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Consultation Document

A Living Wales – a new framework
for our environment, our countryside
and our seas

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Overview

We are developing a Natural Environment Framework (NEF). This will have a stronger focus on sustainable land and marine management in Wales and it will adopt an ecosystems approach.

This consultation sets out the principles against which we will together develop this new approach and invites input to help to design how the new approach will be made operational.

The final outcome of the work in 2011-12 will be a clear set of national priorities, backed up by institutional and regulatory changes and integrated local delivery mechanisms.

How to respond

You may respond by sending your written response to the address below or by e-mail to the email address provided.

Further information and related documents

Large print, Braille and alternate language versions of this document are available on request.

For further information about the consultation process and related documents, please visit:

<http://wales.gov.uk/topics/environmentcountryside/?lang=en>

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Data Protection

How the views and information you give us will be used.

Any response you send us will be seen in full by Welsh Assembly Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Assembly Government staff to help them plan future consultations.

The Welsh Assembly Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please

tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Assembly Government. This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

A Living Wales – A New Framework For Our Environment, Our Countryside And Our Seas

Introduction

It is four years since the Welsh Assembly Government published its landmark Environment Strategy for Wales. Set firmly within our commitment to delivering sustainable development, the strategy rightly stressed the value of the environment for its intrinsic worth; as our life support system; as a finite source of materials and resources, and as central to our quality of life, well-being and economy.

Over the past years we have made huge progress in implementing the approach set out in the 2006 Strategy:

- We have begun a major programme of resource efficiency investment moving us significantly towards zero waste.
- We have put in place actions to reduce greenhouse gas emissions with the guidance of our Wales Climate Change Commission.
- We have a new national flood programme and have refocused and increased investment.
- We have strengthened planning and partnerships for biodiversity.
- We are close to completing the all-Wales coastal path and have promoted water access, walking and cycling.
- We have gained significant new powers over marine planning, fisheries, environmental protection, nuisance and waste.
- We have invested in local environmental quality through the Tidy Towns initiative.

But one of the key sustainable development challenges of the 2006 strategy has largely eluded us, namely taking a truly *integrated* approach to the management of our environment which reflects the complexity of the way in which environmental systems interact, the value of the services they provide to society, the pressures posed by our changing climate, and the limits of natural capacity.

As a result of not being able to look at the environment as a whole, we have sometimes failed to find the appropriate approach to regulatory actions, have placed objectives too often in competition to each other, have pursued too narrow management measures, and been unclear as to which things we should give priority in a particular location. As we look at the progress against Wales' sustainable development indicators, we can see symptoms of this lack of joined-up decisions - perhaps especially in our mixed progress in meeting our stated biodiversity goals. As we approach the world summit on biodiversity at Nagoya in November 2010, we believe it is time for a fresh approach.

Addressing this challenge is not easy as it requires us to make connections between a whole series of areas of work and regulatory regimes, management and funding.

We have begun to do this in our new land management scheme, 'Glastir', in developing our plans under the Water Framework Directive and Marine Spatial Planning, and in our Food and Woodland Strategies for Wales, each of which seeks to address multiple objectives at the same time and set priorities locally within a sustainability framework.

This consultation sets out the principles against which we will together develop this new approach and invites input to help to design how the new approach will be made operational. The final outcome of the work in 2011-12 will be a clear set of national priorities, backed up by institutional and regulatory changes and integrated local delivery mechanisms.

The new approach has benefitted from the input of a wide range of stakeholders over recent months in a series of meetings, workshops and discussions. We are very grateful for the time people and organisations have given us and for their continued commitment to work towards developing the details of future delivery.

Background

Our environment and countryside provide essentials of life such as food, fuel, clean air and water, and social benefits such as recreation and aesthetic qualities that are important to wider well-being and quality of life. Together, these are the ecosystem services that we need to capture in future decision-making.

