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Annwyl Bill,

Many thanks for allowing Friends of the Earth Cymru this opportunity to comment on the correspondence received by the Petitions Committee from the Welsh Affairs Committee and the Minister for Natural Resources and Food.

As you are aware, Friends of the Earth Cymru submitted both written and oral evidence to the Welsh Affairs Committee in its appraisal of unconventional gas in relation to Wales. Issues raised by both the Minister in his correspondence, and that are not raised by him but are of interest to the Welsh Affairs Committee and which have significant implications for Wales, include:

Regulation

In their written evidence to the Welsh Affairs Committee, Natural Resources Wales stated that they “would welcome further guidance and a policy framework from the UK and Welsh Governments”. This seems to indicate that in NRW’s opinion there is no policy framework and insufficient guidance, which would hardly be an appropriate basis on which to regulate a new industry in Wales.

The WLGA concurs, stating in evidence to the Petitions Committee: “The view from local planning authorities is that there is a lack of Planning Policy Guidance/Technical Advice Note/Best Practice notes etc with regard to fracking and assessing planning applications for that form of development”.

The Environment and Sustainability Committee recently stated “We believe it is important that NRW urgently clarifies its position on the permitting, regulating and monitoring of UCG sites”.

Perhaps surprisingly, industry also requests better regulation, with an industry spokesperson stating: “Regulation is to be welcomed and will not add any significant costs”.

Better and stronger regulation is required and requested from the industry, minerals planning authorities, the National Assembly and the public. The only organisations not in favour of better regulation appear to be the UK and Welsh Governments.

Furthermore, the Environment Agency says it does not have the resources to monitor impacts if the industry develops to scale. The Minister’s letter seems to indicate that NRW will be dependent on the EA for advice and support on regulatory and technical matters. How this will take place with the EA already stretched, losing 10% of its headcount, and potentially beyond capacity in the near future remains unresolved.

NRW doesn't believe that Environmental Impact Assessments are necessary for exploratory drilling, although it does require Mineral Waste Permits and Radioactive Waste Permits. It's difficult to reconcile the idea that there would be minimal risk of environmental impacts given the other permits that are required.

Employment

An engineering consultancy (AMEC) advising DECC has put the figure of jobs associated with shale gas at 1/4 of the Prime Minister's estimate (anything from 16,000 to 24,000). So on a per capita basis you might expect several hundred jobs in Wales. These would be short-term (according to AMEC), from four to nine years, and in Lancashire only 17% of those jobs went to local people. Again, on a pro-rata basis, we would be looking at fewer than 200 jobs for Welsh people, for a period of four to nine years. We do not underplay the importance of those jobs to the individuals concerned, but we do question whether or not the price is worth paying for the level of employment envisaged.

There are also no studies on jobs lost as a result of shale gas exploitation – whether in the agriculture, tourism or renewables sectors.

On community benefits – which is at least tangentially related to employment. We have done some calculations relating to the community benefits available for communities subject to shale gas extraction. While something, of course, is better than nothing, our calculations indicate that the benefits generally available for wind farms are in the region of four times as generous as those for shale gas.

We would very happily furnish you with greater detail on these aspects if you would find that helpful.

Letter from the First Minister

Finally, I thought I should send you a copy of a letter from the First Minister I received today. It reiterates the Welsh Government's unshakeable faith in the current regulatory structures which, as we have already seen, have been called into question by everyone other than the Welsh Government and its statutory environmental regulator.

Yr eiddoch yn gywir,

A handwritten signature in blue ink, appearing to read 'Gareth Clubb', with a long horizontal line extending to the right.

Gareth Clubb

Cyfarwyddwr – Director

Friends of the Earth Cymru