# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Steel Procurement Policy** |
| **DATE** | **22 January** |
| **BY** | **Cabinet Secretary for Finance** |

The Welsh Government is today publishing a new steel Procurement Advice Note (PAN), which will support the sourcing and procurement of steel in construction and infrastructure projects in Wales.

The publication of the PAN is part of our ongoing commitment to support the long-term viability of steel-making in Wales and recognises the importance of steel to the Welsh and UK economy as a provider of highly-skilled, well-paid jobs – both directly and in the supply chain – and as a key investor in further education and research and development.

The PAN is a further example of the Welsh Government’s commitment to providing opportunities for local suppliers to engage in public contracts – either directly or through the supply chain – and is part of our wider support package for the steel sector in Wales. It also highlights our ongoing policy of using public procurement policy to support ethical business practices.

The PAN is designed to encourage the widest use of Welsh and UK steel in public sector contracts. Public sector bodies are encouraged to determine, which of their procurements are major projects in which steel is likely to be a critical component.

Major projects may include but are not limited to:

* Infrastructure projects, such as rail and roads;
* Construction projects, such as the building and or refurbishment of prisons, hospitals, universities, housing, community centres, bridges and schools;
* Flood defences.

We are already seeing results of the first PAN, which was issued in 2016 – the Eastern Bay Link Road project, which is funded by the Welsh Government, has sourced 89% of the steel reinforcing bars used in its construction from within Wales.

The PAN is a product of the work of the procurement sub-group of Welsh Government’s Tata Steel Taskforce, which was set up in 2016 to respond to the adverse conditions in the steel market in 2015-16. The sub-group includes supply-side representatives from Tata Steel, Celsa Steel UK, the Engineering Employers Federation, representing UK Steel, officials from Welsh Government and Value Wales.

I would like to thank all members of the steel procurement sub group for their work in developing this new PAN, which is available on the Procurement Route Planner at <http://prp.wales.gov.uk>.