We currently regulate different aspects of the environment through a wide variety of means:

- Land management schemes on agricultural and forestry land - such as Glastir - under the EU Common Agricultural Policy, based on compensating land owners for income foregone when they manage their land in ways that provide wider benefits to society.
- Development control and land use planning to regulate non-agricultural building on land in the wider public interest.
- Regulatory controls over emissions of potential pollutants to air, land and water from industrial and other processes.
- Designation of parts of our land and seas because of their environmental, geological or landscape significance which gives a higher presumption of protection for those areas, backed up by restrictions on use, direct management or funding.

A feature of many of the current environmental regimes is that they are specific to a given issue or sector and often focused on protecting existing conditions rather than improving the outcomes from the ecosystem as a whole. They are also often only triggered in response to a request or pressure. This can make it difficult to look at the health of the whole system and can place regulation and conservation in a purely negative relationship with wider economic and societal goals.

There are four underlying reasons to refresh our approach:

- First, sustainable development demands that we create a positive future path for development in its widest sense. This means building sustainable use of our land and seas into the direction of all policies, plans and programmes so that our economic, environmental and social needs are not placed in inappropriate conflict with one another.
- Second, we need to reflect the challenge posed by climate change to an essentially static approach to environmental protection as the conditions which sustain existing ecosystems begin to change. We are already seeing significant northward movement of marine life as our seas gradually warm, and on land we are likely to see marginal areas unable to retain current species or habitats. Climate change is also throwing into sharp relief the cost of flooding, water supply, wild fires and food security – all of which are dependent on the health, resilience and effective management of our ecosystems.
- Third, we need to go to the heart of why we – and the rest of the world - are failing to deliver on our biodiversity goals, seeing them within the context of a sustainable development approach which should seek to maximise the positive impacts for environment, economy and society, and understanding and shaping the drivers for change. The ultimate success of any new approach will depend on finding positive opportunities for those who manage our lands and waters so that land and water can be managed profitably for **all** the benefits it can bring – for food, for development, for fuel and for the underlying health of the ecosystem. This means capturing the value of the environment for society and rewarding those who manage it positively.
- Fourth, and in the light of these issues, we need to look at the appropriateness of our interventions, reflecting on where the greatest risks and opportunities lie and managing for long-term outcomes rather than narrower impacts. The great majority of land in Wales is used for agriculture or forestry and the main impacts on our environment and countryside have come from changes to land management and fisheries practice, so improvements here may well do more than detailed controls. Equally, some very major developments are likely to have impacts that can be missed in individual decisions, so an effective strategic approach to these will be vital, while the cumulative effect of small changes in the built environment may also be significant but difficult to capture.

At a time of economic challenges, the environment is often put under pressure as more short-term objectives predominate, but recent United Nations work on the economics of ecosystems and biodiversity (TEEB) has pointed to the astonishing value of ecosystems to the global economy. The EU estimates that for Europe, the annual loss of ecosystem services is estimated to be equivalent to €50 billion and that investment in the natural environment has a typical return of between 10 and 100:1. Too little of this value is currently reflected in decisions or available as opportunities.

As we stated in the recent Economic Renewal Programme:

‘As a Government, we want a strong economy, not as an end in itself, but for the integral contribution it can make to the quality of life and the economic, social and environmental wellbeing of people and communities in Wales, placing sustainable development as our central organising principle.

‘We need to ensure that we are managing our land and water to make best use of this finite resource and to ensure we are delivering public benefits from its management. The land of Wales is our ultimate resource base. If we fail to manage it well, we will not only reduce Wales’ attractiveness as a place to live, work and invest, but we will also impose costs through, for example increased flood risk and water scarcity’.

Through developing this new framework, we want to ensure that the true long-term value of ecosystems and their services – both where they are currently under or over-valued - is fully reflected in our decision making, policies and delivery programmes, taking the International Union for Conservation of Nature’s ecosystems approach as our guide for future work:

“The integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way”.

The annex lists key ecosystem services and the international principles for an ecosystems approach. Further information and background case studies are available on the framework website.

