

Halting and reversing the loss of nature by 2030

January 2025



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Halting and reversing the loss of nature by 2030

January 2025



About the Committee

The Committee was established on 23 June 2021. Its remit can be found at:
www.senedd.wales/SeneddClimate

Current Committee membership:



**Committee Chair:
Llyr Gruffydd MS**
Plaid Cymru



Janet Finch-Saunders MS
Welsh Conservatives



Delyth Jewell MS
Plaid Cymru



Julie Morgan MS
Welsh Labour



Carolyn Thomas MS *
Welsh Labour



Joyce Watson MS
Welsh Labour

* Carolyn Thomas declared a relevant interest during this inquiry. She has led a project on behalf of the Welsh Government in relation to biodiversity. The project, "It's For Them", involved working with Local Government, community councils, schools and volunteers on the management of verges and amenity grass. Carolyn Thomas has continued to meet Welsh Government officials and others involved in the project on an interim basis.

The following Member attended as a substitute during this inquiry:



John Griffiths MS
Welsh Labour

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Chair's Foreword

From the air we breathe, to the water we drink, and the food we eat, nature is an essential part of our lives. It can contribute to our health and well-being and is an important tool in tackling climate change. And of course, there's its intrinsic value. But for decades, we've taken nature for granted - pollution, urbanisation, and over exploitation of both land and sea - add to that the impact of climate change. Now, nature is in serious trouble.

Wales' nature is disappearing at an alarming rate. The latest report on the state of nature in Wales (2023) details the devastating scale of nature loss across the country - Welsh wildlife has decreased on average by 20% since 1994 and one in six Welsh species are threatened with extinction. So, what is the Welsh Government doing to help save nature?

Along with governments across the world, the Welsh Government has committed to halt and reverse the loss of nature by 2030. This means protecting and effectively managing 30% of our land and sea for nature by 2030 (known as '30 by 30'), among other things. Given the current state of Wales' nature, meeting this commitment will be an extraordinary challenge.

Our report looks at how the Welsh Government is responding to the challenge, in particular '30 by 30'. Our overriding message is that making commitments is all well and good, but this needs to be followed by a clear plan, action delivery and be backed by appropriate investment. All are currently lacking. There is a worrying lack of capacity and resource across the board, and an apparent lack of urgency on the part of the Welsh Government to get things done. Many of our recommendations are for the Welsh Government to make good on promises it has already made but is taking an age to deliver - a new Natural Resources Policy, a revised Nature Recovery Action Plan, completion of the Marine Protected Areas network, ambitious legally binding nature recovery targets. The list goes on.

The window of opportunity to bring nature back from the brink is already small and it's shrinking - fast. If the Welsh Government is to deliver on its commitments for nature it needs to up its game, because nature can't wait for it to catch up.

Finally, although this report focuses on the work of the Welsh Government, it's important to emphasise that we all have a part to play in saving Wales' nature. Government nature commitments and targets are meaningless without the actions—and, most importantly, the people—who deliver them.

From creating spaces for nature in our gardens and across our communities, and adopting nature-friendly mowing practices – all of these things count in the fight against nature loss.

By starting small, we can achieve significant change so that we not only halt the loss of nature but start to reverse it. We can all play our part in the journey towards a nature positive Wales.



Llyr Gruffydd MS

Chair, Climate Change, Environment, and Infrastructure Committee

Recommendations

Recommendation 1. The Welsh Government should use the environmental principles, governance, and biodiversity targets Bill to amend section 3 of the Environment (Wales) Act 2016 to ensure the Sustainable Management of Natural Resources objective includes an explicit reference to biodiversity restoration.
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Recommendation 2. The Welsh Government should use the forthcoming Bill on environmental principles, governance, and biodiversity targets to amend section 9(6) of the Environment (Wales) Act 2016 to require the Welsh Ministers to review the Natural Resources Policy no later than 12 months after each general election.
.....Page 25

Recommendation 3. The Welsh Government should:

- explain the reason for the delay in completing the review of the Natural Resources Policy (NRP);
- commit to completing a review of the NRP within six months of the publication of the Committee’s report; and
- ensure the NRP is capable of driving action for nature across the whole of government, with integrated policies that align with the Global Biodiversity Framework 2030 targets and wider goals.Page 25

Recommendation 4. The Welsh Government working in conjunction with Natural Resources Wales should review the effectiveness of implementation of Area Statements. The review should consider:

- whether and how Area Statements are being used to facilitate delivery of the Natural Resources Policy, and
- seek to identify any potential barriers to effective implementation and how these can be addressed.

The Welsh Government should share its findings with the Committee within six months of the publication of this report.Page 25

Recommendation 5. The Welsh Government should publish the findings of the OB3 Research’s evaluation of the implementation of the section 6 duty and explain what action it has taken in response to those findings.Page 25

Recommendation 6. The Welsh Government should:

- update the section 6 duty guidance for public authorities to ensure it adequately reflects the step change required to meet global and domestic biodiversity commitments, and
- set out an expectation for public authorities to review their biodiversity action plans in light of the updated guidance.Page 25

Recommendation 7. The Welsh Government should use the environmental principles, governance, and biodiversity targets Bill to amend section 6 of the Environment (Wales) Act 2016 to strengthen oversight and accountability arrangements..... Page 26

Recommendation 8. The Welsh Government should:

- explain the reason for the delay in publishing a revised Nature Recovery Action Plan (NRAP);
- commit to publishing a revised NRAP within six months of the publication of the Committee’s report; and
- ensure the revised NRAP is clear, ambitious, detailed and aligns with the Global Biodiversity Framework 2030 targets and wider goals.
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Recommendation 9. The Welsh Government’s revised NRAP should be costed to support strategic public investment in nature, enhance transparency and support scrutiny. If the Welsh Government is unwilling to do this, it should at the very least ensure the revised NRAP includes costed strategic short-term actions..... Page 26

Recommendation 10. The Welsh Government should commit to including a ‘headline target’ in the forthcoming Bill, aligned with the Global Biodiversity Framework commitment to halt and reverse the loss of nature by 2030 and achieve recovery by 2050.....Page 33

Recommendation 11. The Welsh Government should provide details of the work it has undertaken since March 2023 to “scope appropriate targets”. This should include details of any expert advice sought and any stakeholder engagement.
.....Page 33

Recommendation 12. The Welsh Government should explain why it will have taken 6 years to develop targets in Wales and whether that is acceptable, given that addressing biodiversity loss is a priority of the Welsh Government.....Page 33

Recommendation 13. In light of the significant delay to the development of targets, and given that this is a priority of the Welsh Government, the Welsh Government should undertake an urgent review of the resources allocated to departments dealing with this policy area with a view to satisfying itself that these are sufficient. It should report back to the Committee on the findings of the review within 3 months of the publication of this report.Page 33

Recommendation 14. The Welsh Government should:

- immediately begin a programme of stakeholder engagement with a view to determining which biodiversity targets should be prioritised for development,
- make provision in the Bill for these ‘priority targets’ to be set in regulations no later than 12 months following the Act’s Royal Assent, and
- make provision in the Bill for the remaining suite of targets to be set in regulations no later than 3 years following the Act’s Royal Assent.

.....Page 34

Recommendation 15. The Welsh Government should publish the criteria it will use to determine whether an area counts towards the 30 by 30 target. This should make clear that protected sites should be monitored to identify baselines and assess progress, have a management plan in place, and should be in favourable or recovering condition to count towards the target.....Page 42

Recommendation 16. The Welsh Government should deliver on its promise to produce an action plan setting out the actions needed to meet the 30 by 30 target. The action plan should:

- incorporate recommendations arising from the Biodiversity Deep Dive and its associated expert working groups, setting out who is responsible for delivering each action, with expected timescales for delivery, and
- include key milestones towards meeting the target.Page 42

Recommendation 17. The Welsh Government should engage a wide range of stakeholders in the production of the 30 by 30 action plan to help foster the

‘Team Wales’ approach needed to meet the target and deliver on wider global and domestic biodiversity commitments.Page 42

Recommendation 18. The Welsh Government should commit to providing the Senedd with regular updates on progress towards the delivery of the 30 by 30 action plan and the 30 by 30 target.Page 42

Recommendation 19. The Welsh Government should set out the next steps that are being taken in relation to the consultation process and designation of Marine Conservation Zones (MCZs). This should include a timeline for the appointment of a contractor, details of how soon after the appointment of a contractor the consultation will take place, and details about the next steps in the process for designation. Page 46

Recommendation 20. The Welsh Government should ensure MCZs and Marine Protected Areas (MPAs) are supported by robust management frameworks, addressing pressures such as fishing activities, offshore developments, and other human impacts.Page 47

Recommendation 21. The Welsh Government should commission an evaluation of the sufficiency of the Welsh MPA network for mobile species, including seabirds, and the findings should be reflected in MCZ proposals and marine strategies.Page 47

Recommendation 22. The Welsh Government should endorse and publish the National Seagrass Action Plan (NSAP) and provide resources to progress its implementation, in line with the Programme for Government commitments.Page 47

Recommendation 23. The Welsh Government should provide an update on progress towards meeting the Programme for Government commitment to establish a targeted scheme to support restoration of saltmarsh habitats along Wales’ coastline.Page 47

Recommendation 24. The Welsh Government should develop and publish a comprehensive nature finance strategy. Page 58

Recommendation 25. The Welsh Government should assess and set out the scale of investment needed for nature recovery in Wales, incorporating findings from reports such as WEL’s “Pathways to 2030” Page 58

Recommendation 26. The Welsh Government should ensure the 2025 reviews of the Nature Networks Fund and Local Places for Nature Fund address barriers to effectiveness, focusing on measurable biodiversity gains. Page 58

Recommendation 27. The Welsh Government should confirm its plans for the Nature Networks funding programme after it ends in 2025. If the programme is not going to continue, or if the budget allocation is to be reduced, the Cabinet Secretary should provide an analysis of the implications of such decisions. Page 58

Recommendation 28. The Welsh Government should ensure the Sustainable Farming Scheme includes clear metrics and a monitoring framework to track progress towards biodiversity recovery targets..... Page 58

Recommendation 29. The Welsh Government should provide an update on the progress in delivering its commitment, included in the NRAP, to “explore mechanisms to enable private funds to be used to supplement public funds through the Sustainable Farming Scheme”. Page 58

Recommendation 30. The Cabinet Secretary should enhance cross-departmental collaboration to integrate nature recovery into broader policy areas, to ensure a whole-government response to the nature emergency.Page 58

1. Introduction

- 1.** At the Conference of the Parties to the Convention on Biodiversity (COP15) in December 2022, the UK joined the global commitment to halt and reverse the loss of nature by 2030 and achieve recovery by 2050. This is known as the ‘Kunming-Montreal Global Biodiversity Framework’ (GBF).
- 2.** The GBF includes 23 targets for urgent action up to 2030. The UK Government is a signatory to the framework on behalf of the UK. Wales is expected to play its part in implementing the GBF and delivering the targets.
- 3.** To support the delivery of the targets, the Welsh Government has committed to legislate to set domestic biodiversity targets, which will be aligned with a refreshed national biodiversity strategy for Wales.

