

EPGBTWB 45 - Tystiolaeth gan | Evidence from: RenewableUK Cymru

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



Climate Change, Environment, and Infrastructure Committee
Senedd Cymru

Email to: SeneddClimate@senedd.wales
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Environmental principles, governance and biodiversity targets: White Paper

About RenewableUK Cymru

RenewableUK Cymru is the Welsh office of RenewableUK, working to accelerate the deployment and operation of a future energy system powered by renewable electricity. We represent over 500 member companies across Wales and the UK, united in the mission to decarbonise the economy, strengthen energy security, and confront the climate emergency. In Wales, our members include leading developers of onshore and offshore wind (both fixed and floating), along with key players in ports, supply chains, hydrogen, grid infrastructure, and marine renewables. These business leaders and technology innovators are driving significant investment into Wales, creating skilled jobs, supporting communities and the environment, and reducing the nation's carbon emissions.

Overview

RenewableUK Cymru welcomes the opportunity to respond to the Welsh Government's consultation on environmental principles, governance and biodiversity targets. This letter provides a high-level response to the three core principles of the Bill, with a particular emphasis on the consultation's request for evidence of any potential unintended consequences. The response has been informed by discussions and input from our RenewableUK Cymru members to bring together the views of industry – our response will be focused on perspectives from the wind energy sector. - We welcome the aims of the proposed legislation to deliver on the commitment towards 'a greener Wales to tackle **climate change and the nature emergency**' as set out in the Programme for Government and Cooperation Agreement. While we understand that the core principles of the Bill are intended to apply directly to public authorities rather than private organisations, we would like to raise our concern about potential unintended consequences arising from the lack of explicit integration of climate-related goals throughout the legislation. We are concerned that the Bill doesn't acknowledge the equal importance of addressing both the climate and nature emergencies. Without clear and deliberate alignment between these two intrinsically linked priorities, there is a risk of an unintended zero-sum game at the expense of renewable energy deployment. An integrated approach to climate and biodiversity objectives is vital if Wales is to achieve its net zero and nature recovery goals.

Renewable energy development is not only key in meeting environmental principles through reducing our greenhouse gas emissions and supporting the economic, social and environmental goals of the Wellbeing of Future Generations Act but has already shown the vast potential to bring private investment into habitat management and biodiversity enhancement across Wales and its waters.

Yours sincerely,

A) Embedding environmental principles into Welsh law

We welcome the objective to embed the five proposed principles (precautionary, prevention, rectification at source, polluter pays and integration) and recognise the necessary process to establish measures which strengthens environmental law in Wales. However, further detail of how these principles will be applied in practice within the Welsh context is needed. Our concern is that there are now several policy documents which refer to these principles (e.g. Section 6 of Wales Environment (Wales) Act, Wellbeing of Future Generations (Wales) Act). There is a risk it becomes unclear which one applies and takes precedence, creating a risk of inconsistent interpretation. Guidance should create a single, unambiguous definition of each principle and how they are to be interpreted across legislation.

We support the retention of *Integration* as a critical principle. To remain consistent with the *integration* principle, Welsh Government must ensure that both biodiversity policy and renewable energy policy can be accelerated in parallel, avoiding an unintentional zero-sum game. This should include Welsh Government's targets to reach 100% of electricity consumption from renewables by 2035 and net zero by 2050. This will also address "rectification at source" principle as climate change is the second biggest cause of biodiversity loss.

We welcome the *Precautionary* definition from the UK Rio Declaration on Environment and Development, "*where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation*" included in the document where climate change is duly considered as a threat and could support a pragmatic approach to decision-making. The Precautionary principle should be applied in a proportionate way and not used against a renewable energy development. Current planning regulations are appropriate in addressing scientific uncertainty which are clarified through that process. The overarching objective around '*aiming to improve the quality of the environment in Wales and in contributing to sustainable development*' is supported as is the duty on Welsh Ministers. There are differing views on whether the duty should extend to all public bodies. Several members say that a separate duty should be placed on Welsh public bodies to apply the principles and accompanying guidance while holding them to account. This will allow them to extend beyond policy to guide decision making also. For example, within the planning system where applying these principles could support the preservation and enhancement of the environment (through addressing climate change) holds more weight in these instances. However, other members do not align and believe that extending this duty onto all public bodies will only create additional complexity and uncertainty. Placing duty on Welsh Ministers only could ensure biodiversity considerations are clearly defined and implemented at an early stage in the policy-making and legislative process to avoid issues further down the line.

