

Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill

On Monday 2nd June 2025 the Welsh Government introduced its <u>Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill</u>. Currently, the Bill is undergoing Stage 1 of Senedd scrutiny with Royal Assent expected in April 2026.

The purpose of the Bill is to:

- 1. Embed environmental principles in Welsh law
- 2. Establish the Office of Environmental Governance Wales
- 3. Introduce targets for the protection and restoration of biodiversity in Wales

Essentially, the collective aim of the Bill is to strengthen and enhance our response to the climate and nature emergencies.

Part 1: Environmental Objective and Principles

The Bill establishes an **environmental objective**, which is the *attainment of a high level of environmental protection and an improvement of the environment*, which seeks to;

- a) meet the needs of the present without compromising the ability of future generations to meet their own needs and contributing to achieving the <u>15 well-being goals</u>
- b) maintain and enhance the <u>resilience of ecosystems</u> and the benefits they provide
- c) mitigate and adapt to climate change
- d) contribute to halting and reversing the decline in biodiversity

The WG aims to do this by **embedding environmental principles** into Welsh law. These principles, which used to apply to Wales, but no longer do since our exit from the European Union, includes;

- **Precautionary principle:** Simply put, this principle is about preventing harm to people and the environment. It means that the Welsh Government can act to stop potential risks even if we don't completely understand them or their causes.
- **Prevention principle**: This emphasizes preventing environmental damage early on to avoid irreversible or costly degradation, rather than repairing it afterward.
- Rectification at source principle: This means that environmental damage should be addressed at its origin to avoid the need to remedy its effects later.
- Polluter pays principle: This aims to hold polluters accountable by ensuring that individuals
 or entities causing environmental damage cover the costs of that damage or its repair,
 instead of shifting the burden to the wider community.

This all means that the Welsh Government and Natural Resources Wales (NRW), when making policies, must have special regard to the environmental principles and integrate environmental protection. Public authorities must also have regard to the environmental principles and integrate environmental protection when carrying out environmental assessment.

Part 2: The Office of Environmental Governance Wales

The Bill establishes the **Office of Environmental Governance Wales (OEGW)** which will fill the environmental governance gap in Wales that arose after the UK's departure from the EU.

The primary purpose of this independent and impartial governance body will be to provide oversight of the implementation of, and compliance with, environmental law in Wales by Welsh public authorities. Put simply, it's a method of holding the Welsh Government and other public bodies to account if they are not delivering their duties to the environment well enough.

Its activities will include;

- Monitoring and enforcing environmental law: Monitor the compliance of Welsh public authorities with environmental law. This includes investigating alleged failures to comply and, where necessary, taking enforcement action.
- **Providing oversight of environmental law effectiveness:** Beyond just compliance, the OEGW will also assess whether environmental law is effective and fit for purpose. It will monitor, report, and provide advice on the implementation and application of environmental law.
- Advising Welsh Ministers: The OEGW will provide advice and guidance to Welsh Ministers and other relevant persons on environmental law and policy development.
- Responding to complaints/ representations: It is expected to receive complaints and
 representations from the public regarding alleged failures by Welsh public authorities to
 comply with environmental law.

The members of the OEGW are to consist of:

- a) Chairperson appointed by the Welsh Ministers
- b) Deputy chairperson appointed by the Welsh Ministers
- c) At least 3 and no more than 5 other persons appointed by the Welsh Ministers
- d) The chief executive

The OEGW will not replace existing front-line regulators like NRW but will sit above this tier of regulation, enabling a strategic oversight role.

Part 3: Biodiversity Targets

The Bill provides the Welsh Government with a power to set **biodiversity targets**. This target must contribute to halting and reversing the decline in biodiversity, in particular through;

- increasing the abundance of native species
- enhancing the resilience of ecosystems
- increasing genetic diversity.

Although not mentioned in the Bill, the Welsh Government have proposed a headline target that reflects the existing Well-being of Future Generation (Wales) Act 2015's milestone to;

'Reverse the decline in biodiversity with an improvement in the status of species and ecosystems by 2030 and their clear recovery by 2050'

The Welsh Government must also to set at least one target in each of the following priority areas:

- 1. Reducing the risk of the extinction of native species;
- 2. The effective management of ecosystems
- 3. Reducing pollution
- 4. The quality of evidence relating to biodiversity, access to that evidence and its use and application

The Welsh Government must also outline the following;

- What action they intend to take to achieve biodiversity targets
- Monitor and report on progress toward achieving targets (including setting indicators)
- Evaluate and assess the impact and effectiveness of those policies and actions.
- Promote awareness in Wales of the importance of, and threats to, biodiversity

NFFN Cymru Reflections

This Bill is a welcome and long-awaited development. Since Brexit, EU environmental principles and governance structures no longer apply in Wales, creating one of the <u>weakest environmental</u> governance frameworks in Western Europe. Consider also that Unchecked UK's 2021 Report confirms the <u>Welsh public's desire to see environmental protections maintained or strengthened</u>. This new Bill is a crucial step towards giving the Welsh environment the protection it needs.

Welsh farmers are already familiar with operating under the environmental principles because they were previously established under EU legislation. However, from an agricultural perspective regulation and enforcement must be fair and proportionate. A cooperative approach is essential to maintain trust between farmers and the Welsh Government. Farmers should be given a reasonable amount of time to correct any breaches or failures before penalties are applied, with follow-up inspections to assess their progress. For repeat offenders or those who intentionally cause environmental damage, regulations must be robust enough to deter such behavior and ensure accountability by upholding the polluter pays principle.

We welcome the Welsh Government's new duty to set biodiversity targets and create a strategy to achieve them. With over 80% of Wales under agricultural use, farming will be central to reaching these goals. The Sustainable Farming Scheme (SFS) is poised to be a primary driver in supporting farmers to restore nature, particularly through its Optional and Collaborative layers. However, the £102 million allocated to these layers for the 2026 scheme year presents a significant funding gap, whilst the lack of long-term funding commitment is also a concern. An independent economic report recommends the Welsh Government increase its investment in nature-friendly farming to £594 million per year over the next decade. This substantial increase is deemed essential to meet Wales' legally binding nature restoration and climate targets. Consider also that Nature degradation could cause a 12% loss to UK GDP with agriculture in particular facing higher levels of nature-related financial risk. Increasing regulatory pressure is unlikely to meet biodiversity targets unless it's paired with sufficient support.