Our inquiry

- 4.** 18 months on from the adoption of the GBF, and ahead of the highly anticipated ‘nature positive’ Bill, the Committee agreed to undertake an inquiry to consider how the Welsh Government is responding to the challenge of halting and reversing the loss of nature by 2030.

Terms of reference

- 5.** The terms of reference for the inquiry were to consider:
 - the effectiveness of current policies, funds, and statutory duties in halting and reversing the loss of nature by 2030;
 - progress towards implementing the Biodiversity Deep Dive recommendations;
 - current arrangements for monitoring biodiversity; and
 - new approaches needed to halt and reverse the loss of nature by 2030.

Our approach

- 6.** The Committee held a 7-week public consultation between July and August 2024 and received 44 submissions. In September and October 2024, it held a series of evidence sessions with academics, Natural Resources Wales, representatives of the environmental sector and public authorities, and the

Cabinet Secretary and Cabinet Secretary for Climate Change and Rural Affairs. A schedule of evidence sessions can be found at the end of this report.

7. The evidence we received from contributors was wide-ranging and highlighted the complexity and extent of the challenge facing this Welsh Government and future governments in helping bring biodiversity back from the brink. Many of the issues raised, such as tackling threats and drivers of biodiversity decline, green jobs and skills, and marine planning, lend themselves to inquiries of their own. While we have not been in a position to explore these issues in detail in the time available, we will seek to pursue them with the Welsh Government as part of our wider scrutiny work.

8. One of the recurring themes in evidence was the critical role of the Welsh Government's Sustainable Farming Scheme (the Scheme) in reversing the decline of biodiversity. The Committee has already reported on proposals for the Scheme. The Welsh Government responded to that report in August 2024. In this report, we consider the Scheme's budget in the context of increasing investment in nature.

9. We would like to thank all those who have contributed to the Committee's work.

2. Current legislative and policy framework to support nature

The Environment (Wales) Act 2016

10. Part 1 of the Environment (Wales) Act 2016 (the 2016 Act) put in place the sustainable management of natural resources (SMNR) which is underpinned by a set of principles based on the UN Convention on Biological Diversity ecosystem approach. The ecosystem approach makes explicit the link between the status of natural resources systems and ecosystem services that support human well-being.

11. The 2016 Act sets out the objective, principles, and framework for SMNR. Key components of the framework include:

- The State of Natural Resources Report (SoNaRR) produced by Natural Resources Wales providing an assessment of the state of natural resources, including biodiversity. The latest SoNaRR was published in 2020.
- A National Natural Resources Policy – the Welsh Ministers must produce a national policy that sets out the key priorities, risks, and opportunities for managing our natural resources sustainably, including in relation to climate change and biodiversity. The policy must be reviewed after each Senedd election considering the findings of the SoNaRR with any revisions published. The first National Natural Resources Policy, referred to as the Natural Resources Policy (NRP) was published in 2018.
- Area statements – these are a local evidence base produced by NRW to help inform action to deliver the NRP. Seven area statements covering the whole of Wales were published in 2020.
- A biodiversity duty (also referred to as ‘the section 6 duty’) sets out a requirement on public authorities to seek to maintain and enhance biodiversity and the resilience of ecosystems. Authorities must publish a plan setting out what they intend to do to comply with the duty and report on that plan.
- A list of species and habitats of principal importance for maintaining and enhancing biodiversity (referred to as the ‘section 7 list’). The list was originally transposed from the Natural Environment and Rural

Communities Act 2006 with an intention for it to be reviewed and updated.

The Well-being of Future Generations (Wales) Act 2015

12. The 2016 Act was designed to work in an integrated way with the Well-being of Future Generations (Wales) Act 2015 (WbFG Act), which is Wales' overarching sustainable development legislation.

13. The WbFG Act aims to improve the social, economic, environmental, and cultural well-being of Wales by putting sustainable development at the centre of decision-making. It sets out seven 'well-being goals' for public bodies, including 'a resilient Wales':

A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).

Wales' Biodiversity Strategy and Action Plan

14. The Nature Recovery Action Plan (NRAP) is the Welsh Government's non-statutory National Biodiversity Strategy and Action Plan. It forms part of the UK's National Biodiversity Strategy and Action Plan in response to the UN Convention of Biological Diversity (CBD).

15. The NRAP sets out how the Welsh Government will address the CBD's Strategic Plan for Biodiversity and the associated Aichi Biodiversity Targets in Wales (superseded by the Kunming-Montreal Global Biodiversity Framework (GBF) and associated targets).

16. The Strategy includes objectives for the terrestrial and marine environments and key interventions/actions needed to meet them. The Action Plan was refreshed for 2020-21 to take account of growing evidence around the scale of the loss of biodiversity and the changing policy context in Wales.

17. Signatories to the GBF, including the UK, agreed to submit their National Biodiversity Strategy and Action Plans ahead of COP16 in October 2024. The Welsh Government committed to include its revised NRAP as an annex to the UK's National Biodiversity Strategy and Action Plan. Separately, the Welsh Government indicated its intention to publish its revised NRAP in May 2024. At

the time of writing this report, neither the UK National Biodiversity Strategy and Action Plan nor the revised NRAP have been published.

18. The Welsh Government's White Paper for the forthcoming Bill on environmental principles, governance and biodiversity targets set out proposals for a statutory biodiversity strategy and action plan. The Welsh Government has since indicated that rather than create a new statutory nature recovery strategy, the NRP will be adapted to ensure it reflects the nature recovery framework, including the biodiversity targets, and response to the GBF. Instead of a statutory action plan, it is considering using detailed delivery plans to set out the actions needed to ensure delivery of the nature recovery framework.

Evidence from contributors

19. Contributors pointed out that, despite the Welsh Government's commitment to halting and reversing biodiversity loss, Wales' unique environmental legislation, high-level plans and "positive nature policies", biodiversity in Wales continues to decline, as illustrated by SoNaRR 2020 and the State of Nature 2023 report.

20. Professor Ormerod said:

"Wales's environmental legislation in general is just full of positives...But, the evidence that we see from the environmental trajectory in Wales is that what we have has failed to make a difference in stemming biodiversity loss".

21. WWF Cymru said despite the Welsh Government's efforts to put nature at the heart of decision making, "policies developed have tended to be less effective in practice". Other environmental NGOs said the Welsh Government has positive policies "on paper", but lack of resource and capacity have impacted on delivery.

22. WEL called for "more substantive delivery with much more urgency and effectiveness". Professor Ormerod also believed that "resourcing, incentives and prioritisation remain barriers to progress at sufficient pace or scale".

The 2016 Act

23. Alex Phillips, WWF Cymru told the Committee, "we are responding to 2030 with the old Environment (Wales) Act 2016 structures, which at the time were seen to be problematic". He referred to Part 1 on SMNR as "a collection of fuzzy ambitions and reporting structures that haven't really delivered much change". In

comparison, Part 2 on climate change, which provides the framework for Wales' response to carbon emissions reduction, "works well". He suggested the Welsh Government should learn lessons from this ahead of the introduction of the forthcoming Bill.

24. NRW told the Committee, the 2016 Act "provides a framework to help co-ordinate both policy and delivery". However, it added, "There is much unused potential in the powers and duties under the Act".

25. In commenting on the NRP, WEL asserted it "has had little material impact". WWF Cymru referred to it as "vague and noncommittal to the point where most actions or inactions can be retrospectively justified by its contents". Several contributors pointed out the Welsh Government has yet to revise the NRP following the last Senedd election (May 2021).

26. WEL said the development of Area Statements "has been little more than a mapping and stakeholder exercise, and it's yet to be seen how or if they will change and improve processes". CIEEM said Area Statements are "inadequate", "unsuitable in their current form" and "not used in practice". CIEEM had written to NRW in June 2023 with a series of recommendations for improvements but had yet to receive a response.

Alignment with global and domestic biodiversity commitments

27. According to representatives of the environmental sector, the SMNR objective does not fully align with global and domestic commitments on nature recovery. Instead, the SMNR objective is:

*to **maintain and enhance the resilience of ecosystems** and the benefits they provide*

28. Contributors believed that the forthcoming Bill provides an opportunity for the Welsh Government to address this discrepancy. WWF Cymru called for the 2016 Act to be amended "to include 'nature restoration', adding:

"[This along with] timebound biodiversity targets that require cross-government action to deliver...would have the effect of strengthening the Government's nature framework to a more formal and deliverable 'black letter' approach to policy making."

29. RSPB Cymru echoed the above. It also called for the Sustainable Land Management ‘ecosystems objective’ in the Agriculture (Wales) Act 2023¹ to be amended to reflect the need for nature restoration/recovery.

The section 6 duty

30. Rebecca Sharp, Neath Port Talbot County Borough Council, reported variation between local authorities in relation to implementation of the section 6 duty, suggesting this was due to a lack of guidance from the Welsh Government when the duty commenced. She added:

“... some authorities are a bit stronger on it than others...But I would say that that duty has essentially put biodiversity on the radar in local authorities...I think it's still going to be slow-going, because any change in Government organisations can take a while, but I think there is momentum behind it now. I think we've got quite a long way to go for biodiversity to necessarily be considered at the same kind of priority level as other things, shall we say? But we're moving in the right direction.”

31. Rebecca Sharp emphasised the need for biodiversity officers and ecologists to support authorities in implementing the duty. She explained that “authorities' biodiversity and ecology departments have been under-resourced and understaffed for decades”.² She suggested the duty could be “tweaked so that there was clearer monitoring and enforcement and actually understanding what the expectation is—what does success look like?”.

32. In September 2021, the Welsh Government commissioned OB3 Research to carry out an evaluation of the implementation of the section 6 duty. The findings of the evaluation have not been published. Audit Wales has recently undertaken similar work. At the time of writing this report, it had not been published.

¹ The ‘ecosystem objective’ is: to maintain and enhance the resilience of ecosystems and the benefits they provide, and in doing so meet the needs of the present without compromising the ability of future generations to meet their own needs, and contribute to achieving the well-being goals in the Well-being of Future Generations (Wales) Act 2015.

