Julie James AS/MS Y Gweinidog Newid Hinsawdd Minister for Climate Change FIN(6)-22-22 PTN 3

Y Pwyllgor Cyllid / Finance Committee

Llywodraeth Cymru Welsh Government

Eich cyf/Your ref Ein cyf/Our ref

Peredur Owen Griffiths, MS Chair of the Finance Committee Senedd Cymru Cardiff Bay CF99 1SN

25th October 2022

The Environmental Protection (Single-use Plastic Products) (Wales) Bill

Dear Peredur

Thank you for the Finance Committee report which was published on 7 October 2022 in relation to the Environmental Protection (Single-use Plastic Products) (Wales) Bill ("the Bill").

Please see my response below to the set of recommendations within the report which I could not fully address during the Stage 1 General Principles Debate on 11 October 2022.

I have also written today to the Chair of the Legislation, Justice and Constitution Committee and the Chair of the Climate Change, Environment and Infrastructure Committee to set out my response to their recommendations.

Recommendation 1

The Committee recommends that the Welsh Government reassesses the costs for businesses switching to alternative non-single use plastics as a result of the bill and that this information is included in an updated Regulatory Impact Assessment following Stage 2 proceedings.

Response

I accept this recommendation in principle. My officials are working with our original contractors to assess the feasibility of updating the original costs, benefits and impact model for businesses and manufacturers switching to alternative non-single-use plastics. I expect any work will take at least six months to complete, and I will share the outcomes with all committees when they are published.

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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.

Recommendation 2

The Committee recommends that the Welsh Government undertakes further work to assess the cost and disbenefits to manufacturers and other businesses in switching production away from plastic items. This information should be included in an updated Regulatory Impact Assessment following Stage 2 proceedings.

Response

I accept this recommendation in principle. The regulatory impact assessment report found that most manufacturing for the products to be banned was located outside of Wales and the UK. However, my officials are working with our original contractors to assess the feasibility of commissioning additional work to identify and engage manufacturers who may have been missed during the initial research in 2019/20 and have not come forward since. This may enable the Welsh Government to reassess the cost and disbenefits to manufacturers and other businesses in switching production away from plastic items. I expect this work will take at least six months to complete, and I will share the outcomes with all committees when they are published.

Recommendation 3

The Committee recommends that the Welsh Government clarifies whether the £8.6 million identified as benefits from manufacturing relate to the UK or Wales, and, if the figure relates to the UK as a whole, calls on the Welsh Government to calculate the benefits specifically to Wales. This information should be included in an updated Regulatory Impact Assessment following Stage 2 proceedings.

Response

I accept this recommendation in principle. I can confirm the £8.6 million of benefits applied to the UK. My officials are working with our contractors to assess the feasibility of commissioning additional work to establish whether the economic model can be updated to estimate the benefits from manufacturing which can be attributed to Wales. I expect this work will take at least six months to complete, and I will share the outcomes with all committees when they are published.

Recommendation 4

The Committee recommends that the Welsh Government improves its level of engagement with manufacturers and affected businesses in Wales. In particular, it should focus its efforts in the first instance on providing guidance and support to encourage compliance within the sector, rather than rely on the Bill's enforcement powers.

Response

I accept this recommendation. My officials will continue to work with manufacturers and will build on relationships with impacted sectors. This will support us in developing our policy to tackle plastic pollution and associated guidance to support its implementation.

We know from our successful implementation of the single-use carrier bag charge regulations that clear guidance is needed to help impacted businesses understand how they will be affected and what is needed of them. We will draw on our experiences from this. My officials have already started this important piece of work.

Recommendation 5

The Committee recommends that the Welsh Government commits to providing full and robust Regulatory Impact Assessments to accompany any relevant subordinate legislation made under this Bill that bans further single-use plastic products not already covered within the scope of the legislation as drafted.

Response

I accept this recommendation. I can confirm subordinate legislation associated with the Bill will be made under the draft affirmative procedure. This requires a draft of the Regulations to be laid before and approved by a resolution of the Senedd. The Regulations will be accompanied by an Explanatory Memorandum, which will include a Regulatory Impact Assessment. I also intend to introduce a government amendment at Stage 2 that will place a duty on Welsh Ministers to consult with businesses and other relevant parties prior to the introduction of new regulations to add to or amend the existing products in the Bill.

Yours sincerely

Julie James AS/MS

Y Gweinidog Newid Hinsawdd Minister for Climate Change