As highlighted in the document, the environment encompasses both elements of climate and nature. However, there may be possible cases when the two could potentially come into perceived conflict and two separate opposing parties could apply the principles to argue the case, for

example renewables and nature. We would welcome clarity on how the government intends to navigate and resolve these instances through the national strategy and statutory targets to avoid uncertainty. Clear recognition should be given in guidance and legislation that the renewable and low carbon energy projects required to achieve net zero are critical to minimising the increasing impacts of climate change and provides the opportunity for nature enhancements. As such, we would welcome introducing an “environmental balance” for environmental bodies in their roles as statutory consultees and/or decision makers that also makes the climate emergency and impacts of climate change material considerations, alongside nature recovery and project specific impacts.

A recognition is also needed in the document of cross-border interactions and the marine area in terms of delivering these environmental principles. An outline of the differing requirements for terrestrial projects taking place on the Welsh-English border would streamline implementation across local authorities. An understanding of how these environmental principles will interface with UK initiatives would also be helpful for those developing projects in Welsh and English waters. For example, the package on environmental assessment reform within DEFRA’s Offshore Wind Environmental Improvement Package under the British Energy Security Strategy.

A key element in terms of the successful transition to the use of these principles will depend on the preparation of a suite of supporting guidance to sit behind the legislation. Robust guidance with regards to interpreting integration and the precautionary principle will aid balanced decision and policy making, minimise conflicts and promote coherence in achieving common goals. There’s a need for a proportionate approach when applying the precautionary principle. This will be significantly important for the renewable energy industry to deliver projects whilst aligning with, and providing investment for, maintaining, and enhancing ecosystem resilience. Therefore, we agree with the Welsh Government’s proposal to place a duty on Welsh Ministers to publish guidance. We urge that these documents should go through a robust consultation process to ensure the views of those using the guidance or impacted by the embedding of these principles are taken in to account. This process will be an essential safeguard.

B) Environmental Governance

We recognise the need for an environmental governance body to strengthen the implementation of the environmental principles and ensure public bodies enforce and comply with Welsh environmental law. However, understanding is needed from the outset of how the proposed environmental governance body will interact with existing bodies such as Natural Resources Wales (NRW) and the Climate Change Committee (CCC) with a view to ensuring there is clarity on remit, roles and responsibilities, as well as to prevent more layers and frameworks that may have the unintended consequence of slowing progress towards net zero. We agree that avoiding replication of activities and ensuring complimentary organisational structures will be key. For example, how the body will complement and enhance the work of the CCC to scrutinise targets in Wales. Identifying and applying how the organisations interface and work concurrently to the set-up of the new body should take place as early as possible. The proposal should also set out how it intends for the new body to interact with the Office for Environmental Protection and Environment Standards Scotland.

Our primary concern is that a new body needs to be adequately resourced to deliver on the proposed principles effectively and that other bodies such as NRW's resource should not be adversely affected. Organisational and resourcing issues are already experienced by industry through NRW's role in the planning, consenting, and licensing processes of renewable energy projects. Welsh Government should ensure that when conducting its operations the new governance body does not become another layer of work for already resource constrained statutory bodies. This could have the unintended consequence of worsening delays for project development. It is absolutely vital that NRW is sufficiently resourced to accomplish their current operational and advisory requirements. NRW must be prepared to address the rising number of submissions across renewables, industrial decarbonisation, ports, supply chain and grid. As noted in the document, we would encourage lessons to be learnt from Environment Standards Scotland as soon as possible to support this process including the set up and how it approached the functions and interaction with the Scottish Parliament in providing political accountability and to enhance awareness of the body's strategy and delivery across the legislature.