² RoP, para 143, 3 October 2024

The Nature Recovery Action Plan (NRAP)

33. WEL called for the development of a costed, cross-government Nature Recovery Action Plan. It asserted, this would provide “a clearer picture of the investment needed to deliver Welsh Government’s ambitions for nature restoration and recovery; enable investment in nature; and provide opportunities for integration between portfolios and sectors”. Similarly, WWF Cymru said a clear costed plan for nature recovery is “sorely needed” to assess investment need and inform the development of an investment strategy.

Evidence from the Welsh Government

34. In responding to contributors’ concerns about the effectiveness of the 2016 Act, Claire Bennett, Welsh Government, explained the intention is for the nature recovery framework set out in the forthcoming Bill to build on the SMNR framework. She said:

“even if the existing provisions in the legislation aren't fully delivering what we might want, it's how do we build on that and enhance it and improve it, rather than create a parallel system...we've looked really hard at how we can use the existing mechanisms [in the 2016 Act], build the [new] legislation on it...then focus on how do you support implementation, because the words in law are important, obviously—it's a really key part of the framework—but what, actually, is done is what matters.”

35. The Cabinet Secretary said that although the Welsh Government is not proposing to amend the section 6 duty, the forthcoming Bill will include a duty on specified public bodies to contribute towards the delivery of biodiversity targets.

36. In May 2023, the Welsh Government said work was underway “to scope the work required [to review the Natural Resources Policy and the Nature Recovery Action Plan] with a view to completing the refresh within 12 months”.³ In December 2023, the then Minister for Climate Change told the Committee, “A working group will start work in January [2024] to...undertake a review of the [Natural Resources Policy]. The review is due to complete in October 2024. The publication of a revised policy will follow”. When asked for an update on progress,

³ Welsh Government, Biannual update on the Biodiversity Deep Dive recommendations, May 2023

the Cabinet Secretary said he was “committed to the review”, noting it is a statutory requirement.

37. In relation to the NRAP, the Cabinet Secretary told the Committee that it is currently being refreshed and will remain in place until it is realigned to respond to the GBF and the Biodiversity Deep Dive recommendations.

Our view

The overall picture painted by contributors to our inquiry was of a complex plethora of policies, legislation, strategies, and plans. The effectiveness of the multitude of interventions is varied, but there is an overriding concern that a lack of staffing resources in the Welsh Government means that the Welsh Government’s commitments are not being delivered. Throughout this inquiry, we came across examples of delays, undelivered commitments, and missed deadlines. This is a fundamental concern for this Committee.

The Environment (Wales) Act 2016

At the time, Part 1 of the 2016 Act (the 2016 Act) was considered forward-thinking and innovative, putting in place a framework to support the development and implementation of policies to manage Wales’ natural resources sustainably. However, the evidence we received suggests the Act has not bedded in as intended and key components have been largely ineffective in driving action for nature. Furthermore, since the 2016 Act, the nature imperative has grown - the Senedd has declared a nature emergency, and new global and domestic biodiversity commitments have been made.

The evidence we received suggests the problems with the 2016 Act are twofold: weaknesses in the drafting of certain provisions and ineffective implementation. The Welsh Government must address these issues to ensure that Wales’ legislative framework to support nature recovery is both robust and coherent.

SMNR objective

We share the concerns of the environmental NGOs that the SMNR objective in the 2016 Act is not sufficiently focused on biodiversity and does not fully align with global and domestic biodiversity commitments. We believe the Welsh Government should use the forthcoming Bill to amend the objective to address this.

Natural Resources Policy (NRP)

The NRP is a key element of the SMNR framework. It should set the incoming Welsh Government's priorities and policies, reflecting the current state of Wales' natural resources. It should provide clear direction for policy delivery for the serving government's term in office. But it is out of date and, according to environmental NGOs "has had little material impact".

The Welsh Government is required by law to review the NRP after each general election. The current Cabinet Secretary and his predecessor have chosen to apply the broadest possible interpretation to the statutory requirement to review the NRP "after each general election". Consequently, three and a half years into the Sixth Senedd, we are still waiting for the review to be completed. According to the Welsh Government, it will have complied with the requirement provided a review is undertaken before the end of this Senedd term. We acknowledge there may be good reason why the Welsh Government chose not to review the NRP directly after the May 2021 general election, in particular the desire to take account of the outcome of COP15 held in December 2022. However, we do not consider the Welsh Government's interpretation to be helpful or in keeping with the spirit of the requirement.

The forthcoming Bill provides an opportunity to amend the requirement to ensure that it delivers the intended effect, with a review being completed at the start of a Senedd term.

We are aware of the Welsh Government's proposal to adapt the NRP as an alternative to producing a separate statutory nature recovery strategy. We expect to explore this issue during our scrutiny of the Bill.

Area Statements

The purpose of Area Statements is to facilitate the implementation of the NRP. However, we heard they are not fit for purpose, well-understood or being utilised to their full potential. We believe it would be timely for the Welsh Government to review Area Statements with the aim of identifying current weaknesses and barriers to effective implementation, and ways to address them.

Section 6 duty

Despite the section 6 duty, biodiversity continues to be overshadowed by other priorities within public authorities. The proposed duty for authorities to contribute to statutory biodiversity targets in the forthcoming Bill may help address this. However, the proposed duty will only take effect once targets have

been set, which, according to the Welsh Government could be another five years away. In that case, we believe that more immediate action is needed to improve the effectiveness of the section 6 duty.

To this end, the Welsh Government should review the section 6 duty guidance with a view to ensuring it adequately reflects the step change required to meet global and domestic biodiversity commitments. It should also use the forthcoming Bill to amend section 6 of the 2016 Act to strengthen oversight and accountability arrangements.

We are aware that Audit Wales has recently undertaken an evaluation of the implementation of the section 6 duty. We expect the Welsh Government to consider what further changes may be necessary in light of Audit Wales' findings.

Nature Recovery Action Plan (NRAP)

The NRAP is meant to set out how the Welsh Government will halt and reverse the loss of nature by 2030. Two years after committing to the GBF, a revised NRAP has yet to be published. This is deeply concerning.

We expect the Welsh Government to explain why the revised NRAP was not published in May 2024, as anticipated. It must work at pace over the coming months to ensure the revised NRAP is published as a priority.

In our report on the draft budget 2024-25 (February 2024), we called for the revised NRAP to be costed to support strategic public investment in nature, enhance transparency and support scrutiny. In response, the Welsh Government told us developing costed long-term actions is challenging “due to inflationary pressures”, but that it was “willing to consider costing the strategic short term actions”. We do not consider it beyond the Welsh Government’s capabilities to provide estimated costs for long term actions to support nature recovery. Similar costing exercises have been completed by environmental NGOs and independent experts. We urge the Welsh Government to reconsider its position.

Recommendations

Recommendation 1. The Welsh Government should use the environmental principles, governance, and biodiversity targets Bill to amend section 3 of the Environment (Wales) Act 2016 to ensure the Sustainable Management of Natural Resources objective includes an explicit reference to biodiversity restoration.

Recommendation 2. The Welsh Government should use the forthcoming Bill on environmental principles, governance, and biodiversity targets to amend section 9(6) of the Environment (Wales) Act 2016 to require the Welsh Ministers to review the Natural Resources Policy no later than 12 months after each general election.

Recommendation 3. The Welsh Government should:

- explain the reason for the delay in completing the review of the Natural Resources Policy (NRP);
- commit to completing a review of the NRP within six months of the publication of the Committee's report; and
- ensure the NRP is capable of driving action for nature across the whole of government, with integrated policies that align with the Global Biodiversity Framework 2030 targets and wider goals.

Recommendation 4. The Welsh Government working in conjunction with Natural Resources Wales should review the effectiveness of implementation of Area Statements. The review should consider:

- whether and how Area Statements are being used to facilitate delivery of the Natural Resources Policy, and
- seek to identify any potential barriers to effective implementation and how these can be addressed.

The Welsh Government should share its findings with the Committee within six months of the publication of this report.

Recommendation 5. The Welsh Government should publish the findings of the OB3 Research's evaluation of the implementation of the section 6 duty and explain what action it has taken in response to those findings.

Recommendation 6. The Welsh Government should:

- update the section 6 duty guidance for public authorities to ensure it adequately reflects the step change required to meet global and domestic biodiversity commitments, and
- set out an expectation for public authorities to review their biodiversity action plans in light of the updated guidance.

Recommendation 7. The Welsh Government should use the environmental principles, governance, and biodiversity targets Bill to amend section 6 of the Environment (Wales) Act 2016 to strengthen oversight and accountability arrangements.

Recommendation 8. The Welsh Government should:

- explain the reason for the delay in publishing a revised Nature Recovery Action Plan (NRAP);
- commit to publishing a revised NRAP within six months of the publication of the Committee’s report; and
- ensure the revised NRAP is clear, ambitious, detailed and aligns with the Global Biodiversity Framework 2030 targets and wider goals.

Recommendation 9. The Welsh Government’s revised NRAP should be costed to support strategic public investment in nature, enhance transparency and support scrutiny. If the Welsh Government is unwilling to do this, it should at the very least ensure the revised NRAP includes costed strategic short-term actions.

3. A new legislative framework for nature recovery

38. At the start of the Sixth Senedd, the Welsh Government committed to work towards introducing legislation to establish an environmental governance body for Wales, and a statutory duty and targets to protect and restore nature.⁴

39. In January 2024, the Welsh Government published a White Paper setting out proposals for an Environmental Principles, Governance and Biodiversity Targets Bill (the Bill). According to the White Paper, the Bill will:

- set overarching environmental principles to underpin all future policy decision-making;
- establish a permanent environmental governance body to ensure public authorities uphold environmental law; and
- establish a 'Nature Recovery Framework' to protect and restore nature, including biodiversity targets.

40. The Welsh Government is aiming to introduce the Bill in June 2025.

41. For the purpose of this report, the Committee has focused primarily on the Nature Recovery Framework. The Bill will be subject to full and proper scrutiny by a Senedd committee (anticipated to be this Committee) following its introduction.

The 'Nature Recovery Framework'

42. The 'Nature Recovery Framework', as set out in the White Paper, included:

- Statutory biodiversity targets comprising a 'headline nature positive target' ('headline target') and a suite of supporting biodiversity targets to be set by the Welsh Ministers in secondary legislation.
- Monitoring, reporting and scrutiny requirements for the above targets.
- A Nature Recovery Strategy setting out the Welsh Government's approach to delivery of the biodiversity targets and its response to the

⁴ This follows a commitment made in the Fifth Senedd to legislate to establish a new environmental governance body to address the 'governance gap' arising from the UK's departure from the European Union and to enshrine environmental principles in Welsh law.

Global Biodiversity Framework. This would be accompanied by a statutory action plan detailing the action needed to achieve the targets and the long-term vision for ‘a nature positive Wales’.

