh Government's proposals for a Sustainable Farming Scheme.

Ministers also discussed the implications of the invasion of Ukraine and wider increased costs on agri businesses, including a presentation on the modelling of the impact of agri-inflation in Wales. I noted Governments were working well at official level and suggested it would be good if Governments could do more modelling and analysis together. I also raised with the UK Government whether actions could be taken forward on VAT on red diesel and fertiliser.

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<u>Correspondence.Lesley.Griffiths@gov.wales</u>

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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.

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Lesley Griffiths AS/MS Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd Minister for Rural Affairs and North Wales, and Trefnydd



A discussion of retained EU Law and the proposed Brexit Freedoms Bill followed where the UK Government outlined the rationale for the legislation. Concerns were raised regarding how devolved aspects of the Bill would be addressed. The Gene Technology (Precision Breeding) Bill was also discussed, particularly, the implications for Devolved Administrations and the need for much greater engagement.

Ministers then discussed the development of the borders Target Operating Model for future border checks with a particular emphasis on timescales for implementation, the importance of biosecurity and the proposed trusted trader approach.

The UK Government also provided an update on progress regarding the negotiations for the Convention of Biological Diversity COP 15 and the planned summit in Montreal later this year.

Finally, the UK Government confirmed the exclusion to the Internal Market Act on single use plastics had now been granted.

We agreed our next meeting would be held on Monday 12 September in Scotland.

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

I am copying this letter to the Climate Change, Environment, and Infrastructure Committee and to the Economy, Trade and Rural Affairs Committee.

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Lesley Griffiths AS/MS Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd Minister for Rural Affairs and North Wales, and Trefnydd



Regards,

Lesley Griffiths AS/MS

Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd Minister for Rural Affairs and North Wales, and Trefnydd

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Agenda Item 6.9







9th August 2022

Annwyl Llyr Gruffydd,

The Welsh Government recently published its proposals for the future of the Welsh Quality Housing Standard - WHQS2023. The proposals include the ambitious decarbonisation target of achieving EPC A on all social housing by 2033.

The social housing sector in Wales has grave concerns about the Welsh Government's proposals as they are not deliverable. We have written to the Minister for Climate Change to set out these concerns.

The proposals require the social housing sector to achieve a higher EPC standard ahead of other parts of the UK with no long term funding available. The proposals would place colossal unfunded pressures on social landlords which would have a significant impact on services and the ability to build new homes. Furthermore, the sector is currently experiencing significant supply chain pressures which the WHQS proposals would almost certainly exacerbate.

These proposals will impact a number of sectors including housing associations, local authorities, tenants and tenant support groups, the construction industry, and finance lenders for decades to come.

As social landlords we are determined to meet the challenge of net zero and understand the key role that housing plays in supporting the Welsh Government to reach the 2050 target. Achieving this however requires a fully funded and deliverable plan, which takes advantage of changes in technology, maximises the opportunity to build a Welsh based supply chain and provides an economic boost to Welsh communities.

We would like to see the WHQS reflect an ambitious but achievable target date. The 10-year programme was initially proposed in very different economic conditions to the one facing tenants and social landlords today. We would like to work with the Welsh Government to develop an alternative roadmap which prioritises investment to provide support to fuel poor households and balances further investment over a deliverable time period that allows the supply chain and workforce/skills provision to scale- up alongside the demand.

Secondly, **this must be accompanied by a long term grant programme**. We understand that the cost of decarbonisation is huge and will require a blended approach. However, significant long term investment must be part of this and it is impractical for a standard to be

introduced without a funding mechanism in place. As the proposals stand now, they would place colossal unfunded pressures on social landlords.

Thirdly, we recognise that the forthcoming net zero skills strategy provides an opportunity to build our Welsh based skills and supply chains to support this work. However, this simply will not be achieved in time to meet the targets currently set out in the consultation. **Smoothing the delivery over a longer time period, alongside a complementary skills strategy** enables Wales to reap the full economic and environmental benefits of retrofit.

Finally, we know that **this has to be something that is done with tenants.** The Optimised Retrofit Programme has rightly required that methods for effective tenant engagement be integrated into programmes so that the learning acquired can feed into future programmes. We are still learning how best to engage with tenants on decarbonisation and this process cannot and should not be rushed

This standard is being consulted on in an incredibly challenging environment. The cumulative impact of excessive costs for development and maintenance, rising workforce costs and pressures, and increasing social pressures as a result of global events and a rising cost of living is having a significant impact on social landlords and their tenants. As the Chair of the Climate Change, Environment and Infrastructure Committee we would welcome the opportunity to discuss these challenges and ideas with you. Please let us know if it would be helpful to organise a briefing session or meeting.

Yours sincerely,

Stuart Ropke, Chief Executive, Community Housing Cymru Matt Dicks, Director, Chartered Institute of Housing Cymru

Sam Parry, Chair, Housing Leadership Cymru



Climate Change, Environment, and Infrastructure Committee

Senedd Cymru

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Julie James MS

Minister for Climate Change

09 August 2022

Dear Minister,

Last week we heard the terrible news that highly pathogenic avian influenza (HPAI), or bird flu, has been confirmed in northern gannets on Grassholm, home to the third largest gannetry in the world.

This summer has seen bird flu spreading rapidly through seabird colonies in Scotland and around the North Sea coasts. Initial assessments suggested mortality rates of at least 25% of birds at some colonies and up to 85% at others. The number of species testing positive has grown quickly and includes Sandwich tern, gannets, kittiwake, puffin and razorbill.

Bird flu poses a threat to Wales's internationally important seabird colonies. Over half the world's population of Manx shearwater nest underground in burrows on the islands of Skomer, Skokholm, Middleholm, Bardsey and Ramsey, with over 350,000 pairs on Skomer alone.

In the light of the discovery of bird flu on Grassholm, I would be grateful for an update on urgent action being taken by the Welsh Government to address this issue and the work to develop a National Response Plan for HPAI in Wild Birds. Furthermore, I would like you to clarify the steps you are taking to boost the resilience of seabirds in the face of future outbreaks.

These incidences of bird flu are a concern for the Committee. We will be keeping the matter under review over the coming months.

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.



European Affairs Committee

House of Lords London SWIA 0PW Agenda Item 6.11

23 August 2022

Tel: 020 7219 6083 hleuroaffairs@parliament.uk

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

By email: SeneddClimate@senedd.wales

Dear Mr Gruffydd,

Lords European Affairs Committee inquiry into the future UK-EU relationship

The European Affairs Committee has just launched an <u>inquiry into the UK's future relationship</u> with the <u>EU</u>. This wide-ranging inquiry will cover a number of topics, including the political, diplomatic, and institutional relationship, foreign policy and security, environment and climate change, and culture, education and the movement of people.

The Committee recognises that issues of this importance require input from as wide a range of stakeholders as possible, and most especially from colleagues in the devolved parliaments across the UK. Members have therefore asked me to write to you personally to make you aware of this inquiry and to ask you to consider whether your Committee would be willing to share your valuable perspective on the matters raised in the <u>call for evidence</u>.

In a further demonstration of the Committee's commitment to hearing from colleagues and stakeholders across the UK, we are hoping to visit Cardiff early in the new year to meet stakeholders and take formal evidence for this inquiry. We would very much appreciate the opportunity to engage with your Committee at that time.

Yours sincerely,

Lord Kinnoull

Chair of the European Affairs Committee

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

Agenda Item 9

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

Agenda Item 10

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