

Lesley Griffiths AS/MS  
Gweinidog yr Amgylchedd, Ynni a Materion Gwledig  
Minister for Environment, Energy and Rural Affairs



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MA/LG/0854/12

Mick Antoniw MS  
Chair of Legislation, Justice and Constitution Committee

9 March 2021

Dear Mick,

**Legislation, Justice and Constitutional Committee Report on the Supplementary Legislative Consent Memorandum for the UK Environment Bill.**

Thank you for your report of 19 February 2021 by the Legislation, Justice and Constitutional Committee covering scrutiny of the Supplementary Legislative Consent Memorandum for the UK Environment Bill.

I am grateful for the Committee's consideration and recommendations. I am pleased to accept the Committee's recommendations and provide my response at Annex A.

Regards

**Lesley Griffiths AS/MS**  
Gweinidog yr Amgylchedd, Ynni a Materion Gwledig  
Minister for Environment, Energy and Rural Affairs

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

## Annex A:

<p><b>Recommendation 1.</b> The Minister should advise the Committee whether the outcome of Welsh Government consultation exercises has resulted in her seeking any amendments to the UK Bill. If so, the Minister should explain the reasons for her proposed amendments.</p>	<p><b>Accept</b> There has been no requirement to request amendments to the Bill as a result of any Welsh Government consultation exercises.</p> <p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>
<p><b>Recommendation 2.</b> The Minister should provide the Committee with the collated document referred to in her response to recommendation 12 of our first report.</p>	<p><b>Accept</b> The supplementary document is provided at Annex B.</p> <p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>
<p><b>Recommendation 3.</b> The Minister should provide full and detailed information about all of the provisions in section 37B of the Water Industry Act 1991 that are being removed by the UK Environment Bill and what is happening to them.</p>	<p><b>Accept</b> Clause 77(3) omits section 37B (and 37C) of the Water Industry Act 1991 (“WIA 1991”) which contains the current requirements for the publication of a draft and final water resources management plan and the handling of consultation responses on the draft plan.</p> <p>The new sections 39F and 39G are inserted by clause 77(7) of the Bill.</p> <p>Further information can be found at Annex B.</p> <p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>
<p><b>Recommendation 4.</b> The Minister should clarify which powers of direction are being replicated by virtue of proposed sections 39F and 39G of the Water Industry Act 1991 (to be inserted by clause 75 of the UK Environment Bill)</p>	<p><b>Accept</b> All powers of direction in section 37B are effectively being removed and are replaced by powers of direction if they are provided for under regulations made under new sections 39F and 39G.</p>

	<p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>
<p><b>Recommendation 5.</b> The Minister should provide copies of correspondence between the Welsh and UK Government’s related to clause 107 and Schedule 16 of the UK Bill, as requested in our letter of 23 December 2020, by 4 March 2021.</p>	<p><b>Accept</b> I am pleased to assist the Committee in their considerations by providing correspondence relating to the now agreed policy approach underpinning section 107 and Schedule 16. However, I am unable to provide further correspondence on the topic as their contents relate to other areas in the Bill which remain under development and cover the ongoing formulation of UK Government Policy.</p> <p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>
<p><b>Recommendation 6.</b> The Minister should respond to all the conclusions and recommendations contained in this report by 4 March 2021.</p>	<p><b>Accept</b></p> <p><b>Financial Implications</b> – There are no financial implications as a result of accepting this recommendation.</p>



