



**Future** Commissioner for Wales



#### A Journey to

# A Globally Responsible Wales

- 1: Ensuring that our supply chains are fair, ethical and sustainable
- 2: Supporting sustainable behaviour and making the connections
- 3: Playing our part to ensure that Wales is welcoming, safe and fair to all
- 4: Ensuring that we understand the importance of using the earth's resources efficiently and contribute to global well-being
- 5: Making the right financial decisions now, to enable future generations to thrive







**Future** Commissioner for Wales



#### A Journey to

# A Globally Responsible Wales

In the Well-being of Future Generations Act, this goal is defined as

"A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being."



5: Fair & Ethical Investment and Divestment



### Defining the goal

It was Martin Luther King Jr. who said: 'before you finish eating breakfast in the morning, you've depended on half the world.'

Our daily actions, the decisions we take and the way we decide to spend our money have far-reaching consequences for other countries and people across the globe. Estimates show that we would need over 1.7 Earths to keep up with our current level of growth and consumption.

It is vital that when thinking about improving the well-being of people in Wales, we are also thinking about our impacts on others. We are not just global consumers but global citizens, and we have a responsibility to ensure we are not acting at the detriment to others. This means ensuring we are engaging in ethical supply chains, using our fair share of the earth's natural resources, adapting to climate change, working to make Wales a welcoming place for everyone, making the right financial decisions and educating others on the importance of global responsibility.



#### Case studies

Throughout the document you will find a number of reports relating to the topic subject. Please read the link if you see this symbol.





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#### Defining the goal

Where to focus action in contributing to this goal

Procure goods and services in ways that makes a positive contribution to global well-being (See globally responsible Wales journey topic 1: Ethical Consumption and Procurement)

Provide opportunities for people to learn about and understand our global impact (See globally responsible Wales journey topic 2: Global Citizenship and Leadership)

Ensure that our communities are welcoming to all, contributing to social and cultural well-being (See globally responsible Wales journey topic 3: Solidarity and Peace)

Use natural resources wisely, contributing to environmental well-being globally and in Wales (See globally responsible Wales journey topic 4: Our Fair Share of Natural Resources)

Make financial decisions that improve economic well-being globally and in Wales (See globally responsible Wales journey topic 5: Fair and Ethical Investment and Divestment)



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## Other statutory requirements in relation to this goal

The Modern Slavery Act 2015 was designed to combat modern slavery in the UK, and consolidates previous offences in relation to trafficking and slavery. There is government guidance for organisations on how to ensure that slavery and human trafficking is not taking place in their business or supply chains <a href="https://example.com/here/business/en/">here</a>.



Some of the suggested steps and actions in this document complement the policies set out in legislation - specific steps and actions that adhere to these are highlighted in orange and with an 'St' symbol.



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#### Enablers

Achieving this goal is **more likely to happen** when...

- There is strong support from civil society for actions that have a positive global impact.
- It is accepted that diversity unites communities rather than divides them.
- The importance of global actions is appreciated and understood: they are not seen as a simple a nice-to-do 'add-on' to business as usual.
- Politicians and other senior leaders have the vision to support global projects, understand our positive contribution and welcome international visitors.
- There is an understanding of the United Nations Sustainable Development Goals (SDGs) and their relevance to Wales.





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#### Disablers

Achieving this goal is less likely to happen when...

- There is a fundamental lack of understanding about what being globally responsible means.
- Politicians and other senior leaders take a 'look after Wales first' approach alone.
- There aren't measures or indicators to map what impactful approaches to being globally responsible look like.
- Organisations are tied into existing arrangements such as procurement contracts, which limit opportunities.
- Relevant expertise in organisations is limited and siloed.









#### A Journey to

# A Globally Responsible Wales

# 5: Fair and Ethical Investment and Divestment

Making the right financial decisions now, to enable future generations to thrive

5: Fair & Ethical Investment and Divestment



#### Defining the issue

How we manage finances, investments and budgeting, can have significant impacts and serious consequences. By applying long-term and preventative principles in your decision-making processes, you can contribute positively to a sustainable planet, its people, and mitigate against climate change.

Life-cycle - When making financial commitments, taking life-cycle and circular economy approaches to budget planning or contracts can deliver positive benefits for the future.