From Principles To Action

The principle of the new framework is:

- To secure sustainable and integrated management of land and water by making the long-term health of ecosystems and the services they provide central to decision making; and, by doing this
- To make optimum use of our finite land and water resources and ensure Wales’ natural and cultural capital assets are maintained and enhanced.

In order for this to be turned into action on the ground, it will need to be expressed in national, regional and local priorities and tools. We have identified the following key next steps:

- Developing a stronger **evidence base** for our ecosystems so that we have a better basis for decisions that fully reflect risks, opportunities and limits.
- Ensuring that our dependence on the natural environment and the **value of ecosystems, and their services**, are fully reflected in the decisions that we make as government and society.
- Updating our **regulatory and management approaches** to deliver the new approach.

- Redesigning our **partnership mechanisms** around the new approach.
- Refreshing our **institutional arrangements** for regulating the environment and delivering improvements to ensure that they support an integrated, sustainable approach.

These steps have formed the basis for a series of underpinning work streams – involving a wide range of delivery partners - that will take forward the development of this framework over the coming months.

We now want wider input to shape the focus of the workstreams. A series of background documents and papers that have been developed with stakeholders over the past months are available on the Framework website to provide more detailed discussion of the issues behind this consultation and case studies of work.

We want this work to be a radical look at how we currently organise ourselves and take decisions. It is unlikely that any of the inherited systems or priorities for managing our environment will emerge from this work without significant proposals for change if they are to be more focused on the whole environment and the true costs, benefits, opportunities and risks. The results will identify different opportunities and priorities in different parts of the country so that we can make optimum use of the finite resource that is *A Living Wales*.

1. **Building The Evidence Base**

The Millennium Ecosystem Assessments – and especially Wales' National Ecosystem Assessment - provide a clear evidence base for a new framework but much of the current evidence and monitoring is based on individual species and habitats rather than the underlying relationships between them. Our understanding of the linkages between habitat types and the wide range of services they provide is relatively underdeveloped.

We are fortunate in Wales in having one of the most advanced series of environmental mapping in Europe. By bringing these various elements of work together, we should have a strong basis for judging the health of our ecosystems and the current risks and opportunities related to them.

This work stream covers our future needs for evidence, monitoring and mapping and will be able to draw on work underway elsewhere in the UK.

The main outcome from this workstream should be information and techniques that can inform the development of new tools for identifying sustainable use of land and water and setting appropriate priorities within local areas.

Questions for the Evidence Base work stream:

- What new forms of information and evidence do we need to help us to focus on ecosystems and their services?

- How might we best align collective scientific and monitoring effort towards an approach focused on ecosystems?
- How do we ensure that the full range of expertise is drawn on in accordance with the principles for ecosystem management, including different earth and social sciences?
- How do we provide the information tools that decision-makers, land owners and planners can apply locally?
- What might be the approach we adopt to measuring progress and what constitutes success?
- How do we handle risk and uncertainty?
- What can we say about absolute environmental limits?
- What is and isn't working well?
- What are the implications for future goals or targets?

2. Valuing Ecosystems

Most of the services that our land and water provides are currently not accounted or charged for. While there are some compensation payment mechanisms such as those under the new Glastir land management scheme, there is at present no economic mechanism for reflecting the true costs and benefits to society of flood risk management, of water quality, of water abstraction, of wildlife, of landscape, or of soil carbon, or for incentivising actions to deliver these services. Putting a value on these benefits - and where possible turning them into realisable cash - would provide a far better basis for decisions about the future management of land and water and could provide a stronger incentive to action than current approaches.

This workstream will be looking at the value of ecosystem services and how they can be reflected in decisions and/or turned into payments.

Questions for the Valuing Ecosystems workstream:

- What is the societal value of ecosystem services in Wales?
- Which services could be captured financially and how?
- How do we best factor costs and benefits into decision-making?
- Are there further opportunities within current or future EU policy, such as CAP?
- Which economic tools could be most effective in securing long term sustainable decision making?
- Would there be value in developing formal accounting for natural capital in Wales?

