

Julie James AS/MS  
Y Gweinidog Newid Hinsawdd  
Minister for Climate Change



Llywodraeth Cymru  
Welsh Government

Huw Irranca-Davies MS  
Chair  
Legislation, Justice and Constitution Committee

Llyr Gruffydd MS  
Chair  
Climate Change, Environment and Infrastructure Committee

9 February 2022

Dear Chairs,

I am writing further to my letter of 14 January 2022, and in accordance with the inter-institutional relations agreement, to report on the latest meeting of the Net Zero, Energy and Climate Change Inter-ministerial Group on 17 January 2022, which was focused on a discussion of the UK Emissions Trading Scheme (UK ETS).

The meeting was attended by Michael Matheson MSP, Cabinet Secretary for Net Zero, Energy and Transport, Edwin Poots MLA, Minister of Agriculture, Environment and Rural Affairs, Greg Hands MP, Minister of State for Business, Energy and Clean Growth, and Lucy Frazer MP, Financial Secretary to the Treasury.

As the UK ETS Authority we discussed the triggering of the UK ETS Cost Containment Mechanism (CCM) at the start of January. The joint statement by the UK ETS Authority – made up of HMG, the Scottish Government, Welsh Government and Northern Ireland Executive – on the scheme's Cost Containment Mechanism (CCM) is available through the link below:

<https://www.gov.uk/government/publications/uk-emissions-trading-scheme-ets-authority-cost-containment-mechanism-decisions/uk-ets-authority-statement-cost-containment-mechanism-decision-january-2022>

We also discussed the forthcoming consultation on proposals to develop the UK ETS. I was pleased to hear that progress was being made by officials from HMG, the Scottish Government, Welsh Government and Northern Ireland Executive and I emphasised the need to consult as early as possible.

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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.

Yours sincerely,

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

**Julie James AS/MS**  
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