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Y Gweinidog Newid Hinsawdd
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Llywodraeth Cymru
Welsh Government

Rt Hon Kwasi Kwarteng MP
Secretary of State
Department of Business,
Energy & industrial Strategy
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26 October 2021

Dear Rt Hon Kwasi Kwarteng MP

Thank you for your letter of 24 September addressed to the First Minister. I am responding as the issues you raise lie within my Ministerial portfolio.

Coal mining is a core part of Wales' industrial and social heritage, and the Coal Authority has an important role to play in rapidly winding down remaining mining operations and delivering long-term environmental protection. In doing so, the Coal Authority has an important role in ensuring those communities affected by the legacy of coal mining receive a just transition. The Coal Authority must play a full part in efforts to tackle the climate emergency and contributing to sustainable prosperity.

I therefore very much welcome the commitment of the UK Government to ensure the coal mine licensing regime is compatible with our broader climate goals. As the host of COP26, the UK Government will wish to demonstrate continued leadership on the phasing out of coal extraction and consumption. Last week, the Welsh Parliament unanimously supported a motion that called on all global leaders to use COP26 to commit to ending the use of coal in energy generation. I therefore ask that you clarify, before COP26 commences, exactly how the UK Government intends to modify the Coal Industry Act.

From the Wales perspective we consider the statutory duty of the Coal Authority to develop and maintain a viable coal extraction industry must be removed if we are to achieve our policy ambitions. Specifically, I seek to understand how the Act will be amended to reflect the need for the Coal Authority to consider climate policy in its decisions, in order to provide the certainty that will allow the Authority and the industry to focus all their resources on low carbon development.

I am encouraged by the work of the Coal Authority to drive down the environmental and financial costs of its mine water treatment schemes through the use of solar power, and in advancing opportunities to harness renewable heat from abandoned coal mines. However, the Coal Authority's current statutory remit, to maintain and develop an economically viable coal industry, limits the credibility of its efforts and the extent to which its staff can resource these productive areas.

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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.

The Coal Authority's mining licence decisions remain bound by its remit to maintain coal extraction, which stems from historic legislation that is not in line with binding targets on emission reduction, and remains in place despite the climate emergency. This remit actively encourages mine operators in Wales to develop plans for further coal extraction, and to submit applications for mining operation licences.

While I welcome the powers included in the Coal Industry Act which require the Welsh Ministers to approve a licence issued by the Coal Authority before it can take effect, the drafting of the legislation has proved challenging to exercise in practice for both the Welsh Government and the Coal Authority. The Act requires the Coal Authority to issue a licence before the Welsh Ministers' powers are engaged. This results in both the developer and the Coal Authority committing significant resources respectively to preparing and determining applications. Developers' proposals therefore generate significant momentum before Welsh policy can properly be applied.

I have appreciated the willingness of the Coal Authority to work with us on the exercise of Welsh Ministers' powers and delivery of our policy. However, it is important that the policy and regulatory frameworks in place across Wales and the UK are aligned to maximise both decarbonisation and the economic potential for our businesses.

Earlier this year the Senedd agreed an ambitious net zero target for 2050. In order to achieve this, we must take significant and urgent action in this decade, indicated by our target of 63% reduction in emissions by 2030. These targets require a fast and decisive shift away from all fossil fuels. We will publish our next decarbonisation action plan ahead of COP26, setting out how Wales will play its full part in global efforts to tackle the climate emergency and transition to a cleaner, fairer and stronger Wales. The plan will outline proposals to maximise the benefits from approaching industrial decarbonisation through a cluster approach, continuing our commitment to work with the South Wales Industrial Cluster, and building on our existing evidence base for CCS and hydrogen.

Intergovernmental co-operation and collaboration is key to delivery of a successful climate transition. I therefore look forward to your response, and to working with your Department and the Coal Authority on these matters.

Yours sincerely



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