The main outcome from this workstream should be clearer valuation of our ecosystems and how this can be built into decision making and future financial instruments.

3. Refreshing Regulatory And Management Approaches

The environment has been subject to a large amount of domestic, European and international regulation over the past decades. The European Union now describe this framework as mature and are focusing in their current programme on implementation rather than extension.

However, much of this legislation has been developed piecemeal and, while it covers a wide range of issues, it is not easy to use it holistically to shape and inform better decisions for the environment as a whole. As a result, different regulatory regimes can focus on comparatively narrow objectives at the potential expense of the wider environment. At the same time, some regimes can appear disproportionately burdensome for the perceived benefit while other areas of importance can go virtually unregulated.

In principle, regulation should generally be: necessary; relevant; proportionate; timely; based on risk; enabling rather than discouraging; as simple as possible, and transparent for the user. Many pieces of environmental regulation have the potential to fail at least one of these tests as currently applied. This means they are less effective in their aims and can lead to a failure genuinely to inform decisions. We need both to simplify our regulations, and to use management or financial mechanisms where they are more appropriate.

Questions for the Regulatory Approaches work stream:

- How do we best link the various regulatory and management mechanisms to achieve an integrated approach? How can we do this in the most efficient, effective way given the financial constraints?
- How far can our evidence base or monitoring proposals sustain a risk-based approach to regulation?
- How do we maximise benefits from current land and marine designations? Do we need to look again at the purposes of some of them?
- Are there any genuine constraints to using a sustainable ecosystems approach within the current EU framework?
- How far would the current framework of regulation and management need to adapt to meet these new goals?
- Are there activities which are currently unmanaged which in future should be because of their critical importance?
- Do we need fresh Welsh legislation to address any of these issues?

The main outcome from this workstream should be fresh approaches to the design of regulatory and management regimes that deal with the health of the relevant ecosystem as a whole, reflecting risk, costs and benefits, opportunity and resilience.

4. Refreshing Partnership Mechanisms

A large number of stakeholders across a number of sectors are vital to the delivery of healthy ecosystems but the current relationship of these various stakeholders to the issues varies widely. For some interests the need for environmental protection or improvement can appear as a barrier to action, for others it is their prime objective. We need to engage and enthuse all who have a part to play and encourage actions and behaviours that benefit ecosystem health.

In order to deliver a more integrated and sustainable approach, we need to find a common purpose and language for all the various interests that promotes common action and respect for differing objectives. We all have a direct interest in sustaining our ecosystems and their services in order to maintain our well being.

At a time of funding constraint we also need to ensure that those on whom the future of the environment depends have the means to deliver – be that landowners, foresters and fishery, regulated businesses or environmental organisations.

An ecosystems approach can only be made fully operational at a localised scale, so engagement at that scale will be vital to taking forward implementation.

The main outcome from this workstream should be the widest possible engagement of stakeholders and key sectors in developing the future work, ensuring implementation fully reflects differing opportunities and risks and improving the ability of stakeholders to deliver the framework.

Questions for the Delivery Mechanisms work stream:

- How do we ensure all the various stakeholders and sectors can shape the implementation of the framework positively?
- How do we build a common view of the true significance of `green and blue infrastructure` of Wales and a language to describe it that communicates well with the wider public?
- How might we improve current stakeholder and delivery arrangements to meet the new challenges? How can we do this in the most efficient, effective way given the financial constraints?
- What are the appropriate partnership vehicles to take forward the ecosystems approach?
- Which are the key sectors and policy areas that would need to reflect the new approach?

Are planning frameworks such as the Rural Development Plan, the proposed National Infrastructure Plan and the Wales Spatial Plan (including the Networked Environment Region project) together with local development plans and community strategies capable of forming the basis for a future approach to local delivery?