Evidence from contributors

A ‘headline target’

43. The White Paper included a proposal for the following ‘headline target’ –

To reverse the decline in biodiversity with an improvement in the status of species and ecosystems by 2030 and their clear recovery by 2050.

44. This reflects the existing Well-being of Future Generations (Wales) Act 2015 biodiversity milestone and aligns with the GBF. In its response to the White Paper (July 2024), the Welsh Government said it was considering replacing the ‘headline target’ with a nature positive ‘purpose or mission statement’.

45. Many contributors expressed concern in relation to this, calling for the ‘headline target’ to be retained. National Trust Cymru said:

“We fear dropping the headline target, with its key 2030 and 2050 dates, risks undermining the pace of delivery. With 2030 dauntingly close, it is vital that urgent action is taken to secure meaningful and measurable positive change by then in line with Wales’ global biodiversity commitments.”

46. It emphasised the need to ensure that the Bill “upholds the ambition of the current Senedd to address the nature emergency. It must not leave room for further delay or be open to interpretation of a new Government”. RSPB Cymru expressed a similar view.

47. Annie Smith, RSPB Cymru, said:

“we’ve had a global framework for biodiversity for decades, but it hasn’t resulted in that sort of change in delivery. We need a step change in action...We’re losing decades by not having this

front and centre in Welsh legislation in the same way as net zero is there.”⁵

48. She added that not including the ‘headline target’ would be a “massive missed opportunity” and referred to a “risk of drift” in terms of setting supporting targets.

49. Alex Phillips told the Committee:

“the reason we’ve been given [by the Welsh Government for replacing the headline target] in part is because this [Bill] has taken so long it might be 2028 by the time we get the actual targets in secondary legislation, and there isn’t enough time between then and 2030 to deliver change.”

50. He pointed out that environmental NGOs have been calling for the Bill since 2017 and expressed frustration that the delay in bringing it forward may lead to a weakening of ambition. He suggested amending the ‘headline target’ to address concerns about the achievability of the 2030 target, rather than replacing it. He also cautioned against the removal of a target for 2050. He stated:

“if 2030 isn’t practically achievable at this point, why is 2050 going as well? That’s surely achievable. Can we talk about 2035 as a next stage in the target?”

Biodiversity targets

51. The Welsh Government has indicated its intention to set targets around the following high-level topics: species (distribution, abundance, and extinction risk), habitat (protection, management, and restoration) and ecosystem health, resilience, and restoration.

52. In the main, contributors welcomed the proposal for the Bill to include a biodiversity target setting framework. RSPB Cymru told the Committee, “We have long argued for statutory biodiversity targets to drive action, resources and mainstreaming across government and across sectors”.

53. Several contributors referred to the complexities involved in developing suitable targets. NFU Cymru and UKELA questioned how targets could be set in the absence of robust baseline data on the current state of nature. NFU Cymru expressed concern that the targets would be “unrealistic and unachievable”. It

⁵ RoP, para 161, 18 September 2024

said any targets must be evidence based, “achievable, measurable and affordable with the right enabling and supportive policy mechanisms in place”.

54. Several contributors provided suggestions for additional targets, for example, ‘threat reduction’ targets. WWF Cymru called for “a strong set of targets...that will drive action to address pollution across government”, with a particular focus on freshwater pollution.

Timeframe for setting targets

55. According to the White Paper, targets will be set by regulations “as soon as practicable” after the Bill receives Royal Assent. Based on the standard timeframe for Bill scrutiny, it is anticipated Royal Assent will likely be sought in early spring 2026.

56. RSPB Cymru emphasised the need to set targets swiftly “to get Wales’ efforts at delivering nature recovery on track”. It pointed out that implementation of the Bill’s provisions will not begin until the next Senedd term, adding “The Bill is the only chance the current Senedd has to set timeframes [for target setting] that make clear the urgency of stepping up action to deliver change”. Annie Smith told the Committee, “what we can't do is...not see [regulations] till 2028. There needs to be something in the Bill that requires them to be brought forward within a short time frame”. National Trust Cymru expressed a similar view.

Evidence from the Welsh Government

57. The Cabinet Secretary said the proposal for a ‘headline target’ had been met with mixed views from respondents to the consultation on the White Paper. He added he is keen to work with eNGOs who had expressed concern about the move away from a ‘headline target’ “to find a constructive way forward”.

58. On the timescales for setting biodiversity targets, the Cabinet Secretary told the Committee the current proposal is to bring forward regulations “within 36 months of the signing off of the primary legislation”. He said:

“we really need to work to make sure that we don't replicate existing targets—we get the targets right based on what flows out of COP15 and COP16, and that might take a little bit of time to get it right. It's better to get them right.”

59. In subsequent correspondence, the Cabinet Secretary explained the rationale for allowing 36 months to set the targets.

60. Alice Teague explained the Welsh Government was considering a range of targets (both outcome and action-focused), including those relating to the drivers of biodiversity loss, for example, nutrient pollution. The Cabinet Secretary said he was keen to draw on lessons from England, where targets have already been set, and Scotland. He committed to provide an indication of “what these [targets] will look like” when the Bill is introduced, to support Senedd scrutiny.

Our view

The forthcoming Bill

Since the start of the Sixth Senedd, we have consistently urged the Welsh Government to address the environmental governance gap and introduce statutory biodiversity targets through legislation. While the Bill is now scheduled for introduction in June 2025, its delay is disappointing. This decision has pushed responsibility for implementing the Bill’s provisions onto the next Welsh Government. To ensure progress is not stalled further, it is essential that the Bill includes ambitious timelines for establishing the new environmental governance body and setting biodiversity targets, allowing these priorities to be addressed early in the Seventh Senedd.

We anticipate the Bill will be referred to this Committee for scrutiny. Although we do not wish to pre-empt the findings of that work, in this report we offer a preliminary view on the Nature Recovery Framework, and in particular, the biodiversity targets.

The urgency of tackling nature loss cannot be overstated. It is as critical as addressing climate change, yet, it has struggled to secure the same level of prominence both publicly and politically. The Bill will provide an opportunity to address this. It enables the Welsh Government to demonstrate its commitment to nature recovery and put in place a strong legislative framework to drive forward and scale up action for nature. But there are already worrying signs the Welsh Government is reining in its ambitions, moving away from the proposed ‘headline nature positive target’ for fear it will be too difficult to meet, and delaying the introduction of biodiversity targets until well into the Seventh Senedd. This risks undermining the Bill’s impact.

A ‘Headline Target’

We were concerned by the Cabinet Secretary’s suggestion that a headline target will not be included in the Bill. Wales’ target to achieve net zero

emissions by 2050, aligned with the global climate change commitment, is set out in Welsh law. It is unambiguous and widely understood. It is unclear why the Welsh Government is reluctant to adopt the same approach when it comes to nature recovery. If the Welsh Government is committed to halt and reverse the loss of nature by 2030 and achieve recovery by 2050, we expect 'a headline target' which reflects this to be included on the face of the Bill.

Biodiversity Targets

We believe that the Welsh Government's proposed timescale for setting biodiversity targets fails to reflect the need for an immediate and decisive response to the natural emergency. It means targets may not be set until 2029 – a year before the GBF 2030 targets, including the key 30 by 30 target, need to be met. This is not acceptable.

Almost two years ago, the then Minister for Climate Change assured this Committee that work on "scoping appropriate targets" was already underway. It is deeply concerning that the Welsh Government would need a further five years to develop a robust suite of targets. In contrast, the UK Government has already set biodiversity targets for England, and Scotland is also ahead of Wales.

In correspondence with the Committee, the Cabinet Secretary explained the rationale for the targets taking 36 months to be set. He told us that "Creating the secondary legislation alone takes 12 months at a minimum (from consultation through to introduction), depending on the allocated plenary slot. To note, while policy development of the targets can be conducted prior to Royal Assent, we cannot consult on subordinate legislation before the primary legislation is introduced as this would be considered pre-empting the voting of the Senedd." We are not persuaded by the need, therefore, for a 36-month delay. As the Cabinet Secretary points out, engagement with stakeholders could take place in parallel with the progress of the Bill, with the subordinate legislation then being introduced 12 months after Royal Assent. We believe this is a realistic goal and one the Welsh Government should strive to achieve in light of the biodiversity emergency.

The timing of the Bill means that implementation of its provisions will be a matter for the next Welsh Government. To prevent further delays, the Bill must include ambitious timescales for setting biodiversity targets to ensure this matter is prioritised early in the Seventh Senedd.

Stakeholder Engagement

The Welsh Government is keen to emphasise the need for a ‘Team Wales’ approach to nature recovery. However, evidence submitted to this Committee shows that many stakeholders—including those involved on-the-ground in conservation efforts—feel excluded from discussions shaping Wales’ response to global biodiversity commitments. To help address this issue, the Welsh Government should commit to an inclusive approach to target setting, with meaningful engagement with a wide range of stakeholders.

Recommendations

Recommendation 10. The Welsh Government should commit to including a ‘headline target’ in the forthcoming Bill, aligned with the Global Biodiversity Framework commitment to halt and reverse the loss of nature by 2030 and achieve recovery by 2050.

Recommendation 11. The Welsh Government should provide details of the work it has undertaken since March 2023 to “scope appropriate targets”. This should include details of any expert advice sought and any stakeholder engagement.

Recommendation 12. The Welsh Government should explain why it will have taken 6 years to develop targets in Wales and whether that is acceptable, given that addressing biodiversity loss is a priority of the Welsh Government.

Recommendation 13. In light of the significant delay to the development of targets, and given that this is a priority of the Welsh Government, the Welsh Government should undertake an urgent review of the resources allocated to departments dealing with this policy area with a view to satisfying itself that these are sufficient. It should report back to the Committee on the findings of the review within 3 months of the publication of this report.

Recommendation 14. The Welsh Government should:

- immediately begin a programme of stakeholder engagement with a view to determining which biodiversity targets should be prioritised for development,
- make provision in the Bill for these ‘priority targets’ to be set in regulations no later than 12 months following the Act’s Royal Assent, and

- make provision in the Bill for the remaining suite of targets to be set in regulations no later than 3 years following the Act's Royal Assent.

4. Progress towards 30 by 30

What is 30 by 30?

61. The Global Biodiversity Framework '30 by 30' target is considered central to efforts to halt and reverse the loss of nature by 2030.

'30 by 30' target

Ensure and enable that by 2030 at least 30 per cent of terrestrial, inland water, and of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem functions and services, are effectively conserved and managed through ecologically representative, well-connected and equitably governed systems of protected areas and other effective area-based conservation measures...

