



19th April 2022

Dear Minister Rebecca Evans and Deputy Minister Hannah Blythyn,

**RE: Global Responsibility within the Social Partnership and Procurement Bill**

At COP26, Size of Wales in partnership with WWF Cymru and RPSB Cymru publicly launched the report "[Wales and Global Responsibility: Addressing Wales' overseas land footprint](#)". The report highlighted that an area nearly half the size of Wales was required overseas to grow Welsh imports of cocoa, palm, beef, leather, natural rubber, soy, timber, pulp and paper in an average year between 2011- 2018, causing deforestation, habitat conversion, greenhouse gas emissions, and risking exploitative practices such as forced labour and abuse of Indigenous Peoples rights (see annex 1 for summary).

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 problems. 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 has a responsibility to consider how its practices impact global habitats, human rights, working conditions, child labour and environmental harm. This can also be considered an opportunity to demonstrate global leadership towards driving sustainability across commodity supply chains around the world. As part of the External Reference Group developing the Future Generations Act, the Welsh Centre for International Affairs (WCIA) supported and advised the civil servants throughout its development. We all now champion the globally responsible goal which is the most complex for public bodies to comprehend how to apply into its procurement policies (WWF/Welsh Government 2018), and where there is known inconsistency between policy and practice (see annex 2 for summary).

We welcome the public commitment made by Welsh Government at COP26 to take action to eliminate Wales' overseas deforestation footprint, starting by looking at Welsh Government's procurement policy. Now is the time to ensure these commitments are supported by action.

There is a pressing need for Welsh Government to state how they are procuring well-being, particularly addressing the climate and nature emergencies given procurement makes a significant contribution to our carbon footprint as well as use of natural resources.

As outlined in the Future Generations Commissioner for Wales' "Procuring well-being in Wales" Report urgent action is needed to address the lack of communication and integration between different Welsh Government priorities, alongside lack of support available for public bodies to ensure these are implemented effectively on the ground. Action taken by Welsh Government to address Wales' overseas land footprint would contribute towards the Well-being Goal 'A Globally Responsible Wales', as well as meeting the "Procuring well-being in Wales" recommendation to "to meet carbon emission targets every public body should set out clearly how they have considered the carbon impact of their procurement decisions and in the case of construction or infrastructure contracts should clearly require schemes to be net-zero carbon over their lifetime".

We are keen to work with you to see how these commitments can be put into practice and feed into public sector procurement practices and reflected in the draft Social Partnership and

Procurement Bill. Size of Wales has produced a [toolkit](#) to support public sector bodies to eliminate overseas deforestation from their supply chains. We have also established good relationships with representatives from the French Ministry of Ecological Transition and the Californian State Assembly who are also working on deforestation free procurement policies, so are in a good position to share learning between governments on this topic.

We would be very grateful if we could have a meeting to discuss these priorities and work together to make Wales a globally responsible nation that takes the climate and nature crisis seriously.

Yours sincerely,



Sophie Howe  
Future Generations Commissioner



Susie Ventris-Field  
Chief Executive, WCIA



Barbara Davies-Quy  
Deputy Director, Size of Wales

## **Annex 1 – Key statistics from Wales and Global Responsibility report**

- An area equivalent to 40% of the size of Wales (823,000 hectares) was required overseas to grow Welsh imports of cocoa, palm, beef, leather, natural rubber, soy, timber, pulp and paper in an average year between 2011-2018.
- 30% of the land used to grow Welsh imports of commodities is in countries categorised high or very high-risk for social and deforestation issues. This means commodity supply chains supplying Wales in these countries risk deforestation, conversion of natural ecosystems and/or social issues, such as child or forced labour
- Palm is the commodity most likely to come from high or very high-risk countries for deforestation and/or social issues, followed by soy. 84% and 73% of the land area used respectively to grow these commodities abroad for Welsh imports are in countries that are high or very high-risk.
- The GHG emissions associated with the conversion of natural ecosystems and changes in land cover for the production of Welsh imports of soy, cocoa, palm and natural rubber total 1.5 million tonnes of CO<sub>2</sub>e each year. This is equivalent to 4% of Wales' total estimated domestic and imported goods carbon footprint, or 22% of the GHG emissions from transport in Wales.
- In high and very high-risk countries from which Wales is importing commodities, there are 2,800 species threatened with extinction, including orangutan populations in Sumatra and wild cat populations in South America, such as the northern tiger.
- Wales' largest land footprint is in the USA (71,000 hectares), where significant imports of soy, timber, pulp and paper originate. It also has a significant land footprint in Brazil (54,000 hectares), mainly from soy and beef imports.

## Public Procurement is a Global Issue

**Procurement can become a vehicle for Welsh Government to deliver Social Partnerships and the Well-Being and Future Generations Act.** The benefit of making procurement decisions specifically subject to considerations of global environmental, social, cultural and economic wellbeing is the **potential to have substantial impact beyond the public sector, through positive stimulation of the supply chain, local livelihoods and civil society opportunities worldwide.** Such a commitment would issue a powerful statement that doing business with Wales and in Wales means adopting a globally responsible and sustainable approach to delivering public services, goods and works contracts.

While the Social Partnership and Public Procurement Bill does not specifically refer to Global Responsibility, the socially responsible procurement duty being introduced through the Bill refers to a contribution towards the WFG Act (and National well-being Goals), including a Globally Responsible Wales. The Welsh Audit Office Reports of 2010 and 2017 highlight the absence of values in financial decision making as an issue within Wales. Public bodies (at national and local level) “*face challenges balancing potentially competing procurement priorities, such as responding to new policy, legislation and technology, and in the recruitment and retention of key personnel*”. **The Future Generations Commissioner has found that decisions are based on processes, and not outcomes.** Essentially, global responsibility, and values around sustainability and partnership ways of working could be strengthened to complement each other in a refreshed way of procuring through the developing bill.

**Wales’ procurement officers** currently interpret guidance on the scope for social and environmental criteria in a most **conservative way**. Prof Morgan from Cardiff University’s research has been discussed by the Senedd and highlights that **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.

**Legislation binding global responsibility further to procurement is what is needed to provide a clear enabling framework to deliver sustainable outcomes in Wales and to meet our global responsibility goal.** Legislation provides the duty and high-level transparency alongside providing the clear direction that is needed to enable procurers to demonstrate leadership and tender effectively within changing legislative structures.

The McClelland Review (2012), *Maximising the Impact of Welsh Procurement Policy*, concluded that while policy development was outstanding, “*policy acceptance, deployment and implementation is not consistent across the public sector*”. This situation continues as highlighted by the Future Generations Commissioner’s report of 2021, *Procuring Well-Being in Wales*, which highlights that there is too much focus on cost versus outcomes, that procurement can be treated as a transactional process, and transformative opportunities are being missed.

**The Bill presents a fantastic opportunity to bring together global responsibility as part of the approach to social partnerships.** At this stage, Welsh Government should consider how outcomes will be measured and monitored and how the Bill will be successfully implemented and joined up with Welsh Government priorities. This would continue to demonstrate leadership, delivering sustainable social partnerships in Wales and beyond for current and future generations to enjoy enhanced stimulation of livelihoods, natural resource management and cultural engagement.