## Annex B:

<p><b>Recommendation 3</b></p> <p>The Minister should provide full and detailed information about all of the provisions in section 37B of the Water Industry Act 1991 that are being removed by the UK Environment Bill and what is happening to them.</p>	<p>Clause 77(3) omits section 37B (and 37C) of the Water Industry Act 1991 (“WIA 1991”) which contains the current requirements for the publication of a draft and final water resources management plan and the handling of consultation responses on the draft plan.</p> <p>The new sections 39F and 39G are inserted by clause 77(7) of the Bill.</p> <p><b>Section 39F- Plans and joint proposals: regulations about procedure</b></p> <p>The newly inserted section 39F(1) provides powers under which the Secretary of State or Welsh Ministers may make regulations setting the procedure for preparing and publishing joint proposals, water resources management plans and drought plans. It is likely that the regulations will largely cover similar requirements as the existing regulations for water resources planning (the Water Resources Management Plan Regulations 2007) and drought planning (the Drought Plan Regulations 2005). The existing Regulations set out publication requirements and how responses to the consultations should be considered, as well as procedural requirements for inquiries or hearings. It is also likely that the new regulations may include provisions that permit the use of modern consultation platforms and improve the existing requirements for the sharing of information and the handling of confidential information.</p> <p>Section 39F(2) provides that the regulations may include requirements for sharing information, including requirements that water supply licensees must share with water undertakers such information as the water undertaker may reasonably request.</p> <p>Section 39F(3) provides that the regulations may include requirements on how water undertakers should consult with other bodies, who they should consult, the timing of any consultation and the publication of statements relating to any consultation.</p> <p>Section 39F(4) provides that the regulations may include the procedures for preparing and circulating drafts, including provision for the Minister to require changes to a draft plan or proposal.</p> <p>Section 39F(5) provides that the regulations may include requirements to ensure that people likely to be affected by the plan or proposal have a reasonable opportunity to make representations to the Minister.</p> <p>Section 39F(6) provides that the regulations may include requirements about how water undertakers should handle the responses they receive and that the Secretary of State or Welsh Ministers may cause a public local inquiry or other hearing to be held in connection with a water resources management plan or drought plan.</p> <p>Section 39F(7) provides that the regulations may include requirements about how water undertakers should handle commercially confidential information.</p> <p>Section 39F(8) provides that references to the Minister in that section, including the power to make regulations, is conferred on the Secretary of State for water undertakers whose areas are wholly or mainly in England and Welsh Ministers in relation to water undertakers whose areas are wholly or mainly in Wales.</p> <p><b>Section 39G - Regulations under section 39F: directions</b></p>
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Section 39G(1) provides that regulations made under new section 39F may also confer on the Secretary of State or Welsh Ministers a power to make directions. This power is required because some administrative requirements – for example, around the timetables for preparation, revision and publication – are likely to change from planning round to planning round. The Secretary of State or Welsh Ministers may also need to be able to direct specific water undertakers on when and how water resources management plans, drought plans and joint proposals should be prepared and revised. Under the existing legislation relating to water resources management plans and drought plans, the Secretary of State can give such directions to water undertakers and those directions are not subject to parliamentary procedure.

Section 39G(2) provides that the directions must be set out in writing.

Section 39G(3) provides that a direction could apply generally to all water undertakers or to one or more undertakers.

Section 39G(4) provides that each water undertaker must comply with a direction.

Section 39G(5) provides that the directions would be enforceable by the Secretary of State or Welsh Ministers under the section 18 of the Water Industry Act 1991.

Section 39G(6) provides that “Minister” has the same meaning as in new section 39F, with the effect that the power to make directions under new section 39G is conferred on the Secretary of State for water undertakers whose areas are wholly or mainly in England, and Welsh Ministers in relation to water undertakers whose areas are wholly or mainly in Wales.

## Summary of powers to make subordinate legislation in the UK Environment Bill

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
Clause 49 Schedule 4 Producer responsibility obligations	Welsh Ministers (Concurrent plus powers)	Regulations	Confers a power to make Regulations to impose producer responsibility obligations on specified persons and in relation to specified products or materials	Affirmative procedure with the exception of the regulations under 47(4) which make provision for variation of targets and are subject to the negative procedure	Provides the flexibility to state, in regulations, which producer or business to impose producer responsibility obligations on and on what products or materials and what steps are required in order to achieve those obligations.
Clause 50 Schedule 5 Producer responsibility for disposal costs	Welsh Ministers (Concurrent plus powers)	Regulations	Confers a power to make Regulations that require those involved in manufacturing, processing, distributing or supplying products or materials to meet, or contribute to, the disposal costs of those products.	Affirmative procedure	Facilitates the making of separate provision about enforcement for Wales. It will also provide flexibility to make different provision in relation to particular types of products, for example by specifying different bodies as enforcement authorities in different cases.