5. Refreshing Institutional Arrangements

Alongside the strategy, we are taking the opportunity to look afresh at the current roles, functions and organisation of our key delivery agencies. This work is looking principally at the potential benefits of restructuring activities of the Environment Agency Wales, the Countryside Council for Wales and the Forestry Commission Wales to enable them to take a more integrated and sustainable view of environmental management based on the ecosystems approach set out in this framework.

The main outcome from this work should be proposals for future organisational arrangements in Wales that will support the delivery of the Framework.

Questions for the Environmental Delivery Bodies review:

- What are the organisational implications of pursuing an integrated approach based on ecosystems?
- How would delivery best be organised at the localised level to ensure coherent delivery?
- What can be learnt from the approaches of the different bodies to improve delivery, regulation and enforcement?
- How do we ensure we can draw on wider expertise to inform future work?
- What are the detailed costs and benefits of change?

Next Steps

This document sets a broad direction of travel for our future work. The detailed delivery will be informed by the work of the individual work streams and take shape over the coming year.

We want your input and your views, either in writing (by post, email or via our website) or by participating in our future events. If you have specific evidence or work that you would like to have drawn to the attention of a particular work stream that would be especially welcome.

For more information on how you can get involved or take action to help nature and ecosystems see:

<http://new.wales.gov.uk/topics/environmentcountryside/consmanagement/conservationbiodiversity/?lang=en>

Please contact: Nia Evans, Sustainable Futures, Welsh Assembly Government, Rhodfa Padarn, Aberystwyth, Ceredigion, SY23 3UR.

Annex – Ecosystems and their services

The UK National Ecosystem Assessment identifies four groups of ecosystem services:

1. **Supporting services** such as weathering, decomposition and soil formation nutrient and water cycling, macro-climate, evolutionary processes and ecological interactions.
2. **Regulating services** such as local climate regulation, hazard regulation, coastal, erosion and flood protection, disease/pest regulation, pollination, noise regulation, soil air and water quality.
3. **Provisioning services** such as food production, including wild-caught resources (eg fish, honey, game), fibre/timber, fuel, bio-materials, water, peat and ornamental goods.
4. **Cultural services** such as meaningful local places, socially valued landscapes, physical and mental health, leisure, recreation and tourism, aesthetic and inspirational benefits, spiritual and religious benefits, cultural heritage and diversity, education and ecological knowledge.

Principles of the Ecosystem Approach

(Convention on Biological Diversity)

- Principle 1.** The objectives of management of land, water and living resources are a matter of societal choice.
- Principle 2.** Management should be decentralised to the lowest appropriate level.
- Principle 3.** Ecosystem managers should consider the effects (actual or potential) of their activities on adjacent and other ecosystems.
- Principle 4.** Recognising potential gains from management, there is usually a need to understand and manage the ecosystem in an economic context. Any such ecosystem-management programme should:
- a. Reduce those market distortions that adversely affect biological diversity.
 - b. Align incentives to promote biodiversity conservation and sustainable use.
 - c. Internalise costs and benefits in the given ecosystem to the extent feasible.
- Principle 5.** Conservation of ecosystem structure and functioning, in order to maintain ecosystem services, should be a priority target of the ecosystem approach.

- Principle 6.** Ecosystems must be managed within the limits of their functioning.
- Principle 7.** The ecosystem approach should be undertaken at the appropriate spatial and temporal scales.
- Principle 8.** Recognising the varying temporal scales and lag-effects that characterise ecosystem processes, objectives for ecosystem management should be set for the long term.
- Principle 9.** Management must recognise that change is inevitable.
- Principle 10.** The ecosystem approach should seek the appropriate balance between, and integration of, conservation and use of biological diversity.
- Principle 11.** The ecosystem approach should consider all forms of relevant information, including scientific and indigenous and local knowledge, innovations and practices.
- Principle 12.** The ecosystem approach should involve all relevant sectors of society and scientific disciplines.