Biodiversity Deep Dive – a first step

62. In anticipation of the adoption of the '30 by 30' target, in summer 2022, the Welsh Government commissioned a group of experts and practitioners to undertake a Biodiversity Deep Dive. The objective of the Deep Dive was to develop a set of collective actions that could be immediately taken to support the delivery of the target.

63. The Deep Dive concluded in October 2022 and identified eight key themes and 43 recommendations for specific actions. Several expert working groups were established to take forward and/or further develop recommendations, related to designated landscapes (National Parks and National Landscapes), Other Effective Area-based Conservation Measures (OECMs) and monitoring. In May 2023, the Welsh Government published its first update on implementation of the recommendations. It published a written statement on further progress in July 2024.

Evidence from contributors

Implementing the Deep Dive recommendations

64. Overall, contributors welcomed the Deep Dive recommendations as a positive step forward. However, several contributors reported a lack of effective communication in relation to the outcome of the Deep Dive and next steps.

65. While there was a general sense that progress had been made in taking forward some recommendations, overall, contributors considered it was slower than necessary, given the scale of the challenge and the limited time remaining to meet the 30 by 30 target. Professor Steve Ormerod said, “Although various steps have been taken or advocated in delivering these recommendations, the scale and pace remain slow”. Dr Richard Unsworth noted it was two years since the recommendations were agreed, yet “we have seen limited action to follow through with key recommendations”.

66. Several contributors expressed disappointment about a lack of progress in taking forward actions aimed at improving the condition and management of protected sites. Annie Smith said these actions “haven’t demonstrably moved forward” despite being “critical” to ensuring the 30 by 30 target can be met. Celtic Rainforest LIFE echoed this, raising concern that “the proposed cuts to NRW will hit implementation...and further hinder protected sites improvements”.

67. Contributors reported that although substantial work had initially been undertaken by the expert working groups, progress had slowed in recent months. Rhys Owen, Tirweddau Cymru said:

“the pace that things are operating on seems to have quietened down...we need to ensure that that intensity is still going on, or we're going to slip, and I think that's the concern. We're coming to the end of 2024 now; these targets refer to six, or five years—if we're being realistic about it.”

68. Annie Smith said, “we’ve reached a bit of a hiatus”, suggesting this may be due, at least in part, to capacity constraints within the Welsh Government.

69. NRW highlighted the expert working groups had not received dedicated or additional resource, referring to a reliance on ‘good will’ from members to make progress. It added that a lack of external capacity “has placed additional pressure on NRW in order to enable progress to be made through the work of these groups.”

70. NRW provided an update on recommendations it is leading on, although it emphasised that implementation of recommendations “is not, and should not, be presumed to be solely for Welsh Government and NRW”. It added, “A collaborative Team Wales approach working at pace is critical to achieving the scale and ambition needed to support meaningful delivery of 30 by 30 target”.

71. NRW suggested an action plan is needed that “enables Team Wales to collectively deliver the recommendations to ensure clear ownership and expected timeframes for actions, thus ensuring greater accountability and transparency”. Similar views were expressed by Tirweddau Cymru, Dŵr Cymru Welsh Water and Celtic Forest LIFE, while RSPB Cymru advocated “a roadmap to achieving [30 by 30], looking at what milestones need to be delivered, by when”.

What counts towards 30 by 30?

72. Several contributors reported the Welsh Government has yet to clarify the criteria it will use to determine whether an area counts towards the 30 by 30 target. Defra has published criteria for England, along with a map of areas that currently count towards 30 by 30 and those which could potentially contribute.

73. Several contributors noted that, for the purpose of 30 by 30, designated landscapes are not considered as ‘protected areas’ in their own right and could not, therefore, contribute towards the target. However, they highlighted the potential for defined areas of designated landscapes (in particular, of National Parks), to contribute as OECMs. Particular emphasis was placed on the potential for designated landscapes to deliver landscape scale action. The Campaign for National Parks outlined the case for strengthened purposes and duties to enable National Parks to contribute effectively to 30 by 30, which would require legislative changes. It pointed out that these changes had already been made in England. The Scottish Government has consulted on comparable changes.

The current picture in Wales

74. RSPB Cymru explained that around 11% of Wales’ land and freshwater area is covered by a nature conservation designation. However, it asserted that protection, monitoring, and management of these sites was inadequate. According to NRW’s 2020 condition assessments, of those features assessed, an estimated 20% were considered to be in favourable condition; around 30% were in unfavourable condition; and around 50% were not in a desired state.

75. Several contributors noted that while Marine Protected Areas currently cover a greater area than 30%, less than half of site features are in favourable condition.

Dr Richard Unsworth told the Committee, “We are nowhere near actually protecting 30% of our marine environment in an appropriate and effective manner by 2030 and the commitments made in the Kunming-Montreal framework appear a distant reality”.

Monitoring site condition

76. NRW is responsible for monitoring the condition of protected site features through UK ‘Common Standards Monitoring’. UK Environmental Law Association highlights that under the Common Standards Monitoring, SSSIs should be monitored at least every 6 years. However, many sites have not been assessed within 6 years with some not having been visited for over 10 years.

77. RSPB Cymru asserted that monitoring of designated sites is “currently critically under- resourced. This is indicated by NRW’s 2020 Baseline Assessment, where insufficient staff resource is repeatedly noted as a reason for ‘unknown’ feature condition”. It added:

“The 30by30 target requires an uplift in this monitoring capacity, as recognised by the Monitoring Expert Group under the [Biodiversity Deep Dive]. As well as protected area condition, measuring against 30by30 will require monitoring of the area of land and sea that can be counted towards the target, as well as the effectiveness of management of protected areas and OECMs, their connectedness and their governance.”

78. Other contributors expressed similar views.

79. NRW acknowledge the lack of resource for monitoring. It said expanding monitoring to cover at least 30% of land and sea presents a “substantial challenge”. It asserted investment in monitoring infrastructure, developing standardised methods, and building capacity at all levels was needed.

Effective management of protected sites

80. Huwel Manely said NRW has been made “good progress” towards improving management of protected sites over the last few years through various programmes, including the LIFE programmes, Nature Networks Programme, and the National Peatland Action Programme.

81. Several contributors raised concern that capacity and resource constraints within NRW is impacting on its ability to support the management of protected sites through section 16 agreements. FUW told the Committee:

82. “According to NRW, during 2017, 67.1% of SSSI sites in Wales were identified as being in need of management action, yet only 5.47% of SSSIs are covered by management agreements... Last year, our members who had Section 16 Management Agreements to manage SSSI/SAC land had them terminated, with no transitional funding offered.”

83. Similarly, RSPB Cymru said NRW’s budget for section 16 agreements had been cut “with the result that many multi-annual agreements have not been renewed”.

84. In responding to this, Huwel Manley told the Committee that NRW’s budget for section 16 agreements had been reinstated. He added, “we’re just about now to recommence with proceeding some additional agreements for this year, so we’re hoping to sign up about 60 to 80 renewals for the remainder of this year.”

85. Several contributors emphasised the need to ensure the Sustainable Farming Scheme supports and fairly rewards farmers to effectively manage SSSIs. Huwel Manley explained there are just over 1,080 SSSIs with approximately 5,500 owners of SSSI land, many of which are farmers. He said, “the hope is that that scheme will enable us to reach further to the agricultural communities to help us deliver, working with others, the management of those sites.”

Evidence from the Welsh Government

86. Responding to concerns that resource constraints are impacting on progress in taking forward actions from the Biodiversity Deep Dive, the Cabinet Secretary said resources are being prioritised to support the on-going development of the EPGBT Bill, which “is a significant undertaking”. However, he asserted

“the work we’re doing in the Biodiversity Deep Dive remains core to us. The key expert group that we have has been meeting on a regular basis. They’ve produced recommendations and next steps. I’m very, very keen that the work of these groups...continues to move at pace and is focused on delivery of that 30x30 target.”

87. The Cabinet Secretary refuted the suggestion that implementation of the Deep Dive recommendations is lacking urgency. He told the Committee that work is on-going through various programmes and initiatives to help support the delivery of 30 by 30, citing the Nature Network Programme, the end-of-life fishing gear recycling scheme, and the National Peatland Action Programme as examples. He added:

“They're happening now right on the ground, and not without significant investment of Welsh Government to allow partners to get on with these...It's not that we don't sense the urgency—we're doing it, and some things we're achieving ahead of timescale as well.”

88. When asked to clarify the criteria the Welsh Government is using to determine whether an area counts towards the 30 by 30 target, the Cabinet Secretary said, “based on the target definition”, areas that could count include SSSIs, SACs and SPAs. He added:

“There is clearly going to be a role, as well, for other designated landscapes, like our national parks, so we're looking at that and how they can contribute within the current regulatory framework we have for national parks—could they do more? Could it be enhanced? And, of course, areas of outstanding natural beauty and others. But there's also that wider piece that we're looking at for designated landscapes that are captured within that term of OECMs...”

89. Alice Teague, Welsh Government, explained the Designated Landscapes expert working group is considering which areas within designated landscapes could count towards the target. The Cabinet Secretary said that the expert group had identified several priority workstreams, including the development of prioritised Nature Recovery Action maps for each Designated Landscape. These maps will outline key conservation priorities and opportunities for landscape scale nature recovery.

90. The Cabinet Secretary said currently just under 70% of the marine area and 10.5% of the terrestrial and inland area are considered ‘protected areas’ for the purpose of the 30 by 30 target. However, he added that in order to count towards the target they need to be “meaningfully managed”.

91. The Cabinet Secretary told the Committee the Welsh Government is “making good progress” towards 30 by 30, but said:

“it's probably too early right at this moment to measure quite where we are on that trajectory. But the commitment stands very strong—30 by 30 is where we're heading”.

92. He explained progress will be reviewed in early 2026.

Our view

We recognise that meeting the 30 by 30 target is a significant challenge. However, with only five years remaining, there is very little evidence to suggest the Welsh Government is currently on course to meet the target or has a clear and credible plan (beyond the Biodiversity Deep Dive recommendation) to support delivery.

The lack of clarity on the criteria the Welsh Government will use to determine the areas that will count towards 30 by 30 is unhelpful. It must address this as a priority. Defra's criteria for England sets out that areas must be in a favourable or recovering condition to count towards the target. We expect the criteria for Wales to be no less ambitious than that for England.

According to the Cabinet Secretary, 10.5% of Wales' terrestrial and inland waters, along with nearly 70% of its marine areas, are designated as protected. This means a further 20% of Wales' terrestrial and inland waters will need to be protected and effectively managed to meet the target. Furthermore, those areas that are already protected will need to be better monitored and managed to count towards the target.

