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Y Grŵp Newid Hinsawdd a Materion Gwledig
Climate Change and Rural Affairs Group



Llywodraeth Cymru
Welsh Government

Mark Isherwood MS

Chair – Public Accounts and Public Administration Committee

Welsh Parliament

Cardiff Bay

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9 May 2023

Dear Chair

CARDIFF AIRPORT

Thank you for your letter dated 6 April 2023, I am writing to you to provide the Committee with some additional information and clarification in response to the points raised in your letter.

Quarterly reporting

The Airport committed to achieving several targets by the 31 March 2023 to put the airport on a pathway to becoming carbon neutral. However due to the current economic climate it is extremely challenging for any regional airport to achieve the objective of achieving Net Zero by 2050 across all of its operations.

As the Committee is aware, the Airport has committed to a Solar Farm which is a commercial arrangement between Cardiff Airport and Cenin Renewables. Further details regarding the Solar Farm are set out in a letter from Cardiff Airport to the Committee. A link is attached for ease of reference:

[Letter from Cardiff Airport to the Chair - 7 September 2022.pdf \(senedd.wales\)](#)

The Airport has committed to the use of sustainable aviation fuel (SAF) and to offer this to airlines at Cardiff Airport as soon as practicably possible. SAF availability is limited at the moment with current production is less than 1% of the global jet fuel demand. However, more facilities are coming online, and the projections are that about 2% replacement of conventional jet fuel with SAF is possible by 2025.

We welcomed the recent news that LanzaTech, intend to build pioneering carbon recycling facilities in Port Talbot to convert industrial emissions into Sustainable Aviation Fuel (SAF). The project is supported through £25 million from the Department for Transport - Advanced Fuels Fund. We understand the Airport and Lanzatech have had initial discussions regarding making this fuel available at the Airport.



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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.

We see SAF as a intermediate carbon reduction solution, as the industry looks to the development of new zero-emission aircraft, such as hydrogen-fuelled and electric powered aircraft.

For information, the UK Government is running an open consultation Pathway to net zero aviation: developing the UK sustainable aviation fuel mandate; [sultations/pathway-to-net-zero-aviation-developing-the-uk-sustainable-aviation-fuel-mandat Pathway to net zero aviation: developing the UK sustainable aviation fuel mandate - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/pathway-to-net-zero-aviation-developing-the-uk-sustainable-aviation-fuel-mandate)

We understand the Airport will be updating and publishing a new version of its environmental flightpath in due course which will map out its pathway to Net Zero.

I have written to you separately, under commercially confidential cover, with an update regarding the other metric.

WGC Holdco

The recruitment process did not take place as quickly as we had hoped due to a number of factors. First, we first needed to take a decision on whether the HoldCo Chair would be a Senior Civil Servant or an external person. On balance, we concluded that as it is a wholly-owned subsidiary we would maintain the post of Chair as a Senior Civil Servant, (subject to formal appointment by the HoldCo board) and bolster private sector expertise by replacing two Senior Civil Servants with individuals with more private sector / commercial expertise.

Second, the team had a series of competing priorities for their working time, including as explained below the work with the Airport on sustainability. This meant a delay to the recruitment of replacement NEDs, however, the continuity of the Directors has been beneficial in recent months.

The recruitment for the new Non-Executive Directors (NEDs) went live on 4th April 2023 and closed on 2nd May 2023; [HYPERLINK "https://cymru-wales.tal.net/vx/lang-en-GB/mobile-0/appcentre-3/brand-2/candidate/so/pm/1/pl/8/opp/8657-Non-Executive-Directors-3-WGC-HoldCo-Ltd/en-GB"](https://cymru-wales.tal.net/vx/lang-en-GB/mobile-0/appcentre-3/brand-2/candidate/so/pm/1/pl/8/opp/8657-Non-Executive-Directors-3-WGC-HoldCo-Ltd/en-GB) [Non-Executive Directors \(3\) - WGC HoldCo Ltd - Welsh Government \(tal.net\)](https://cymru-wales.tal.net/vx/lang-en-GB/mobile-0/appcentre-3/brand-2/candidate/so/pm/1/pl/8/opp/8657-Non-Executive-Directors-3-WGC-HoldCo-Ltd/en-GB) This included the replacement for the existing outgoing Non-Executive Director whose second term ends in November 2023.

We will now conduct the sift and interviews, this process should be concluded by the time we meet with Committee at the end of June. We do not envisage any further delay subject to sufficient applicants coming forward.

As the advertisement makes clear, we are recruiting for individuals who can provide strategic direction to the Airport, commercial expertise when scrutinising and monitoring the airport restructuring plan, assurance of governance and financial expenditure at the airport and oversight of the airports operational and financial performance.

Reviews

This work is ongoing and we will be better placed to provide the Committee with an update when we meet in June. However, the Committee might wish to be aware that despite the withdrawal of Wizz Air, the airport has recovered 58% of its 2019 passenger figures, recording 910k passengers through its terminal by the end of the last financial year (31 March 2023).

The Airport team are working hard to attract new business to Cardiff Airport. They report that bookings across all services are looking healthy for this Spring and Summer season, which shows positive signs of recovery. Ryanair recently announced their biggest ever summer of flying from Cardiff airport this year. TUI is adding an extra 40,000 holidays from Cardiff Airport for 2024. Finally, the news that Eastern Airways, in cooperation with Air France, have launched a new daily service between Cardiff Airport and Paris Orly from 21 April was welcomed, offering people living in Wales another connection to a major capital city and global aviation hub.

I hope this additional information is helpful to the Committee. As ever, I would be happy to provide any further information or clarification.

Yours sincerely

A handwritten signature in black ink, reading "Tracey Burke". The signature is written in a cursive style with a large initial 'T'.

Tracey Burke

Director General, Climate Change and Rural Affairs Group