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
Clause 51 Schedule 6 Resource efficiency information	Welsh Ministers (Concurrent plus powers)	Regulations	Confers a power to make regulations that set requirements for manufacturers and producers to provide information about the resource efficiency of their products.	Affirmative procedure	Allows the Welsh Government to develop policy proposals for, and make separate regulations for each type of product regulated.  It will also provide flexibility to make different provision in relation to particular types of products, for example by specifying different bodies as enforcement authorities in different cases.
Clause 52 Schedule 7 Resource efficiency requirements	Welsh Ministers	Regulations	Confers a power on the relevant national authority to make regulations that set resource efficiency requirements that products are required to meet.	Affirmative procedure	Product-specific information requirements may be detailed and technical and thus more suitable for inclusion in regulations than in primary legislation.
Clause 53 Schedule 8 Deposit schemes	Welsh Ministers	Regulations	Confers a power on the relevant national	Affirmative procedure if these	Allows Welsh Government to develop policy proposals for, and



Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			<p>authority to make regulations establishing deposit schemes</p>	<p>are the first regulations to:</p> <ul style="list-style-type: none"> <li>a) establish deposit schemes under paragraph 1, or with regards to enforcement under paragraph 5;</li> <li>(b) provide for conduct to be a criminal offence which is not a criminal offence under existing regulations;</li> <li>(c) provide for conduct to be subject to a civil sanction;</li> <li>(d) increase the amount or maximum amount of a fine or monetary penalty, or change the basis on which such an</li> </ul>	<p>make, separate regulations for each product group regulated.</p>

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
				<p>amount or maximum is to be determined.</p> <p>Otherwise, regulations under Schedule 8 are subject to the negative procedure.</p>	
<p>Clause 54 Schedule 9 Charges for single use plastic items</p>	<p>Welsh Ministers</p>	<p>Regulations</p>	<p>Regulation making power to make provision about charging by sellers of goods for the supply of single-use items.</p>	<p>Affirmative procedure if they—</p> <ul style="list-style-type: none"> <li>(a) are the first regulations made by the authority under that Schedule;</li> <li>(b) contain provision about charging for a new item;</li> <li>(c) provide for conduct to be subject to a civil sanction which is not subject to a civil sanction under existing regulations</li> </ul>	<p>Having this devolved power allows Welsh Ministers to define items subject to any charge, the amount charged and the requirements and the appointment of any administrator to oversee the charge which reflect Welsh priorities.</p>

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
				<p>made by the authority under that Schedule;  (d) increase the amount or maximum amount of a monetary penalty, or change the basis on which such an amount or maximum is to be determined.</p> <p>Otherwise, regulations under Schedule 9 are subject to the negative procedure.</p>	
<p>Clause 57 Electronic waste tracking: Great Britain</p>	<p>Welsh Ministers</p>	<p>Regulations</p>	<p>Confers powers on Welsh Ministers to introduce electronic (digital) waste tracking and to establish an electronic system for that</p>	<p>Clause 55(3) makes amendments to section 160A(2) of the Environmental Protection Act 1990 (as inserted by clause 60), to provide the</p>	<p>The waste tracking regulations will provide essential data to help develop a circular economy and future waste policy. Gathering data on wastes and those who are managing it will make it easier to determine who is (or was) responsible for the waste at any given time. This will support regulation of wastes and help</p>

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			purpose by regulations	procedure for the new regulation making powers included in s.160A. Regulations under new sections 34CA and 34CB are subject to negative procedure, except for the situations specified in new section 160A(2), in which case affirmative procedure applies	identify those responsible for any illegal waste. Aligns waste tracking legislation with legislation for waste management, which is currently controlled through secondary legislation
Clause 59 Hazardous waste: England and Wales	Welsh Ministers	Regulations	Confers a power to make regulations to make provision about, or connected with, the regulation of hazardous waste.	Regulations under new section 62ZA of the Environmental Protection Act 1990 are subject to negative procedure, except for the situations	Aligns with the current regulatory system for hazardous waste, which is currently controlled through secondary legislation.