Almost two years ago, the Welsh Government told this Committee, "Work is underway to co-produce the action plan underpinning the recommendations with a broader set of stakeholders to support the approach of delivery by 'Team Wales'". But again, there is no sign of progress. This must be addressed as a priority.

The Biodiversity Deep Dive identified 43 recommendations to help achieve the 30 by 30 target. While this was an important first step, we are concerned momentum appears to be waning. We are concerned that a lack of capacity and resource constraints within the Welsh Government and among stakeholders are making it difficult to move forward. Addressing these challenges will be critical if the Welsh Government is to meet the target.

The Welsh Government has previously committed to providing biannual updates on the implementation of the Deep Dive recommendations, but this has not been met. We question whether this is, again, a matter of resources. We are sympathetic to resource constraints to a degree, but the Welsh Government has a clear choice – it should stop making commitments it is unable to keep, or it must prioritise resources to deliver them.

Recommendations

Recommendation 15. The Welsh Government should publish the criteria it will use to determine whether an area counts towards the 30 by 30 target. This should make clear that protected sites should be monitored to identify baselines and assess progress, have a management plan in place, and should be in favourable or recovering condition to count towards the target.

Recommendation 16. The Welsh Government should deliver on its promise to produce an action plan setting out the actions needed to meet the 30 by 30 target. The action plan should:

- incorporate recommendations arising from the Biodiversity Deep Dive and its associated expert working groups, setting out who is responsible for delivering each action, with expected timescales for delivery, and
- include key milestones towards meeting the target.

Recommendation 17. The Welsh Government should engage a wide range of stakeholders in the production of the 30 by 30 action plan to help foster the 'Team Wales' approach needed to meet the target and deliver on wider global and domestic biodiversity commitments.

Recommendation 18. The Welsh Government should commit to providing the Senedd with regular updates on progress towards the delivery of the 30 by 30 action plan and the 30 by 30 target.

5. Marine and coastal areas

Completion of the MPA network

93. In 2016, the Welsh MPA network assessment identified a number of shortfalls in the protection of some features in the Welsh contribution to the UK network. The following year, the Welsh Government committed to address this issue by designating further MCZs. Since 2022, the Welsh Government has been working to identify suitable areas for potential MCZ designations via the MPA Network Completion Programme. In November 2022, it announced the commencement of its MCZ designation pre-consultation engagement process, in line with one of the Deep Dive recommendations. Formal consultation on proposed sites was due to take place in spring 2024, although this was subsequently delayed.

94. Representatives of the environmental sector highlighted that the designation process has faced significant delays, with WEL stating, “We have been waiting over a decade for new Marine Conservation Zones”. It added:

“In an increasingly crowded sea, MCZs could offer refuge to rare species and help to protect essential blue carbon stores. The process must progress at pace, alongside work to better manage and reduce pressures on existing MPAs.”

95. The Marine Conservation Society (MCS) and WWF Cymru echoed this.

96. In subsequent evidence, RSPB Cymru explained the Cabinet Secretary had written to the Marine Conservation Zone Task and Finish Group in October 2024 to advise formal consultation would not take place until after the next Senedd election (May 2026). RSPB Cymru raised concern that this further delay calls into question the Welsh Government’s ability to meet 30 by 30 for Welsh seas.

97. RSPB Cymru also said:

“The Welsh Government has previously committed to evaluating the need for further designations for mobile species, including seabirds, once the current MCZ process is complete...Given the delay to the current MCZ process, we are seeking a commitment from the Welsh Government to undertaking this work now, by commissioning an evaluation of the sufficiency of the current MPA network as a whole for

seabirds, complementing current work to develop a Welsh Seabird Conservation Strategy.”

Marine monitoring and data

98. Contributors highlighted significant gaps in understanding pressures on the marine environment due to challenges in monitoring and establishing causal links between pressures and impacts. MCS referred to the 2020 SoNaRR, noting, “We have an incomplete understanding of some pressures...Filling this gap is crucial to delivering on the Biodiversity Deep Dive for the marine environment.” Wildlife Trust Wales and Tir Natur echoed this concern, citing inadequate monitoring as a pressing issue, particularly for MPAs.

99. Beyond MPAs, contributors highlighted the JNCC’s Marine Biodiversity Monitoring Programme as critical but noted its persistent underfunding and the lack of a clear framework for collaborative resourcing across UK nations.

100. The Crown Estate’s Whole of Seabed Programme was highlighted as an important initiative, aimed at building a comprehensive evidence base to support long-term marine resource management. The programme considers nature conservation both inside and outside the MPA network and aligns with the Deep Dive recommendations.

Restoring seagrass and saltmarsh habitats

101. The Deep Dive recommendation to “Establish a targeted scheme to support restoration of seagrass and saltmarsh habitats along our coastline” mirrors the Welsh Government’s Programme for Government (PfG) commitment.

102. Representatives of the environmental sector and Dr Unsworth told the Committee it was agreed at a Ministerial roundtable held in February 2024 that the Seagrass Network Cymru (consisting of government, management agencies, NGOs, practitioners, and business) would develop a National Seagrass Action Plan (NSAP). The NSAP, which was submitted to the Welsh Government in July 2024, sets out a programme of seagrass recovery across Wales over the next 25 years. Dr Unsworth expressed frustration that organisations are having to bid for grant funding to support delivery of the Action Plan rather than it being funded directly by the Welsh Government.

Marine planning

103. MCS and other contributors emphasised the need for new conservation approaches within marine planning. Concerns were raised about the significant footprint of offshore wind developments, with up to 40GW under consideration, potentially threatening sensitive habitats. Contributors recommended a focus on sustainable fishing practices and improved marine infrastructure through dedicated funding, alongside continued collaboration with the Crown Estate.

104. Contributors emphasised the importance of spatial planning to address cumulative pressures and align marine development with conservation goals. They highlighted the need for robust political leadership and resources to secure the wide-reaching benefits that healthy marine ecosystems can deliver.

Evidence from the Welsh Government

105. When asked whether MCZ designations would be completed before the end of the Sixth Senedd, the Cabinet Secretary reaffirmed the Welsh Government's commitment to the MPA Network Completion Programme, including the designation of MCZs. He reported that six Areas of Search had been identified, with NRW and the Joint Nature Conservation Committee (JNCC) having submitted detailed conservation advice for these areas.

106. The Cabinet Secretary explained that a contractor had not been appointed to undertake the Regulatory Impact Assessment as planned earlier in 2024, leading to a delay in the formal consultation process.

107. The Cabinet Secretary outlined the Welsh Government's commitment to supporting seagrass and saltmarsh restoration, recognising their contributions to addressing the climate and nature emergencies. He pointed to existing funding allocations, including £248,000 from the Nature Networks Fund to accelerate recovery efforts in south Wales and £50,000 from the Coastal Capacity Building Scheme. However, he cautioned against relying on public funding and emphasised the importance of securing additional resources to support large-scale initiatives.

108. The Cabinet Secretary explained that transforming the seagrass action plan into a viable programme will require further development, similar to the approach taken with the National Peatlands Action Programme, which included extensive stakeholder engagement over two years.

Our view

The pace of expanding the marine protected sites network has been disappointingly slow. We have, on several occasions, highlighted the lack of progress on Marine Conservation Zones (MCZs) but little has changed. The repeated delays on consulting on MCZs risks undermining confidence, and, based on the evidence we have received again and again, sends a concerning signal to stakeholders about the priority afforded to marine conservation.

The Welsh Government must clarify the next steps regarding the consultation process and designation of Marine Conservation Zones (MCZs). This includes publishing a clear timeline for the appointment of a contractor, specifying how soon the consultation will commence following this appointment, and outlining the subsequent actions for MCZ designation. In addition, the Welsh Government must ensure that MCZs and Marine Protected Areas (MPAs) are supported by robust management frameworks capable of addressing critical pressures such as fishing activities, offshore developments, and other human impacts.

We believe that a thorough evaluation of the sufficiency of the Welsh MPA network for mobile species, including seabirds, is essential. The findings of this evaluation should be used to inform MCZ proposals and broader marine strategies to ensure that conservation measures are effective.

We heard that the National Seagrass Action Plan has significant potential to strengthen marine ecosystems. We believe the Welsh Government should progress the implementation of the National Seagrass Action Plan in accordance with the commitments within the Programme for Government, and ensure that sufficient resources are available for its implementation.

Finally, we urge the Welsh Government to provide an update on progress towards establishing a targeted scheme to support the restoration of saltmarsh habitats along Wales' coastline. We believe that this work can make a significant contribution to climate and biodiversity objectives.

Recommendations

Recommendation 19. The Welsh Government should set out the next steps that are being taken in relation to the consultation process and designation of Marine Conservation Zones (MCZs). This should include a timeline for the appointment of a contractor, details of how soon after the appointment of a contractor the

consultation will take place, and details about the next steps in the process for designation.

Recommendation 20. The Welsh Government should ensure MCZs and Marine Protected Areas (MPAs) are supported by robust management frameworks, addressing pressures such as fishing activities, offshore developments, and other human impacts.

Recommendation 21. The Welsh Government should commission an evaluation of the sufficiency of the Welsh MPA network for mobile species, including seabirds, and the findings should be reflected in MCZ proposals and marine strategies.

Recommendation 22. The Welsh Government should endorse and publish the National Seagrass Action Plan (NSAP) and provide resources to progress its implementation, in line with the Programme for Government commitments.

Recommendation 23. The Welsh Government should provide an update on progress towards meeting the Programme for Government commitment to establish a targeted scheme to support restoration of saltmarsh habitats along Wales' coastline.

6. Investing in nature

109. Funding for nature is provided directly through a variety of programmes and schemes across a range of policy areas, for example, the Nature Network Programme, Local Places for Nature Programme, and Natur am Byth (among others). Other sources of Welsh Government funding contribute to nature, such as the Sustainable Farming Scheme.

110. Following the Biodiversity Deep Dive, the Welsh Government committed, in the longer-term, to “increase public investment in nature’s recovery by ensuring the response to the nature emergency is integrated across government departments”.

111. The Welsh Government’s Nature Recovery Action Plan 2020-21 recognises the need to realise and increase private investment to support nature recovery. The Biodiversity Deep Dive reiterated this, committing the Welsh Government to take action to “unlock...private finance to deliver for nature at far greater scale”.

112. In September 2024, the Welsh Government published Draft Sustainable Investment Principles, which will guide the approach towards private investment in nature. The Principles aim to ensure funding is “of high integrity, benefits and engages local communities and avoids inappropriate land use change and greenwashing”.

Evidence from contributors

Understanding investment need and increasing public funding

113. Several contributors referred to WEL’s Pathways to 2030 (March 2023) report. The report sets out a roadmap for financing priority actions for nature recovery. It estimated additional annual expenditure of £158 million is needed to deliver these actions. WEL’s latest estimate, published in September 2024, almost tripled to £438 million, in part due to inflationary pressures and new estimates, but also because of the worsening picture.

