

Senedd Cymru
Pwyllgor yr Economi, Masnach a Materion Gwledig
Economi Gwyrdd
GE06
Ymateb gan: Grŵp Educ8

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Welsh Parliament
Economy, Trade, and Rural Affairs Committee
Green Economy
GE06
Evidence from: Educ8 Group



Consultation on Green Economy – March 2024

- ***Within its devolved powers, what should be the Welsh Government's key priorities to maximise the potential economic opportunities from green economy sectors? To what extent does its current approach reflect these?***

Wales should be ambitious and set a vision to become one of the world's largest exporters of renewable energy in the next ten years. The potential across the country and coastline is enormous and we have a one-time chance to seize this opportunity.

This ambition should be set with clear priorities and objectives including:

- Establishing targets with a clear roadmap and funding methodology on maximising the renewable opportunities across Wales, including tidal lagoons, the Severn Barrage, wind farms and solar.
- Establishing incentives for households to become more energy efficient including insulation, heat pumps, solar etc.
- Encouraging businesses to become carbon neutral with incentives for green fleets, energy usage and greener ways of working.
- Establishing legal requirements for housebuilders to build greener properties with clear guidelines on requirements and expectations.
- Ensuring we have the skilled workforce available to meet the needs of the future. Skills must be a priority and significant investment is required in programmes such as apprenticeships, Jobs Growth Wales Plus, and others to ensure we have the skills capacity in Wales to meet our needs both now and in the future.

- ***What are the key barriers to Wales making the most of opportunities in the green economy, and what steps should be taken to overcome these?***

Finance/Funding is a key barrier, though Wales could use its tax raising powers to raise funding for green projects as outlined above. Better collaboration across Governments within the UK and a clear UK strategy would also help to provide support for Wales and maximise green opportunities.

If we are to treat this as a 'climate emergency' and look after our future generations, we also need to ensure sufficient funding is in place and prioritise accordingly.

Skills are also a barrier. We do not know the skills we will need for the greener future. However, we need to prioritise skills and ensure there is a pipeline of qualified skilled workers securing well paid jobs, as well as reskilling existing workers. This needs to start now as it will take time to ensure we have the skills needed for the green economy.

- ***What actions should the Welsh Government take to support development of Wales-based supply chains in green economy sectors?***

Welsh Government should build upon existing business enterprise structures to establish a green ecosystem of indigenous Welsh businesses that can meet the supply chain in the green economy.

In addition, it should provide incentives and possible tax breaks to encourage businesses to enter the supply chain and reward innovation, skills development, and ambition.

- ***What skills challenges exist in relation to transitioning to a green economy? What actions should be taken, and by whom, to ensure the skills are there to meet the growing demands of a green economy?***

In many instances, we do not know the skills and competencies that will be required for the green economy which presents a challenge.

A critical course of action is to reward/recognise schools for preparing young people for the world of work, creating pathways from school into work-based training and work. There are no incentives and/or targets for schools to support young people into work or for the curriculum to enable young people to be work ready. Schools therefore are encouraged to retain young people for A-Levels and Higher Education, when work, apprenticeships and/or FE may be a more appropriate pathway.

We need our skills system to be more responsive and agile enabling programmes such as apprenticeship frameworks to quickly respond to the needs of employers and the green economy. It can take up to 12 months for a new apprenticeship framework to be approved. Frameworks can also be rigid and inflexible which is totally at odds with what is required for the green economy.

- ***What will workers and employers need for a just transition to a Net Zero economy to be achieved, and what actions should the Welsh Government take to deliver the elements of this that lie within its devolved powers?***

Employers will need clarity of vision, objectives, and support structures in place to help them in achieving Net Zero. It is also crucial that we have a responsive/agile local government that can provide a quick response to challenges ahead.

Workers require transferable skills that can be used in a multitude of sectors and will lead to a high wage economy and job security.

Stability is also important which aligns to the clear vision and roadmap of how we are going to achieve Net Zero. This will enable all stakeholders to clearly understand the direction of travel and everybody's role in achieving Net Zero.

- ***How will the Welsh Government need to work in partnership with others to realise the potential of the green economy and deliver a just transition? To what extent is the partnership working that is needed being undertaken?***

There are a multitude of partnership structures at national, regional, and local level which can be leveraged to support the Net Zero transition e.g. RSPs, CBI, FSB, etc. We don't require additional structures to be put in place which can then lead to duplication and overlap with other existing structures.

- ***The Welsh Government says it will face considerable budgetary constraints in the short term. How should it prioritise investment to support development of the green economy over the shorter and longer-term? What innovative approaches to financing could be considered to maximise potential investment and benefits?***

We are facing a climate emergency that could devastate our future generations. A decision not to invest and prioritise investment is not an option if we are going to protect our future generations and our planet.

Short term investment now will provide long term benefits and there is a clear case for Government to use its tax raising powers to generate additional funding to invest in the Net Zero challenge.

Wales has the potential to be a net exporter of energy and it's our responsibility to secure this for future generations, as the opportunity may never present itself again.