

Welsh Government Paper for the Environment and Sustainability Committee inquiry into a smarter energy future for Wales

This paper sets out the Minister for Economy, Science and Transport's and the Minister for Natural Resources' portfolio responsibilities for energy.

1. Setting a clear direction

The Welsh Government's energy policy is set out in ***Energy Wales: A Low Carbon Transition (2012)***. The aim is a low carbon economy that delivers jobs and long term prosperity working in partnership with businesses and communities to deliver a smarter low carbon energy future for Wales.

In keeping with the Minister for Economy, Science and Transport's energy responsibilities an Energy Statement was issued in April 2015 outlining how to continue with the transition to a low-carbon economy working with industry and other stakeholders. It recognises the need to create a stable, innovative, yet flexible environment for long term investment and employment. The statement defined a clear vision

- Safeguard and maximise the Welsh energy position through strong leadership across government;
- Maximise the benefit to Wales of the transition to low carbon generation, for businesses, universities, households and communities.
- Maintain a business friendly and competitive environment for investment and affordable supply;
- Seek to secure parity and increased influence within the UK, and wider afield, for Wales and Welsh interests.

The energy statement is designed to play a major role in driving economic growth, supporting the growth of green jobs and skills throughout Wales and increasing through innovation the competitiveness of our businesses.

The Green Growth approach in Wales aims to foster economic development and social equity while ensuring that our natural assets can continue to provide the resources and environmental services on which our well-being relies. *Green Growth Wales: Local Energy* sets out the Welsh Government vision for delivering on local energy in Wales across the Natural Resources portfolio.

2. Responsibilities

The Minister for Economy Science and Transport is responsible for:

- **Energy policy, major energy facilities and infrastructure (including grid), devolution in energy matters, steel, coal, oil and gas.** The current priority is devolution of energy matters via the Wales Bill and Energy Bill;
- **Economic sectors including Energy and Environment, Advanced Materials and Manufacturing and Construction.** Delivery of jobs and growth and the exploitation of supply chain opportunities on major projects including Wylfa Newydd, Magnox decommissioning and Swansea Bay Tidal Lagoon.

- **Science, research and innovation including research and development, knowledge transfer and commercialization.** Action in respect of Science for Wales' grand challenges of low carbon energy and environment and exploitation of RDI energy opportunities;
- **Ministerial and sector groups that provide expert advice and direction on energy matters.** Key advisory include the Energy Wales strategic delivery group; Energy and Environment sector panel, Marine Industry task and finish group and Magnox task and finish group.

The Minister for Natural Resources is responsible for:

- **Policy relating to: small-medium scale energy production, domestic energy, energy efficiency and the reduction of fuel poverty.** Key priorities include Green Growth Wales: Local Energy, Energy Efficiency Strategy and the Warm Homes programme.

In addition, other areas of the portfolio which impact on energy include:

- **Cross-cutting responsibility for Sustainable Development, including the Well-being of Future Generations (Wales) Bill.** Energy generation in Wales is an important component in delivering the well-being goals set out in the Well-being of Future Generations (Wales) Act.
- **Natural Resources Wales.** NRW's enterprise and regulatory functions support green growth and the wider transition to a low carbon society and addressing climate change;
- **Cross-cutting measures of mitigation and adaptation in relation to climate change.** The Environment (Wales) Bill will strengthen carbon reduction commitments by putting in place statutory climate change targets and carbon budgeting with the aim of at least an 80% CO₂ reduction by 2050.
- **Sustainable resource and waste management in Wales** The ambition is for Wales to recycle 70% of all waste by 2025 and be zero waste by 2050.
- **All aspects of planning policy, including the issue of statutory guidance to Local Authorities, and the determination of planning disputes and appeals.** Planning Policy Wales provides the context for energy and planning policy in Wales. Other planning responsibilities include Developments of National Significance, determination of energy consents, and permitted development.
- **Building Regulations (The exemption of certain classes of building from Building Regulations, and the determination of appeals on matters relating to them).** Building regulations set standards for energy efficiency and low carbon in design and construction.