

Cynulliad Cenedlaethol Cymru The National Assembly for Wales

Y Pwyllgor Cynaliadwyedd The Sustainability Committee

Dydd Iau, 17 Ionawr 2008 Thursday, 17 January 2008

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 Inquiry into Carbon Reduction: Consideration of Scoping Paper on Industry and Public Bodies

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol Committee members in attendance

Mick Bates Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor)

Welsh Liberal Democrats (Committee Chair)

Alun Davies Llafur

Labour

Lesley Griffiths Llafur

Labour

Alun Ffred Jones Plaid Cymru

The Party of Wales

Darren Millar Ceidwadwyr Cymreig

Welsh Conservatives

Brynle Williams Ceidwadwyr Cymreig

Welsh Conservatives

Leanne Wood Plaid Cymru

The Party of Wales

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol Assembly Parliamentary Service officials in attendance

Joanne Clinton Dirprwy Glerc

Deputy Clerk

Dr Virginia Hawkins Clerc

Clerk

Dechreuodd y cyfarfod am 10.47 a.m. The meeting began at 10.47 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introduction, Apologies and Substitutions

- [1] **Mick Bates:** Welcome to this morning's Sustainability Committee meeting. Are there any apologies or substitutions?
- [2] **Dr Hawkins:** We have received apologies from Karen Sinclair and Lorraine Barrett.
- [3] **Darren Millar:** Lesley Griffiths has said that she will arrive a few minutes late.
- [4] **Mick Bates:** Thank you. As usual, I need to make some housekeeping announcements. In the event of the fire alarm sounding, you should leave the room through the marked fire exits and follow the instructions given by the ushers and staff. There is no fire alarm test forecast for today. Please ensure that all mobile phones, pagers and BlackBerrys are switched off, as they interfere with the broadcasting equipment. The National Assembly for Wales operates through the medium of English and Welsh. Headphones are provided through which instantaneous translation may be received. For those who are hard of hearing, they may also be used to amplify the sound. The translation is available on channel 1 and the sound is amplified through channel 0. I remind everyone not to touch the buttons on the microphones as this can disable the system. Please ensure that there is a red light on your microphone before you speak.

10.48 a.m.

Cynnig o dan Reol Rhif 10.37 y Rheolau Sefydlog i Benderfynu Gwahardd y Cyhoedd o'r Cyfarfod ar gyfer Eitemau 3 a 4 Motion under Rule No. 10.37 of Standing Orders to Resolve to Exclude the Public from the Meeting for Items 3 and 4

[5] Mick Bates: I propose that

the committee resolves to exclude the public from the meeting for items 3 and 4, in accordance with Standing Order No. 10.37(vi), to allow it to deliberate the content of the recommendations of the two draft reports from the sub-committee.

[6] I see that the committee is in agreement.

Derbyniwyd y cynnig. Motion carried.

> Daeth rhan gyhoeddus y cyfarfod i ben am 10.49 a.m. The public part of the meeting ended at 10.49 a.m.

Ailymgynnullodd y cyfarfod ffurfiol am 10.59 a.m. The formal meeting reconvened at 10.59 a.m.

Datganiad gan y Cadeirydd Statement by the Chair

[7] **Mick Bates:** I welcome the public back to the Sustainability Committee after items 3 and 4, during which Alun Davies, Chair of the Rural Development Sub-committee, presented the reports on bovine tuberculosis and foot and mouth disease. The committee unanimously agreed the reports' recommendations, which will now go forward for Plenary debate. I would like to put on record our thanks to the excellent way in which the reports have been presented. Our thanks go in particular to the Chair of the sub-committee for producing these reports and organising with the clerk the scientific evidence on which the recommendations have been based. Are there any comments on the process? I see that there are not.

11.00 a.m.

Ymchwiliad i Leihau Gollyngiadau Carbon: Trafod y Papur Cwmpasu ar Ddiwydiant a Chyrff Cyhoeddus Inquiry into Carbon Reduction: Consideration of Scoping Paper on Industry and Public Bodies

[8] Mick Bates: You will have had the scoping paper on the third section of our committee inquiry into carbon reduction. This is a scrutiny of carbon reduction in industry and public bodies. As you will have noted from the paper, it does exclude the energy-producing industry. I pay tribute to staff for the way that the recommendations and the report have been prepared; again, I think that we have been presented with an excellent scoping paper. If you look at section 3, you will see that electricity generation is there and that will form part of the next section of our inquiry, when we will be looking at energy production. Before we run through the paper briefly, are there any comments on the paper as a whole? I

see that there are not; therefore, I will just take Members through it.

