



Jenny Rathbone MS
Chair of Equalities and Social Justice Committee
Senedd / Welsh Parliament,
Cardiff Bay,
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17 June 2022

Annwyl Jenny Rathbone MS,

RE: Committee Discussion on Social Partnership and Procurement (Wales) Bill

I am writing with regard to your role as Chair of the Equalities and Social Justice Committee and your forthcoming discussion of the Social Partnership and Procurement Bill on Monday 20 June.

Please find enclosed correspondence from WCIA, Size of Wales and the Future Generations Commissioner to Minister Rebecca Evans MS and Deputy Minister Hannah Blythyn MS regarding the omission of global responsibility within the drafted bill.

Wales needs to play its part by changing what it buys, consumes and invests in, since these choices can drive unethical practices and environmental degradation overseas, pushing problems up the supply chain, destroying global habitats and creating social harm.

Ensuring supply chains are fair, ethical and sustainable is important for a number of reasons, including Wales' legislative obligation under the Well-being of Future Generations Act (Wales) 2015 to carry out sustainable development aimed at achieving the well-being goals, one of which is a Globally Responsible Wales.

Wales' well-being is interdependent on the well-being of global supply chains, and planetary, beyond border systems such as biodiversity, carbon emissions and finite planetary resources, these issues have been demonstrated by the recent Ukraine, Covid-19 and Brexit crises.

The forthcoming Behaviour Change Strategy and Net Zero Action plan will call upon the Welsh public and businesses in a team Wales approach to address issues such as biodiversity, carbon emissions and sustainable and fair use of global resources so it is vital that Welsh Government and other public bodies act as role models in their procurement legislation, policies and purchasing decisions.

It is therefore imperative that the forthcoming Social Partnership and Procurement (Wales) Bill, plays its part and is coherent in line with these policy priorities for Welsh Government and public service reform.

We believe that there are several key important considerations to improve the draft legislation.

1. Inclusion of ethical and fair, globally responsible procurement in clause 24.1

Ensuring that ethical and fair procurement, which considers global implications is vital. Wales is known to have strong policy leadership. However, implementation of policy, particularly in procurement, is patchy at best. This has been reported on within the McClelland Review of 2012 *Maximising the impact of Welsh Procurement Policy* and the Future Generations Commissioners' report *Procuring Well-Being in Wales 2021*.

2. Policy leadership alone cannot drive purchasing and policy changes across public sector

While policies in Wales are excellent the implementation and practice of procurement in Wales falls short. There is too much reliance on historic practices and dominance of lowest price over whole-life costings and broader community benefits. A Freedom of Information request highlighted that Value Wales' procurement staff had not received training in the previous two years. Moreover, best practice is to have a procurement officer for each £15million of public fund expenditure, but Wales had 173 too few procurement officers. These two issues demonstrate the challenges to be overcome in the modification of procurement actions, behaviours and outcomes within public bodies.

3. Legislation is needed to provide clear strategic and legislative structure for Procurers

Wales' procurement officers currently interpret guidance on the scope for social and environmental criteria in a conservative way. There is a **sensitisation and staff training** effort needed plus a **macro analysis** to support procurement officers understanding of how public body activities and consumption can have both negative and positive global impacts. Due to these issues, procurers' do not have the confidence, capacity, creativity or competence needed to tender, score and award contracts transparently using sustainable criteria to deliver horizontal policies (such as anti-poverty projects to stimulate local livelihoods and natural resource management) through procurement. These needs could be addressed through support in the implementation of this Social Partnership and Procurement (Wales) Bill.

4. Analysis of our global impacts is needed to stimulate change and local alternatives

Analysis of our potential and actual global impacts through our procurement can also promote local, sustainable alternatives that can lead to a more prosperous Wales.

73% of all tropical deforestation is caused by the production of just a handful of agricultural products – that we buy, use and consume in Wales every day. These included beef, soy, palm oil, coffee, cacao, timber, paper and pulp. Wales imports significant quantities of these commodities which are linked to deforestation, land conversion and negative social impacts such as child and forced labour and abuse of Indigenous Peoples’ rights. For example, we can reduce our use of soy by growing more locally sourced proteins for animal feeds.

5. Ethical and sustainable certifications can be used to deliver global responsibility

There are many established certifications to support ethical and sustainable purchasing on the global market (**Fairtrade, FSC, MSC, Electronics Watch, Organic, etc**) and can be used without fear of litigation within procurement processes to protect public bodies from the worst human and environmental abuses within the supply chain. For example, palm and soy are the biggest drivers of unsustainable clearing of tropical forests if grown irresponsibly and are in most mass-produced alimentary products. Such ethical and sustainability benefits need to be clearly articulated within tendering documents and form part of the contract management to achieve a shift and positive contribution towards global well-being. Recording data on these purchasing commitments will provide a clear route to evidence our positive impacts also.

6. Opportunity to lead the way

Our world-leading Future Generations Act places a duty on all public bodies to consider the seven goals in any action as they deliver sustainable development, including thinking about impact beyond our borders. If this draft bill omits any explicit regard to these responsibilities to future generations and global sustainability, then there is a risk of undermining the intentions of the Act.

Similarly, Wales prides itself on being the world’s first Fair Trade Nation and has committed, at COP26, to becoming a deforestation free nation. If fair and ethical practices aren’t considered throughout the supply chain during procurement, these commitments will remain unmet, and will mean Wales will continue to contribute to social and environmental harms, such as the deforestation and exploitation of workers caused by Welsh imports of cocoa, beef and soy ([Buckland Jones et al, 2021](#)). Certifications such as Fairtrade ensure fair conditions for producers, protection for the environment and wider community benefits.

7. Wales risks being left behind

With an annual procurement spend of £6.3 billion, the Welsh public sector has a huge role to play in helping to drive responsible consumption and production. Ignoring these issues now, would mean that Wales risks being left behind as other nations are actively bringing legislation on this topic. France has policy on deforestation free procurement, California has a bill being considered by their Assembly and the United States are also drawing up legislation.

Public procurement is a global issue and should not be omitted from either the context or the content of this Bill. We would welcome the opportunity to discuss further any of these issues and opportunities with you.

Cofion cynnes



Susie Ventris-Field

Chief Executive

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Barbara Davies-Quy

Deputy Director

Size of Wales

CC Equalities and Social Justice Committee Members, Substitutes & staff

Sophie Howe, Future Generations Commissioner for Wales

Julie James MS, Minister for Climate Change

Lee Waters MS, Deputy Minister for Climate Change

Encs Copy of letter sent to Minister Rebecca Evans and Deputy Minister Hannah Blythyn 19/4/22