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
				specified in new section 160A(2) of that Act (as inserted by clause 60 and amended by clause 57), in which case affirmative procedure applies.	
Clause 67 Littering enforcement	Welsh Ministers	Regulations  Guidance	Amends Part 4 of the Environmental Protection Act 1990 in relation to enforcement against littering, and other offences of littering from a vehicle and the unauthorised distribution of free printed material.  Confers a new Regulation	Negative procedure.  Any guidance issued under these powers would be subject to no procedure.	Welsh Ministers will need the flexibility to be able to change or update the prescribed conditions an authorised officer of a litter authority must meet to reflect changing needs and developments within the sector, meaning primary legislation would not be an appropriate vehicle for this power.  Whilst the existing regulations to deal with littering operate on an England & Wales basis and our guidance is broadly the same, there are some differences in how we implement our policies which warrants Welsh Ministers having

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			<p>making power on the Welsh Ministers in section 88 of the 1990 Act to prescribe conditions that must be met by an authorised officer operating on behalf of a litter authority, and to make provision requiring a litter authority to revoke an officer's authorisation if that officer fails to meet the prescribed conditions.</p> <p>Also confers guidance making powers on the Welsh Ministers.</p>		<p>delegated powers. For example, the Welsh Government works very closely with Local Authorities and the Third Sector to help develop and implement the educational and behavioural change aspects of tackling littering. We may, therefore, wish to have the flexibility to incorporate this type of approach into any new enforcement guidance we develop.</p> <p>The power to issue statutory guidance is necessary to ensure the various litter authorities undertake littering enforcement functions in a consistent and proportionate way.</p>

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
Clause 68 Fixed Penalty Notices	Welsh Ministers	Regulations	Amends sections 33ZA, 33ZB, 34ZA and 34ZB of the EPA 1990 to provide powers to vary Fixed Penalty Notice levels and how payment can be made	Negative procedure	Taking a power to amend penalties in secondary legislation, allows for them to be kept under review, see if they are working effectively and amend them if needed.
Clause 69 Regulation of polluting activities	Welsh Ministers	Regulations	Regulation of polluting activities	Negative procedure	Allows for the detailed conditions for any exemption (from the prohibition on carrying out an activity without a permit) to be set and amended by the regulator.
Clause 77 Water resources management plans, drought plans and joint proposals	Welsh Ministers (in relation to water undertakers wholly or mainly in Wales)	Direction	Newly inserted section 39E allows Welsh Ministers to give a direction to two or more water undertakers to publish a joint proposal.  Newly inserted section 39F gives Welsh	Negative procedure	Allows flexibility to consider which undertakers should be directed to prepare joint proposals and when.

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			<p>Ministers a power to make Regulations about the procedure for preparing and publishing water resources management plans, a drought plan and a joint proposal.</p> <p>Newly inserted section 39G says that the Regulation making power under section 39F may confer on the Minister powers to make provisions by direction.</p> <p>Newly inserted section 39H makes various miscellaneous supplementary</p>		



Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			provision about the aforementioned regulation making powers.		
Clause 78 Drainage and sewerage management plans	Welsh Ministers (in relation to water undertakers wholly or mainly in Wales)	Direction	<p>This clause makes provision in relation to drainage and sewerage management plans and the preparation and review of such.</p> <p>The newly inserted section 94A(7) includes a power for Welsh Ministers to issue directions specifying the form in which a drainage and sewerage management plan must take or the planning</p>	Negative procedure	Allows Welsh Ministers to intervene to ensure drainage and sewerage management plans address emerging challenges which may arise and therefore remain efficacious.

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			<p>period to which such a plan must relate.</p> <p>Further, newly inserted s.94B includes a power for Welsh Ministers to, by Order, amend the period of time by which a sewerage undertaker must publish a plan (that provision is in s.94A(6)(c))</p> <p>The newly inserted section 94C gives Welsh Ministers a regulation making power to make provision about the procedure for preparing and publishing drainage and</p>		

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			<p>sewerage management plans. This includes allowing provision to be made for information sharing, consultation on draft plans and responses to such, circulation of draft plans, and a provision conferring a power on Ministers to make any (further) provision by directions- see s.94C(8).</p> <p>The newly inserted section 94D makes supplementary provision for the regulations</p>		