We believe that the new governance body should exercise its functions independently from Welsh Government to provide impartial scrutiny and oversight of the delivery of statutory targets, for example, the new biodiversity target framework proposed by this Bill. Therefore, to support this, the appointment of a commissioner could be voted on by the Commission rather than elected by the Welsh Government.

We agree that a duty should be included on Welsh public authorities to cooperate with the new governance body in connection with the exercise of the governance body's functions. This will be essential for the implementation of the principles and the overall ability of the body to perform effectively. It could also be an appropriate tool to hold the government and local authorities responsible to account on both biodiversity and renewable energy targets. The document proposes that the body will *provide independent scrutiny and oversight of the delivery of environmental targets and report and advise on wider environmental targets as they relate to Wales*. Clarity is needed on whether the governance body will be a stakeholder for consultations on new policy and whether they will monitor impact assessment and other similar documents.

C) Statutory targets framework to protect and restore biodiversity.

We welcome the aim of delivering nature positive outcomes to reach the headline goal of reversing biodiversity decline by 2030 and achieving clear recovery by 2050. Clear recovery should be sooner than 20 years after initial goal and we would welcome a definition of 'clear recovery' to support implementation. We would also welcome a definition of Nature Positive – it is currently unclear what it means in practice and how these outcomes will be measured. In a similar way to net zero, a clear understanding of what it means is important to avoid any misunderstanding by those who could be impacted by its implementation and the wider public. Including the full headline target as has been incorporated in the Well-being of Future Generations (Wales) Act will support this. We would also welcome clarity on what is considered "additional" when defining Nature Positive. For example, whether artificial reefs that naturally occur by virtue of an offshore wind development, regardless of any intervention, constitute as Nature Positive.

We support the intention to introduce a strategic nature recovery framework to protect and restore nature on a statutory basis as well as provide increased accountability and transparency. Policy to support the legislation will be key for decision making. As there are numerous strategy documents already in place, focusing on the Nature Recovery Action Plan and how to achieve the statutory targets – with a headline vision for the document – would avoid duplication and resource. In secondary legislation, the biodiversity targets require concerted thought and development to ensure they don't have the unintended consequence of overlapping with, repeating, or confusing existing statutory duties (for example, Section 6 of the Environment (Wales) Act) or create additional administrative burdens at a time of squeezed budgets. Greater alignment of definitions across devolved administrations would also provide greater consistency and clarity for industry, especially for cross-border projects.

NRW and Welsh public authorities will be required to support the implementation of the targets. Clarity is needed within the document of how this duty will interact with policy and planning decisions. There is a risk of unintended consequences if planning decisions do not give equal weight to climate change and biodiversity objectives. Renewable energy developments could be hindered if the benefit of renewables to tackle both a root cause of biodiversity loss and provide biodiversity enhancements isn't clearly articulated in a national document. This is particularly important as it will be referenced by decision-makers and Local Planning Authorities when developing their own action plans. Without clarity, this risks different interpretations resulting in a myriad of conflicting local plans and potential additional planning uncertainties. While we support the aim of Local Nature Recovery Plans to enable local actions, we are concerned of the resource required for already stretched Local Authorities to develop, implement and evaluate these plans within three years. This along with other similar Local Development Plans, Green Infrastructure Plans etc. Clarity is needed on how the Nature Recovery Plans will interact with all the other local-level plans and how they will be weighted and considered. Tying the Local Nature Recovery Plans to biodiversity enhancement could link developers with priorities for local areas. On a national level, we request that clear guidelines and best practices for Nature Positive design be developed. This will enable renewable energy project developers to support the delivery of these targets more easily. A similar piece of work in Scotland '*Collaboration for Environmental Mitigation and Nature Inclusive Design in Scottish Offshore Wind*', is currently being undertaken by Crown Estate Scotland.

