

10 February 2025

Dear Rt Hon Peter Kyle MP,
Secretary of State for Science, Innovation and Technology,

Following the Prime Minister's announcement of the UK Government's AI Opportunities Action Plan, I am very keen to ensure that the Welsh Government supports the UK Government and that Wales is meaningfully contributing to realising ambitions set out in the recommendations of the Clifford Report and afore mentioned AI Action Plan.

With a sizeable footprint of data centre investment being scheduled by the private sector to be realised in Wales, (namely Vantage Data Centers and Microsoft to name just two), Wales is already well on the way to hosting and supporting critical AI infrastructure for the nation.

I strongly believe however, that Wales has even more to offer and contribute to the delivery of the broader aspirations for the UK's Artificial Intelligence ecosystem.

Following the announcement of the Oxfordshire AIGZ, I understand that more will be more identified and formally recognised. I believe Wales, specifically the Southeast Wales M4 corridor, has a unique opportunity to be recognise an AIGZ and realise great things.

Contained within this region, we have a strong capacity to make game changing impacts due to the presence and undertakings of organisations that span the entire life cycle of an Artificial Intelligence ecosystem from hosting capacity, critical technologies manufacturing, solution development and deployment of AI.

Specifically, these include the previously mentioned data center investments which span from Newport to Bridgend, the home of the world-renowned UK Compound Semiconductor Catapult and cluster for chip design & manufacturing, a growing community of AI solutions development businesses, the Cardiff University Hartree Hub and the presence of data rich entities such as the Office of National Statistics, Companies House and the Intellectual Property Office. All this, with the potential for deployment opportunities across industrial and public sector environments.

By way of further example, recognising the region as an AIGZ and building appropriate partnerships with data centre operators and Wales's globally renowned compound semiconductor cluster, there is an opportunity to co-develop, trial and integrate CS-enabled technology into data centres to reduce their power consumption.

To conclude, I am sure that officials at a UK level are working to identify further AIGZs. I am keen that my officials specialising in this field continue to work closely with colleagues in the Department for Science, Innovation and Technology on the matter of AI Growth Zones (AIGZ). I would also welcome the opportunity to meet with you to fully appraise you of the wealth of opportunities that South Wales offers to advance the UK's wider AI ambitions.

Yours sincerely,

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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