



Eich cyf/Your ref
Ein cyf/Our ref

Andrew RT Davies MS
Chair - Economy, Trade and Rural Affairs Committee

12 March 2026

Dear Andrew,

Thank you for your follow-up letter from the General Ministerial Scrutiny session held on 25 February 2026.

We are pleased to provide clarification on all the points you have requested, as follows.

The latest position regarding identifying an investment partner for the north Wales AI Growth Zone

The North Wales AI Growth Zone is a private sector-led bid, with Ynys Môn County Council and Bangor University - it is not led by the Welsh Government and Stena has not yet disclosed to us or the UK Government who the investor / developer is. We are, however, engaging with all partners to maximise the opportunities for both AI Growth Zones and this is maturing positively, including North Wales.

There was a session, for example, in Cardiff on 26 February involving a range of organisations, such as infrastructure providers, prime technology players, and academia to discuss the development of AI Growth Zones in Wales. This will be followed by a session in North Wales in the coming months. As the Committee will appreciate, investment decisions required for AI Growth Zones involve commercially sensitive discussions and it would not be appropriate to comment further at this stage.

The development of a defence cluster, and how this is expected to work

The Welsh Government has been working with the MOD to establish a security and defence cluster for Wales. Announced in the Defence Industrial Strategy, Wales will be one of several clusters already established in the UK.

I (Cabinet Secretary for Economy, Energy and Planning) was delighted to launch the Wales Regional Defence and Security Cluster, jointly with the Secretary of State for Wales, on 9 March.

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

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Correspondence.Rebecca.Evans@gov.wales
Gohebiaeth.Rebecca.Evans@llyw.cymru

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.

A steering group has been established, chaired by representatives from Airbus Defence & Space and Thales, and is comprised of representatives from SMEs, Wales-based sector organisations, universities, and further and higher education. The steering group will run the cluster with the MOD and the Welsh Government providing support as and when needed.

The aspiration is to have over 300 Welsh companies, colleges and universities in this cluster. The MOD is looking to the clusters to help invigorate the UK defence industrial base by facilitating industry, academia, and government to collaborate, share ideas and identify routes to market through exploitation and commercialisation.

The various workstreams implementing the recommendations of the floating offshore wind task and finish group

We are progressing actions from the Offshore Wind Task and Finish group covering the main themes within the Action Plan.

Market Making

Leveraging social value has been a major theme in our discussions with the Crown Estate and, for the first time, the Round 5 seabed leasing programme included social value as part of the bidding process. We are now in a position that all three developers have reached Agreement for Lease status and have an inherent responsibility to deliver social value for the Celtic Sea region. The Crown Estate has also established a Celtic Sea Forum, which not only includes the Round 5 developers but also the test and demonstration projects. This will enable a coherent and co-ordinated approach to delivery, which should maximise the potential for Wales.

This Celtic Sea delivery group will also be providing further detail in relation to what support is required for ports and supply chains in Wales. The Welsh Government is committed to working with the Crown Estate, as well as GB Energy and the National Wealth Fund, to ensure a co-ordinated approach to this support.

Enabling Environment

We have provided additional budget to Natural Resources Wales (NRW) to support its marine advisory service, which will unlock decision-making for marine licences. We are working with NRW and contributing to the Collaboration for Offshore Wind for Strategic Compensation process to identify suitable strategic compensation for Wales.

We have also had extensive engagement with UK and other Devolved Governments to progress appropriate environmental compensation measures. We have agreed with the UK Government that any offshore projects in Wales will have the option to access the new Marine Recovery Fund, should any compensatory measures be required for damage to a Marine Protected Area.

Alongside this, we are working collaboratively with the Crown Estate to leverage its marine mapping expertise and understand how the Marine Delivery Routemap can feed into the marine planning process. This work will include the development of a spatial assessment of Welsh seas that will inform marine planning.

Grid is another priority for us and we are contributing to NESO's Strategic Spatial Energy Plan (SSEP) process, providing advice on mapping approaches for the Welsh marine area and identifying opportunities to align marine planning with the SSEP. This work is ongoing in tandem with work on terrestrial infrastructure requirements.

Finance

We are working proactively with GB Energy, the National Wealth Fund and the Crown Estate to identify areas of mutual interest for investment, including supply chain development and infrastructure investment.

We are utilising partners such as Marine Energy Wales to promote funding opportunities to key stakeholders in Wales. This activity is supported via Business Wales newsletters and other social media activity.

