

**EPGBTWB 25 - Tystiolaeth gan: Y Sefydliad Safonau Prydeinig | Evidence from: British Standards Institution (BSI)**

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Senedd Cymru | Welsh Parliament

**Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee**

**Bil yr Amgylchedd (Egwyddorion, Llywodraethiant a Thargedau Bioamrywiaeth) (Cymru) | Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill**

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**1. What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?**

BSI welcomes the Welsh Government's intention to improve biodiversity in Wales.

By introducing this Bill it sets out principles and governance to support these intentions, but BSI would ask the Committee to consider the role of standards in its passage.

BSI has a significant suite of published, and in development standards on nature investment that could underpin and support the Bill without the need to develop further regulations to support the desired increase in Welsh biodiversity targets. For example, BSI FLEX 702 standard specifies requirements for biodiversity outcomes suitable for inset and outset projects.

We have had significant interest from Welsh Government in our nature investment programme, and we are prepared to assist Committee members with more information on our nature investment standards to deliver habitat restoration in Wales.

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## **2. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?**

### **▪ Part 1 - Environmental objective and principles (sections 1 to 7)**

It is outside our remit to comment on specific provisions in the Bill, however as the UK's National Standards Body we stand ready to support government in utilizing standards to achieve its policy outcomes. Achieving policy outcomes through standards.

We understand that some of these outcomes require combating the combined impact of climate and nature emergencies, protecting the environment from harm and responding to change in environmental governance.

Standards can assist with these goals, and we would encourage the Welsh Government to consider standards, that build on the numerous discussions we have had on nature investment and protecting biodiversity over recent years.

Standards are widely used to underpin and support regulation, or and as an alternative to regulation. Voluntary multi-stakeholder standards are already helping to deliver policy across a wide range of areas, including technical product safety, good governance, climate change, energy, fair markets, and public confidence.

Regulation can be appropriate when bringing about change, for example, to address market failures or set minimum requirements. But it can also be inflexible and expensive to develop and enforce; and if not sufficiently pragmatic and proportionate, can be intrusive to business and restrict innovation.

Using standards can ease pressure on the legislative process and reduce costs for government, and because they are transparent and independent, standards have the necessary legitimacy and degree of market acceptance to be used as tools for policy delivery.

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Standards can support outcomes-based regulation by providing information to help target government intervention where it's most needed. For example, where standards are developed through usual BSI processes, and the relevant standards are then "designated" by government and listed on government websites in support of regulation.

**3. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?**

- **Part 2 - The Office of Environmental Governance Wales (sections 8 to 32 and Schedules 1, 2 and 3)**

**4. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?**

- **Part 3 - Biodiversity targets, etc (sections 33 to 38)**

**5. What are your views on the Bill's provisions (set out according to Parts below), in particular are they workable and will they deliver the stated policy intention?**

- **Part 4 - General (sections 39 to 45 and Schedule 4)**

**6. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?**

**7. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)**

**8. Are any unintended consequences likely to arise from the Bill?**

**9. What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?**

**10. Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?**

We would like to draw to the committee The Nature Investment Standards Programme which is led by BSI. The programme is creating a suite of new standards specifically designed to support the growth of high-integrity nature markets across the UK.

These standards, developed by BSI, provide clear guidelines for participating in nature markets - where businesses can invest in environmental projects that deliver increased biodiversity, habitat restoration or natural carbon removals.

The new standards have received a positive response from the Welsh Government in which the Deputy First Minister for Wales said on 25 March 2025 - "This new standard will help make sure that when people invest in our natural environment, they do so in the right way. Setting clear rules for nature markets in Wales will help protect our environment while also creating new opportunities for a stronger, fairer, greener economy. We're working together with a range of partners, including Defra, the BSI and other devolved governments, to create these standards to make sure that they work well for everyone involved. I encourage all

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businesses and investors interested in nature markets to begin adopting this standard now.”

The need for specific standards was assessed and prioritized based on extensive market engagement, and each standard is developed with industry experts and includes broad public consultation.

We would ask the Committee to consider how the Nature Investment Standards programme could support this Bill given Welsh Government desire to establish a biodiversity target setting framework aimed at halting and reversing the decline in biodiversity in Wales, as well as imposing a duty on the Welsh Ministers to promote awareness in Wales of the importance of, and the threats to, biodiversity.

BSI is also leading the way to develop ISO’s first international standard on net zero for organizations. It will provide clarity on the net zero transition, robust requirements, and ultimately enable independently verified and comprehensive climate action and accelerate progress towards a sustainable world.

The new ISO net zero standard which will be the world’s first international, independently verifiable standard for comprehensive net zero strategy development. The guidelines will consider nature and biodiversity and state: “In addition to net zero targets, the organization should set additional, separate targets to have a neutral or positive impact on nature (e.g. a biodiversity net gain target, enhanced land regeneration). The organization’s plans for transition to net zero should include how the organization will implement actions that protect biodiversity and enhance ecosystems”.

As the Minister stated in his oral evidence to the Committee on 26 June 2025 and made to the Rio 1992 agreement on the environment. We would ask the committee to consider current developments with the net zero standard and how this could be beneficial to Wales.

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