114. WEL’s report encapsulates the views of many contributors:

“Delivering the actions required for nature’s recovery requires an increase in public investment in nature. We need to invest more in managing land to maintain and restore habitats, in research and monitoring actions to develop our evidence base, in

communications and education to enhance the awareness of stakeholders and the public, in human resources to develop and implement nature policies and programmes, in stronger governance, and in regulatory enforcement.”

Current funding approach

115. In reference to current approaches to funding, NRW said they:

“tend to be short term, capital heavy, and opportunistic with limited focus on long term management and evaluation. A more strategic, longer-term approach, with greater funding for revenue activity and for long term monitoring/ evaluation and management would be more sustainable and impactful in terms of outcomes for nature”.

116. Contributors highlighted that short-term project funding was problematic, in particular 1 year grants, leading to considerable uncertainty. While Rebecca Sharp praised the Local Place for Nature Fund as “probably the most successful grant scheme we’ve had come through the Welsh Government”, she added:

“At the moment, funding is not confirmed yet for next year, which means that that delivery mechanism is currently potentially going to disappear at the end of this financial year, including all of the staff and all of that support for the local nature partnerships, and all the community groups that are also doing really good work out there.”

117. Rhys Owen made a similar point.

118. Several contributors felt that funding cycles can present practical difficulties for project delivery. The Game and Wildlife Conservation Trust Cymru said funding cycles based on a financial year “make planning and carrying out work within a nesting season for example almost impossible”. There were also reports that short application windows are difficult for some organisations to meet and can be a barrier to collaborative working.

119. Several contributors, including WEL highlighted the requirement for community-led involvement in projects as a potential barrier to grant funding. It explained some areas in urgent need of nature restoration are particularly remote or difficult to access, making community involvement impractical. Wildlife Trust

Wales said community input is “problematic in terms of managing marine protected sites”.

Large grants for landscape scale action

120. Several contributors emphasised the importance of large grants (over £250k) to deliver landscape scale projects, highlighting these are currently limited. WEL explained:

“[Medium grants (up to £250k)]...are not fully addressing declining biodiversity; nature needs us to act across landscapes, together and at scale. By design, they fall short of delivering against the necessary connectivity depicted by the Welsh Government’s DECCA principles and NRW’s Resilient Ecological Networks approach of bigger sites, better condition, and better connected and more resilient.”

121. The Nature Networks Fund, (NNF) which falls under the Nature Networks Programme, provides grants to strengthen the resilience of the National Site Network supporting nature recovery while actively encouraging community engagement. WEL, Wildlife Trusts Wales and WWF Cymru explained a £3.7 million budget cut to the Nature Networks Programme (equivalent to 27%) in 2023-24 meant no large-scale grants were awarded in Round 3 of the NNF. Large grants were, however, reinstated in Round 4.

122. WEL and WWF Cymru reported the NNF is heavily oversubscribed. In 2022, 36 Expressions of Interest, totalling more than £30 million (triple the available budget for medium and large grants) were submitted. According to WWF Cymru, this “shows the level of demand, need and opportunity to deliver on an adequate scale”.

123. FUW said the ability for farmers to access the NFF is limited, adding “conservation organisations tend to be the beneficiaries”. WWF Cymru asserted “capping participation to one application per organisation stunts ambition”.

124. WEL and other contributors highlighted there has been no replacement funding following loss of access to the EU LIFE post-EU exit. RSPB Cymru and Celtic Rainforests LIFE explained several multi-million-pound restoration projects supported by EU LIFE funding are coming to an end leaving a funding “void”.

125. RSPB Cymru said although Landscape Connections, a new UK wide, National Lottery Heritage Fund initiative, funds large-scale, high value projects it is “highly competitive”.

Funding nature-friendly farming

126. Contributors highlighted the critical role of the forthcoming Sustainable Farming Scheme (the Scheme) in supporting nature recovery. WWF Cymru said the scheme “is likely to become the most significant intervention point for combined nature and climate action for Welsh Government for years to come”. Similarly, Plant Life said, “Encouraging nature friendly farming practices through [the Scheme] could be the biggest tool to deliver on biodiversity in Wales”.

127. Contributors referred to the on-going uncertainty around the Scheme’s future budget. They emphasised the need to ensure the Scheme is adequately funded to deliver on its environmental ambitions, with environmental NGOs highlighting the importance of funding the Optional and Collaborative layers (i.e. more advanced actions that will deliver the greatest environmental benefit).

128. NFU Cymru called for “a realistic, multi-annual funding commitment commensurate with the scale of this ambition [to deliver for nature and climate change].” FUW referred to multi-annual funding as “vital”, saying “Projects to create, manage and enhance habitats” necessitate long-term investment from farmers.

129. Several contributors noted the current agricultural budget is half the amount required to meet nature and climate change targets, citing the findings of the Scale of Need 2024 report (July 2024), produced by RSPB, National Trust, and the Wildlife Trusts, to illustrate this. The report estimates the financial costs of meeting priorities for environmental land management in the UK. It found Welsh investment needs to increase to £595m annually (from approximately £300m) to fund farmers to tackle the nature and climate crises and provide sustainable food.

Unlocking private investment in nature recovery

130. Contributors emphasised the importance of private investment to help address the ‘nature funding gap’, emphasising the key role of the Welsh Government in enabling responsible investment. There was a general view that the Welsh Government has been slow to take forward this area of work. WEL advised the Committee, “There is currently no clear route or timetable to support and guide appropriate conservation investment from private sources into Wales”.

131. Contributors asserted the NGO sector has valuable experience to draw on in terms of leveraging private investment. Wildlife Trusts Wales explained it had secured a £38 million donation from Aviva to restore Britain’s lost temperate rainforests. It said:

“... the Welsh Government needs to significantly upskill itself and engage with the Wales Development Bank in opening up investment markets in Wales. Working with NGOs will ensure high-integrity projects that produce permanent results for nature and climate and critically involve local communities. The opportunities are considerable yet we have only seen political delays.”

132. Similarly, WWF Cymru said the Welsh Government need to “upskill itself over Green Finance as there are undoubtedly opportunities to engage with businesses who want to invest in nature recovery as it makes good business sense to do so”.

133. Several contributors referred to the MARINE Fund Cymru as a good example of how new models of funding can work for nature recovery. MARINE Fund Cymru is based on the Scottish Marine Environmental Enhancement Fund (SMEEF), which attracts private investment from developers (and others) in the form of voluntary donations. This is redistributed through grants to deliver activities supporting nature recovery in the marine and coastal environment.

134. Professor Ormerod referred to the Environmental Markets Board in England, which has been established to oversee the governance framework for participating Environmental Markets in the UK. There are currently three pilot markets operating. Professor Ormerod suggested Wales could learn lessons from this, adding it is “a little bit behind the curve” in relation to England.

135. While Rhys Owen acknowledged the need for private investment, he said “the perception that [it] is the golden nugget is far from the truth at the moment”. In referring to peatland restoration projects funded by the sale of carbon credits, he said “the administrative and governance costs of those is very prohibitive, so the uptake is minimal”. In addition, drawing on Eryri National Parks’ experience of working with a German car manufacturer, he said “it’s very difficult” and the demands in return for investment “is colossal in a lot of cases”.

Funding for Natural Resources Wales

136. There was widespread concern that NRW is not sufficiently funded to carry out its roles and responsibilities effectively. This was exacerbated by NRW's July 2024 announcement on proposed changes to its staffing structure.

137. Amphibian and Reptile Conservation referred to the "dire state of financing" for NRW, asserting

"As the statutory nature conservation agency in Wales, NRW should be setting a lead in many aspects of biodiversity recovery, inspiring action across different sectors, demonstrating best practice and where necessary, prosecuting infringements of protected sites. NRW has traditionally been a highly capable organisation that employs staff who are respected experts in their fields, working at the heart of conservation in Wales. We are alarmed to witness the symptoms of severe financial under-resourcing on such a valued mainstay of conservation in Wales."

138. It added

"Without a well-resourced SNCO, the aim of halting and reversing biodiversity decline by 2030 will be near-impossible."

139. Dr Richard Unsworth told the Committee, "if we [consider biodiversity a priority]...then we need to be funding NRW properly, and we're not".

140. Several contributors raised concerns that NRW has insufficient capacity and resources to support the effective delivery of the new Sustainable Farming Scheme, for example, engaging farmers in discussions on how best to manage designated sites. Plant Life asserted that, in order to support delivery, "It is essential to secure new funding rather than reallocating existing funds away from other under-resourced responsibilities".

141. Countryside Alliance said it is "critical" for NRW to be adequately resourced to deliver for nature. However, it raised concern "about the way that NRW funds are currently managed and allocated, suggesting "that money is perhaps not being spent as wisely as it might".

142. In commenting on the proposed changes to NRW's staffing structure, RSPB Cymru said

“nature conservation delivery is already critically under-resourced. WEL’s Pathways to 2030 report, identifying investment needed in key actions for nature recovery, repeatedly points to the need for an increase in people to deliver on statutory functions and programmes. The further loss of capacity in relation to specialist ecological advice, and the monitoring and management of protected areas risks undermining the legacy of flagship programmes like Natur am Byth, our delivery of ‘30 by 30’ and ultimately Wales’ ability to reverse biodiversity loss and restore the benefits it provides to all people.”

143. CIEEM raised concern that the anticipated job losses within NRW will mean scaling back of activities, including provision of guidance and advice to the government, to prioritise statutory duties. According to CIEEM, this will “weaken its overall effectiveness and diminish its ability to fulfil broader obligations now and in the future”. A similar view was expressed by Coed Cadw.

144. Commenting on current financial challenges facing NRW, Ceri Davies, NRW told the Committee, “our resources are stretched thinly”, adding “we’re no different to any other public sector body”. She emphasised NRW is seeking to ensure it is prioritising work on biodiversity, in line with its new Corporate Plan, Nature and People Thriving Together. Nadia De Longhi, NRW, explained the proposed changes to staff structure are to enable NRW “to refocus our resources on the activities that have the most impact on our three corporate priorities, around nature, the climate emergency and minimising pollution, as well as the statutory work that only NRW can do, whether that’s in a regulatory frame or our statutory nature body work, but also to make significant financial savings”.

Evidence from the Welsh Government

145. When asked what assessment the Welsh Government has made of the level of public investment needed to support nature recovery, the Cabinet Secretary said:

“We’re aware that there are good organisations outside who have made their own assessments, and we are interested in the assessments that they’ve made...We recognise that there is a significant shortfall in the quantum of funding that’s needed to go into nature restoration in Wales. By the way, the same

applies, I would argue, across the UK, across western Europe, probably across the world as well.”