- [9] As you will be aware from other papers, Wales is the twelfth largest emitter of carbon per capita. As you can see in the first section of the paper, the contribution of the non-energy industry has decreased according to the figures. The only figures available, as it shows you in section 3, are UK figures, which are derived from the European Union emissions trading scheme. Section 2 moves on to our devolved responsibilities. As you can see from annex A, there are not many areas over which we have direct power on the economic side. I hope that Members have looked at annex A and seen that the fiscal and economic policies, in the main, are still controlled by the UK Government. This is a discussion that we have had many times. To look at the situation in Wales, as I have said, it is mainly from the EUETS that we have these figures. I am sure that some of you will have read with interest that Aberthaw and Port Talbot steelworks are responsible for a third of the total emissions in Wales. If you look at section 4 on improving carbon efficiency, this is obviously our area of scrutiny, of witnesses and then eventually the Minister. There you can see the areas where work can be undertaken to improve efficiency.
- [10] I must say that I am sure, from most of my experiences, that a lot of industries are beginning to see the economic importance of reducing their energy costs. Since the first part of our inquiry into carbon reduction in the residential sector, utility bills have increased significantly, and I think that it will be very opportune when we come to make our recommendations in a few weeks' time. Are there any comments on the paper as a whole or on particular sections? Is there any other evidence that you would like to see us obtain before we look at our witnesses? What witnesses do we have for the next meeting?
- [11] **Dr Hawkins:** We have BRASS, the Tyndall Centre for Climate Change Research, the Carbon Trust and the Environment Agency.
- [12] **Mick Bates:** At the next meeting, our witnesses will be the Tyndall centre, for an overall view of how we could reduce carbon from industry, and BRASS. What does that stand for?
- [13] **Dr Hawkins:** I am not sure.
- [14] **Mick Bates:** Joanne, could you tell me quickly? That is a task for you, to find that out before we hear them speak. We will also have the Carbon Trust and the Energy Saving Trust. Are there any comments on that?
- [15] **Dr Hawkins:** The Environment Agency will be here.
- [16] **Mick Bates:** Sorry. The Environment Agency will be here. I see that there are no further comments. The date of our next meeting will be Thursday, 24 January at 9 a.m., when we will take evidence from the Deputy First Minister and Minister for the Economy and Transport on the transport section of the carbon reduction inquiry, and from the Minister for Environment, Sustainability and Housing on the Wales Audit Office report on the implementation of the Home Energy Conservation Act 1995. The committee will also hold evidence sessions on the UK Planning Bill and the UK Climate Change Bill, with the Minister for Environment, Sustainability and Housing and Westminster officials. I think that you all have received the background papers. Are there any comments on those?
- [17] **Alun Ffred Jones:** What are we going to do with these briefing papers? Do we intend to have any sessions to look at them? Are they relevant to the work of this committee? I know that they are relevant, but—
- [18] Mick Bates: On their relevance, if we take the Planning Bill first, part of that is the

independent infrastructure commission—

- [19] **Alun Ffred Jones:** I understand that, but what are we going to do about it?
- [20] **Mick Bates:** We will be making recommendations on the scrutiny of the Minister. You will note that there is a framework section in which the Minister has already stated that she wishes to have more power over the Wales spatial planning process and over the local development plans, which are interesting areas for powers. Similarly, on the Climate Change Bill, we in Wales will have responsibility over devolved issues to reduce carbon by 3 per cent. As you are already aware, the Minister has made an announcement about a climate commission in Wales, which has already met. I think that everyone has received the minutes from that meeting. I see that Leanne is up to date. After that scrutiny we will make our recommendations for each section of this and what we see as important elements over which we need power in Wales. That is particularly significant. It will also be interesting to make a link with Westminster officials who are also dealing with this Bill, and with all the Bills. We will look at the Energy Bill in the same way.
- [21] **Darren Millar:** Something that it is not planned to be included in the Bill at the moment is the devolving of schemes of over 50 MW. That is another issue to which we need to draw people's attention and on which we must challenge the Minister. These briefing documents are helpful in identifying the areas that will have an impact on Wales. I appreciate having these very much.
- [22] **Mick Bates:** Alun, does that help? You still look puzzled.
- [23] **Alun Ffred Jones:** Yes. I will come to it slowly. What is the mechanism by which the committee can make its views known? We have had this situation before. Has it changed since the last session? We were told that we could send our views in, as if we were sending them to a big hole. Is there a process through which the committee's views are taken on board? Is it through the Minister?
- [24] **Mick Bates:** Yes, it is. Our first inquiry into carbon reduction in the residential sector should now have been completed and we should have discussed the recommendations. However, we were unable to reach our final conclusions on that. Similarly, with the transport sector part of the inquiry, the Minister was ill before Christmas so we were unable to put forward our recommendations. Once we have agreed the recommendations the papers go forward to the Plenary, when we will hear the Government's response to the committee's recommendations. That is the process.
- [25] **Alun Ffred Jones:** Yes, but I am referring to the Planning Bill and so on.
- [26] **Mick Bates:** We will write to Westminster; that is why I want the officials here. Darren made the point that we lack powers over schemes of over 50 MW, and we may write to Westminster with our views on that. We may also make recommendations in our report, which will be debated in Plenary.
- [27] **Leanne Wood:** Will it count for anything though?
- [28] **Mick Bates:** I do not want to speculate about that. All we can do is accept the evidence and write our recommendations on that basis. I consider it our duty in concluding our scrutiny of these issues to make these points and put them formally to which ever body it is necessary to do so. Virginia has just reminded me that we can target Welsh MPs and MEPs when it comes to particular debates.
- [29] **Darren Millar:** The important point is that we can make our representations directly

to Westminster and, in addition, through Welsh Ministers to Westminster. Therefore, I do not think that it is a futile exercise; it will add value to the scrutiny process. Our role is very important in ensuring that these Bills deliver for Wales.

- [30] **Mick Bates:** Absolutely. Furthermore, the particular topics that we are dealing with, as we have just seen from the Rural Development Sub-committee, are current and important. Leanne is smiling. Are you happy with that, Leanne?
- [31] **Leanne Wood:** Yes. That is fine.
- [32] **Mick Bates:** As Darren said, it is not futile. Are there any other comments? I see that there are not. I thank everyone for their attendance today.

Daeth y cyfarfod i ben am 11.10 a.m. The meeting ended at 11.10 a.m.