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			made under s.94C.  Newly inserted section 94E make provision regarding the form of any directions made under s.94C(8).		
Clause 84 Water quality: powers of Welsh Ministers	Welsh Ministers	Regulations	Power to amend legislation to make technical updates in the field of water quality, following the departure from the EU.	Negative procedure	Required to ensure substances and standards in relation to those substances or in relation to the chemical status of surface water or groundwater do not remain fixed after the UK withdraws from the EU. The power would enable action to be taken legislatively to tackle those new priority substances most accurately representing harm to the water environment.
Clause 89 Valuation of other land in drainage district: Wales	Welsh Ministers	Regulations	Amendment to the Environment (Wales) Act 2016 which amends the Land Drainage Act 1991. Restates	Affirmative procedure	It is necessary to revise and update the methodology of calculating the split of income between special levies and drainage rates. The provisions within the Bill would allow the value of other land to be calculated via an alternative

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
			existing Regulation making powers in light of amendments to the 1991 Act, including the related regulation making power introduced in clause 88.		methodology (as IDBs will be able to make use of alternative data for these calculations), which will be set out in secondary legislation subject to the affirmative procedure. Setting out the valuation calculation in regulations is appropriate and proportionate, because these provisions deal with details of a subsidiary and technical matter.
Clause 90 Valuation of agricultural land in drainage district: England and Wales	Welsh Ministers	Regulation	Confers power to make regulations providing an alternative methodology for the calculation of drainage rates	Affirmative procedure	The Bill makes provision to allow the secondary legislation to provide an alternative methodology for calculation of the value of chargeable land (agricultural land and buildings) to avoid the potential distortion of the apportionment calculation. Setting out the valuation calculation in regulations is appropriate and proportionate, because these provisions deal with details of a subsidiary and technical matter.
Clause 91	Welsh Ministers	Regulation	This provision amends the Land Drainage	Affirmative procedure	The power to add to the list of qualifying persons set out under new section 37A(3)(h) is needed

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
Disclosure of Revenue and Customs information			Act 1991 to allow HMRC to share information to qualifying persons for qualifying purposes. A regulation making power is conferred to enable the list of 'qualifying persons' to be added to.		in order to ensure other persons requiring access to HMRC information for a qualifying purpose, who are identified at a later date, may be added to the list in secondary legislation, in circumstances where the framework of regulatory bodies operating in this area changes.
Schedule 20 para 1(1) Amendment of the REACH regulation	Welsh Ministers (Concurrent powers)	Regulation	Confers a power on Welsh Ministers in relation to amending the REACH Enforcement Regulations under this provision to the extent that the exercise of that power would be within legislative competence.	Affirmative procedure.	<p>Section 1 of the European Union (Withdrawal) Act 2018 repeals the European Communities Act 1972. This means after exit day the only way to amend the REACH Enforcement Regulations 2008 and REACH EU Exit Regulations would be through primary legislation.</p> <p>This power is needed to ensure the REACH EU Exit Regulations can be kept up to date.</p>

Section or schedule of the Bill	Power conferred on	Form	Appropriateness	Procedure	Reason for procedure
Schedule 20 2(1) Amendment of the REACH Enforcement Regulations 2008 (S.I. 2008/2852).	Welsh Ministers (Concurrent plus)	Regulation	Confers a powers on Welsh Ministers to amend the REACH Enforcement Regulations 2008 (S.I. 2008/2852) under this provision to the extent that the exercise of that power would be within legislative competence.	Affirmative procedure	This power is needed to ensure the REACH Enforcement Regulations 2008 can be kept up to date.

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Minister for Environment, Energy and Rural Affairs



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Ein cyf/Our ref IM/LG/02066/20

Rebecca Pow MP

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8<sup>th</sup> September 2020

Dear Rebecca Pow

Thank you for your letter of 17 August to inform me you were seeking clearance from the Domestic and Economy Implementation Committee to launch a consultation on the introduction of a due diligence requirements on companies trading in the UK, to reduce the risk of illegal deforestation and land conversion within their supply chains.