146. He added, “there are many ways in which we're already ramping up the investment from the public sphere, but as well it's how do we fill that gap, whatever that gap may be?”.

147. In commenting on the need for multi-annual funding, the Cabinet Secretary told the Committee, “we have to play with the deck of cards that we're given. If we get that certainty, we can do a lot more longer term”. He acknowledged there are organisations that “live and die by annual contracts”, adding “I'd love to get away from that”.

148. On the matter of the future budget for the Sustainable Farming Scheme, the Cabinet Secretary said he recognised “there is a shortfall”. While he agreed, in principle, with the need to increase investment in the Scheme, he added “there will never be enough money in the taxpayer’s pocket to allow us to do everything we want to do”. He said the Welsh Government is pursuing the same level of funding from the UK Treasury as for 2024/25, with an inflationary uplift, adding DEFRA is arguing the same case in relation to funding for the Environmental Land Management Scheme.

149. The Cabinet Secretary highlighted the importance of diversifying funding sources to make up the shortfall in public investment to support effective delivery of the Scheme.

150. The Cabinet Secretary explained the Welsh Government is “developing a new strategic approach to sustainable finance to enable us to increase the scale and pace of nature recovery delivery”, referring to the recent consultation on Draft Sustainable Investment Principles. He explained the approach to increasing private investment would be iterative, saying:

“...it'll be not a leap at this in one tranche, but actually develop the principles, best practice and build and build and work with the stakeholders externally to get this right.”

151. He added:

“We are also engaged in sustainable finance initiatives at the UK level, recognising the need for consistent standards. This includes the ongoing work with the British Standards Institute to help develop recognised standards for green and

sustainable finance and support financial markets deliver positive environmental outcomes.”

152. In relation to NRW, the Cabinet Secretary said, “the focus is, in tight financial times, on their key regulatory, legal, statutory functions”. He added NRW’s current financial position is not unique, adding environmental regulators in England are also stretched and have been “over the last decade”.

153. The Cabinet Secretary acknowledged NRW is “going through some really difficult decisions” and are focused on working with the trade unions trying to avoid unnecessary job losses.

154. In commenting on concerns about the impact of the proposed changes in staff structures on NRW’s effort to address biodiversity loss, the Cabinet Secretary emphasised one of NRW’s “core purposes” is to “promote...biodiversity restoration”.

Our view

The Green Finance Institute has suggested that between £5 and £7 billion will be required by the early 2030s to meet Wales’ nature-based commitments. This is, by any estimation, a considerable investment.

We are therefore concerned that the Welsh Government has yet to show a clear understanding of the scale of funding needed for nature recovery in Wales. While it has acknowledged the “nature funding gap,” it has not provided a clear figure for its current investment in nature-based commitments. Neither does it have a plan to reach anywhere near the figures estimated by the Green Finance Institute.

Although the Welsh Government has a habit of making public pledges to “increase investment in nature’s recovery”, these have not yet been matched with details on timing or delivery. We believe that a strategic, long-term approach to financing nature recovery is urgently needed. The Scottish Government’s proposed Biodiversity Investment Plan offers a useful potential example, aiming to mobilise public and private finance. We believe that the Welsh Government should explore the development of a similar plan, tailored to Wales’ unique challenges and opportunities.

Private sector investment is also key to addressing the funding gap. Although private investment in nature recovery is already happening in Wales, the lack of a clear strategy risks slowing progress. Stakeholders have called for direction from the Welsh Government on this issue and for action to address barriers to

private investment. We agree that a strategy to fund nature recovery must address these matters.

We believe that making best use of existing funds is also vital in delivering progress towards the 30 by 30 target. The Nature Network Programme and Local Place For Nature, among others, are critical sources of funding to ensure delivery of on the ground action for nature. The reviews of the Nature Networks Fund and Local Places for Nature Fund, which are due to take place in 2025, provide an opportunity to identify and address barriers that have limited the effectiveness of those funds. These reviews should take account of the issues raised by contributors to this inquiry and should focus on ensuring that funding leads to measurable biodiversity gains and supports long-term recovery efforts.

Several contributors to our inquiry emphasised the importance of large grants such as the Nature Networks funding programme. This three-year funding programme is around £45 million and covers terrestrial, freshwater, and marine habitats. The programme is due to come to an end in 2025. We would be grateful for confirmation from the Cabinet Secretary of the plans for the programme. If the programme is not going to continue, or if the budget allocation is to be reduced, the Cabinet Secretary should provide an analysis of the implications of such decisions.

In terms of other sources of funding, we believe that the Sustainable Farming Scheme (SFS) could play a significant part in combining nature recovery with climate action, but only if it is adequately funded. We have already warned in our recent report that, without appropriate levels of investment, the scheme risks failing to deliver meaningful biodiversity outcomes. We believe that properly funding the SFS and designing it to achieve measurable results must be a priority. The Welsh Government has committed, in the NRAP, to “explore mechanisms to enable private funds to be used to supplement public funds through the Sustainable Farming Scheme”. We would appreciate an update on this matter.

Finally, we again heard evidence that NRW is not funded sufficiently to deal with its multitude of functions, duties, and responsibilities. Years of under-investment have stretched NRW too thin, and this has clearly limited its ability to lead biodiversity recovery effectively. Stakeholders have consistently called for increased funding to help NRW manage protected areas, provide ecological expertise, and enforce environmental regulations. However, we are concerned that, without sufficient resources for NRW, key initiatives such as the Nature Networks Fund, the SFS, and the 30 by 30 commitment will struggle to

succeed. The Welsh Government must support the organisation with the funding needed to drive real progress in nature recovery.

Recommendations

Recommendation 24. The Welsh Government should develop and publish a comprehensive nature finance strategy.

Recommendation 25. The Welsh Government should assess and set out the scale of investment needed for nature recovery in Wales, incorporating findings from reports such as WEL's "Pathways to 2030".

Recommendation 26. Page The Welsh Government should ensure the 2025 reviews of the Nature Networks Fund and Local Places for Nature Fund address barriers to effectiveness, focusing on measurable biodiversity gains.

Recommendation 27. The Welsh Government should confirm its plans for the Nature Networks funding programme after it ends in 2025. If the programme is not going to continue, or if the budget allocation is to be reduced, the Cabinet Secretary should provide an analysis of the implications of such decisions.

Recommendation 28. The Welsh Government should ensure the Sustainable Farming Scheme includes clear metrics and a monitoring framework to track progress towards biodiversity recovery targets.

Recommendation 29. The Welsh Government should provide an update on the progress in delivering its commitment, included in the NRAP, to "explore mechanisms to enable private funds to be used to supplement public funds through the Sustainable Farming Scheme".

Recommendation 30. The Cabinet Secretary should enhance cross-departmental collaboration to integrate nature recovery into broader policy areas, to ensure a whole-government response to the nature emergency.

List of oral evidence sessions.

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the [Committee's website](#).

Date	Name and Organisation
<p>18 September 2024</p>	<p>Dr Richard Unsworth, Swansea University</p> <p>Professor Steve Ormerod, Cardiff University</p> <p>Dr Victoria Jenkins, Swansea University</p> <p>Annie Smith, RSPB Cymru</p> <p>Alex Phillips, WWF Cymru</p> <p>Chloe Wenman, Marine Conservation Society</p>
<p>3 October 2024</p>	<p>Steve Wilson, Dŵr Cymru Welsh Water</p> <p>Rhys Owen, Tirweddau Cymru/Landscapes Wales</p> <p>Gwyn Teague, Blaenau Gwent County Borough Council</p> <p>Rebecca Sharp, Neath Port Talbot County Borough Council</p> <p>Ceri Davies, Natural Resources Wales</p> <p>Ruth Jenkins, Natural Resources Wales</p> <p>Huwel Manley, Natural Resources Wales</p>
<p>16 October 2024</p>	<p>Huw Irranca-Davies MS - Deputy First Minister and Cabinet Secretary for Climate Change and Rural</p>

Date	Name and Organisation
	Affairs, Welsh Government Alice Teague, Welsh Government Claire Bennett, Welsh Government

Annex 1: List of written evidence

The following people and organisations provided written evidence to the Committee. All Consultation responses and additional written information can be viewed on the [Committee's website](#).

Reference	Organisation
HRLN 01	Individual 01
HRLN 02	Selena Young
HRLN 03	Steering Group Glyncoch
HRLN 04	Individual 04
HRLN 05	National Trust Cymru
HRLN 06	PLANET4B project
HRLN 07	Tirweddau Cymru Landscapes Wales
HRLN 08	Celtic Rainforest LIFE project
HRLN 09	Institution of Civil Engineers (ICE) Cymru Wales
HRLN 10	The Woodland Trust
HRLN 11	Cwmpas
HRLN 12	RTPI Cymru
HRLN 13	RSPB Cymru
HRLN 14	Botanical Society of Britain and Ireland (BSBI) - Wales
HRLN 15	Plymouth Marine Laboratory
HRLN 16	Campaign for National Parks
HRLN 17	Welsh Local Government Association
HRLN 18	Permaculture Association
HRLN 19	Bat Conservation Trust
HRLN 20	Farmers' Union of Wales
HRLN 21	National Farmers Union (NFU) Cymru

Reference	Organisation
HRLN 22	Wales Environment Link
HRLN 23	WWF Cymru
HRLN 24	Marine Conservation Society
HRLN 25	Centre for Agroecology, Water and Resilience at Coventry University
HRLN 26	Tir Natur
HRLN 27	GWCT Cymru
HRLN 28	Butterfly Conservation
HRLN 29	UK Environmental Law Association
HRLN 30	Chartered Institute of Ecology and Environmental Management
HRLN 31	Natural Resources Wales
HRLN 32	The Countryside Alliance
HRLN 33	Wildlife Trusts Wales
HRLN 34	The Crown Estate
HRLN 35	Plant Life Cymru
HRLN 36	Amphibian and Reptile Conservation (ARC)
HRLN 37	Professor Steve Ormerod
HRLN 38	Afonydd Cymru
HRLN 39	Dŵr Cymru Welsh Water
HRLN 40	Welsh Fisherman's Association
HRLN 41	RenewableUK Cymru
HRLN 42	Nature Friendly Farming Network Wales
HRLN 43	Dr Richard Unsworth
HRLN 44	Dr Victoria Jenkins

Additional Information

Title	Date
Letter from RSPB Cymru to the Chair in relation to the Committee's inquiry on halting and reversing the loss of nature by 2030	22 October 2024
Additional evidence from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs in relation to the Committee's inquiry on halting and reversing the loss of nature by 2030	14 November 2024