Ports

A key action from the Offshore Wind Task and Finish group was the creation of a Welsh ports prospectus to showcase the investment opportunity of ports in Wales. This was launched at Future Energy Wales in October 2025 and was showcased at the Wales Investment Summit in December 2025. We continue to work with the ports to support their investment ambitions and are holding follow-on discussions regarding specific investment propositions.

We have also used the Welsh ports prospectus as a marketing tool in our discussions with the sector's wider supply chain to attract interest from a wide range of international investors. An example of this activity was a joint initiative with the Department of Business and Trade in Oslo where officials, alongside the UK government, Equinor, GB Energy and the Crown Estate, outlined the Celtic Sea opportunity to a wide range of supply chain companies operating in the offshore wind sector.

Supply Chain and Clusters

We are active members of the Offshore Energy Alliance and the Celtic Sea Cluster which promote business opportunities within the fixed and floating offshore wind industry.

We also actively promote trade and investment opportunities within the sector and take Wales-based businesses to relevant trade shows such as Global Offshore Wind and WindEurope. These events provide a cost-effective opportunity to companies to promote their activities to the wider offshore wind supply chain.

We are engaging with all offshore wind developers with an interest in Welsh waters, to promote the capability and expertise of Welsh companies and to identify areas of mutual interest.

The Action Plan identified foundations and sub-structures as a particular supply chain opportunity, which aligned with the 2024 Industrial Growth Plan for Offshore Wind. We have worked closely with Welsh ports to quantify the opportunity and to also reach out to potential international suppliers to promote Wales's capabilities. However, we recognise that the market pipeline needs to have greater visibility to attract this type of high value manufacturing opportunity to Wales.

In terms of Tier 1 contractors, we are actively engaged with a number of organisations to outline the Welsh proposition.

Skills

We welcome the Offshore Wind Task and Finish Group's emphasis on strengthening Wales's skills ecosystem, which aligns with the Green Skills Review and our broader goal of a more co-ordinated, agile and responsive skills offer. We are engaging with the renewable

energy industry, learning providers and regional skills partnerships to develop a clearer picture of the future supply and demand for skills in the sector.

A range of work is currently underway, our expanded Flexible Skills Programme continues to deliver tailored support to businesses to invest in themselves and build a stronger, more skilled workforce in response to the fluid needs of industry. This established programme is well placed to support companies to embrace new technologies including those around green growth and the energy transition, and Medr's consultation on the future apprenticeship programme, which is exploring opportunities for innovation in programme delivery and design to better meet the needs of learners, employers and the economy.

The timeline for the decision to accelerate an audit of rest facilities for heavy goods vehicle drivers being undertaken by the Welsh Government as a priority action

Surveying of rest stop facilities has already taken place. Data from that survey are currently being reviewed, with an executive summary due to be published after the election.

An update on negotiations around non-Jobcentre Plus funding

The Minister for Culture, Skills and Social Partnership met with the DWP Minister for Transformation, Andrew Western, on 10 March 2026 to further discuss this matter. We will be issuing a Written Statement shortly to set out how we will deliver the UK Government manifesto commitment to devolve employment support funding to the Welsh Government.

The latest position on Gilestone Farm, including the Welsh Government's ambition for this investment now.

A new tenancy agreement with the current tenant for Gilestone Farm has now been agreed, which ensures that agricultural activity at the site can continue in the short-term and that the site is managed appropriately.

Officials have held early-stage discussions with Powys County Council as set out by the Welsh Government's "Identification and Disposal of Welsh Government Non-Core Surplus Land and Buildings" guidance, but these have not proceeded to any formal negotiations or submissions of formal plans. Discussions around the medium to long-term future of the site are ongoing and the Welsh Government remains committed to ensuring the protection of the ospreys at the site in any future activities. The Welsh Government is also committed to engaging with the local community through the appropriate channels as this work progresses.

Metrics for measuring apprenticeship starts

During this Senedd term, the Welsh Government and then Medr have published two complementary sets of statistics on apprenticeship starts - total apprenticeship starts and quality starts. Both measures are relevant to the Programme for Government commitment and are published transparently in the data.

Ministers have placed greater emphasis in public statements on total apprenticeship starts, which provide a more timely indication of progress, particularly as the Senedd term draws to a close. This does not represent a change to the commitment but reflects the appropriate use of two published datasets for different purposes.

We hope this information is helpful.

Yours sincerely,

Rebecca Evans.

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

JACK SARGEANT

Jack Sargeant AS/MS

Minister for Culture, Skills and Social Partnership
Y Gweinidog Diwylliant, Sgiliau a Phartneriaeth Gymdeithasol