I understand the consultation was launched on 25 August and appreciate the need for this consultation to be undertaken as a priority to allow the UK Government to consider whether and how to respond through legislation before COP26. I agree with the importance of the UK providing a powerful signal of our commitment to preventing deforestation as dry season fires in the Amazon are likely to reach their worst levels of more than a decade.

I fully recognise failure to accelerate the shift to more sustainable production of key commodities, including cocoa, palm oil, rubber and soy, will threaten the security of global supply chains, the health and economic security of those who rely on them, as well as the ability to achieve our ambitions on either climate or nature.

I agree the UK should respond through an ambitious campaign on sustainable land use and commodities. I support the aim which is to broker a dialogue between major producers and consumers of these commodities and agree a shared roadmap for action.

I note a due diligence obligation on companies using forest risk commodities in their supply chains is one of the key recommendations from the Global Resource Initiative (GRI) report into this issue.

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



I note whilst the proposal being consulted on predominantly relates to the creation, operation, regulation and dissolution of types of business association, which is reserved under the Government of Wales Act 2006, the environment generally and the importation of food into Wales are both within the Senedd's competence. Therefore I would request my officials are involved in reviewing any future legislative requirements to ensure the issue of devolved competence is fully considered.

Regards



**Lesley Griffiths AS/MS**

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17 August 2020

Dear Lesley,

## **CONSULTATION ON DUE DILIGENCE ON FOREST RISK COMMODITIES**

I am writing to inform you that I am seeking clearance from the Domestic and Economy Implementation Committee to launch a consultation on the introduction of a due diligence requirement on companies trading in the UK to reduce the risk of illegal deforestation and land conversion in their supply chains.

Our aim is to launch the consultation as soon as possible, to allow the Government to consider whether and how to respond through legislation before COP26. It would also provide a powerful signal of the UK's commitment to preventing deforestation as dry season fires in the Amazon are likely to reach their worst levels of more than a decade.

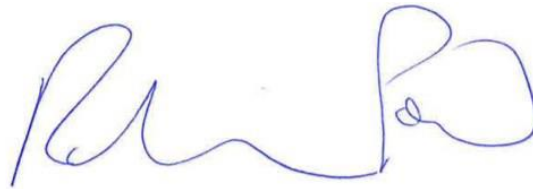
As you will know, failure to accelerate the shift to more sustainable production of key commodities, including cocoa, palm oil, rubber and soy, will threaten the security of global supply chains, the health and economic security of those who rely on them, as well as the ability to achieve our ambitions on either climate or nature.

As COP26 President, we are responding through our ambitious campaign on sustainable land use and commodities. The aim is to broker a dialogue between major producers and consumers of these commodities and agree a shared roadmap for action. The UK's credibility on this issue internationally will also be shaped in part by the actions we take at home. In 2019, the UK Government set up an independent task force to review the issue and recommend practical measures that could be taken to tackle the problem. That taskforce – the Global Resource Initiative (GRI) – issued its final recommendations report in March 2020 and the Government will be publishing its response to the report later this year. A due diligence obligation on companies using forest risk commodities in their supply chains is one of the key recommendations from the GRI report.

Further detail is set out in the attached draft consultation document. I would be grateful if this is held in confidence. The results of the consultation will inform our decision as to whether to introduce a due diligence requirement. It, together with more detailed feedback from direct engagement with developing country governments in major producer countries, will provide an opportunity to refine our thinking on whether and how to legislate on this issue.

We consider the proposal being consulted on relates to policy that in Wales is reserved to the UK Government. This is because it relates to the creation, operation, regulation and dissolution of types of business association, which is reserved under the Government of Wales Act 2006 (Schedule 7A Part 2, Section C1). As normal we will keep this under review when drafting any legislation. I have asked my officials to liaise with yours to keep them up to date with progress.

I am copying this letter to the Secretary of State for Wales. I am also writing to Roseanna Cunningham MSP, Cabinet Secretary for Environment, Climate Change and Edwin Poots MLA, Minister of the Department of Agriculture, Environment and Rural Affairs in Northern Ireland.

A handwritten signature in blue ink, appearing to read 'Rebecca Pow', is centered on the page. The signature is fluid and cursive, with a large initial 'R' and a distinct 'P'.

**Rebecca Pow MP**