Ethical investment - ensure that all future dealings with financial institutions are ethical and do not invest in things that cause harm e.g. child slavery, forced child labour, climate change, arms, military-conflict, environmental pollution, and human and animal rights violations.

Fossil fuels / Arms divestment - using our fair share of the earth's resources is vital to the success of future generations. By divesting things like pensions and investments from sources of harm, including fossil-fuels, pollutants, human rights violations and arms, you are securing a better future for all. By making sure that our energy is renewable and fossil-free, we can ensure that the actions we take in Wales causes no harm to others on our planet, and contribute to keeping below the 1.5 degrees climate target.

#### Synergies and connections to other journeys



Journey to a prosperous Wales

Topic 4: Community energy generation



Journey to a Wales of cohesive communities

Topic 3: Access to key well-being services



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#### Making Simple Changes

Review your energy contracts, pension providers and investment portfolios to see how you could reduce your burden on the planet and its people.

E.g. See **Public Health Wales**' low carbon transport
plan, which demonstrates
how investing in the right
interventions improves the
health of people and planet.

**Scope out** the possibility of sourcing your energy from community energy sources.

Review your banking processes, to reduce support for fossil fuels, child slavery, acceleration of climate change, arms, military-conflict and environmental pollution, deforestation, along with human and animal rights violations.

Explore nominating staff to champion action on climate change, and appoint a 'Climate Change Champion' on your board or senior team.

E.g. Monmouthshire's climate champion scheme.

**Promote local <u>credit unions</u>** to benefit communities.



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#### Being More Adventurous

Divest pensions from fossil fuels, by ensuring that no stocks, bonds, or investment funds are funding the gas, oil or coal industries, and reduce our burden on the planet and its people.



**Ensure that** at least 75% of your energy is from renewable sources.

E.g. The **Office of The Future Generations Commissioner**has switched its office energy to a 100% renewable tariff.



**Ensure that** at least 60% of your renewable energy is from community energy sources.



E.g. <u>Awel Aman Tawe's</u> pioneering community energy <u>trust</u>.

Swansea Community Energy is a flagship example of how you can use the sustainable development principle to achieve economic, environmental, social and cultural outcomes.

Caerphilly CBC has advanced its pilot scheme to install Solar Power to 100% of their schools and use electric vehicles such as meals on wheels and public transport.



Contact Welsh Government's service on <a href="mailto:energyservice.wales">energyservice.wales</a> for techincal, financial and specialist support for renewable energy and efficiency.



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### Being More **Adventurous**



global well-being.

E.g. Whilst it would not be ethical to promote one institution over another, the values of Triodos Bank for example are globally responsible. "We believe banks should be open - that's why we publish details of every organisation we lend to. We're proud to finance inspiring businesses and charities, and want to show you the impact your money is having. Together we're building a more sustainable society. See who we're financing near you and around the world"



**Encourage** the use of <u>credit</u> <u>unions</u> so that savings are conducted co-operatively and that finances stay in the community.



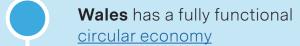


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## Owning your **Ambition**

## Collaborative or national actions



Wales is a <u>carbon neutral</u> nation.



E.g. Natural Resources
Wales' carbon positive
project demonstrates how it
is investing in a carbon free
Wales

#### Organisational actions

All of your contracts and tenders support renewable energy, human rights, conservation, and mitigate against climate change whilst actively rejecting slavery, forced child labour and the arms trade.

You are a <u>zero carbon</u> organisation/offices, including your travel, energy, pensions and procurement.

#### All of your financial procedures

such as banking, contracts, pensions and investments should support renewable energy, human rights, conservation and mitigate against climate change. It should actively reject slavery, forced child labour and the the arms trade.



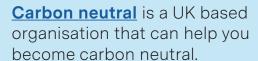
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## Other examples and resources



organisation with tips and actions to help you reduce climate change.



Zero carbon Britain is the Centre for Alternative Technology in Machynlleth's project with useful case studies and practical examples.

Renew Wales is a national organisation that is a helpful resource.

Fossil Free is a UK organisation that supports this initiative.



**New Economics Foundation** 



**Progressive Economics** for People and Place