We support the potential intergovernmental collaboration and coordination through the Four Countries Biodiversity Group to facilitate the collation and aggregation of information on activities and outcomes. We would encourage alignment across the UK and where there are different approaches, clear guidance available. This will be especially important for Leasing round 5 for floating offshore wind in the Celtic Sea and any Welsh/English cross-border sites. Detail on how the action plan for the biodiversity targets takes into account the interaction between terrestrial and marine environments as well as interface with UK initiatives such as the Marine Recovery Fund, the development of Marine Net Gain and Offshore Wind Strategic Compensation would be welcomed.

Our primary concern with the proposed statutory targets framework is the **lack of detail on how the climate and biodiversity crises are linked and how they should be tackled together**. This will be vital to implementing the Integration principle. Any national level plan should have a clear message of intent when it comes to tackling both issues and recognise the value of renewables in improving biodiversity. The State of Natural Resources Report identifies climate change as the second most important driver of species change with one in six species in Wales at risk of extinction. However, there is very little mention within part C of how addressing the twin Nature and Climate

crises (as set out at the beginning of the Bill) are intrinsically linked and can be tackled in tandem. With Welsh targets to reach 100% of electricity consumption from renewables by 2035 and net zero by 2050, there must be a clearer strategy of how Wales can increase renewable energy development whilst still achieving biodiversity targets. **There is currently no mention of how we balance both in planning and environmental decision making**, or a recognition of how renewable and low carbon energy development can deliver benefit. We also suggest that national policy should set **minimum** targets for renewable and low carbon technologies; with such targets to be a material consideration in decision making (planning, environmental permitting, marine licensing etc.).

Renewable energy development and a thriving terrestrial and marine environment can co-exist - industry is committed to working with the Welsh Government to achieve this. Without due care and attention, these proposals could impact the deployment of renewable energy projects and our ability in Wales to decarbonise and move away from the production and use of fossil fuels. A swift exercise should take place on how these targets could impact other policy and legislation across Wales, for example, reducing carbon emissions etc., to ensure alignment across commitments while avoiding a laborious process. Balancing environmental considerations and the need to mitigate climate change can both deliver on the need to reduce carbon emissions and strengthen habitat management and restoration as well as biodiversity enhancement. As well as 'reducing threats to biodiversity', the Global Biodiversity Framework headlines include the need to 'meet people's needs through sustainable use and benefit sharing' which we would welcome consideration of throughout the document.

There is a significant lack of recognition of the opportunity that renewable energy represents in respect of creating safe areas for biodiversity recovery. Renewable energy projects bolster biodiversity enhancement by actively monitoring, encouraging, and promoting understanding of ecosystems, resulting in heightened resilience. Examples include the establishment of wildflower meadows at solar energy sites, heathland¹ and peatland² restoration and species support at onshore wind sites as well as quasi-Marine Protected Areas/exclusion zones through offshore wind developments. Onshore projects can also restore degraded natural carbon sinks such as peatlands, therefore a double benefit of delivering across both climate and providing private investment into biodiversity enhancement³.

As such, we are particularly disappointed in Section C, paragraph 13 '*Although critical to plans to mitigate climate change, ambitious targets to upscale renewable energy generation at sea also have the potential to negatively impact marine life, if not planned, managed, and monitored sensitively*' did not offer any explanation of how this balance will be addressed or a recognition of the existing robust environmental assessment processes (EIAs and HRAs) undertaken by renewable energy developers or the opportunities that come from habitat management, enhancement, or strategic compensation in this wording of the Bill. The wording also implies that this is not being considered and as such doesn't recognise the significant amount of work underway across government and industry to understand the environmental baseline in areas such as the Celtic Sea or the opportunities presented by those projects currently in the pipeline. It

¹ [RWE Clocaenog Wind Farm – Heathland restoration and dormice](#)

² [Vattenfall Pen y Cymoedd Wind Farm - The Lost Peatlands Project](#)

³ [Onshore-Wind-and-Peatland-in-Wales.pdf \(renewableuk-cymru.com\)](#)

is imperative that the floating offshore wind industry is not unduly penalised to help rectify historical mismanagement resulting in sites in unfavourable conditions.

Activities to develop renewable energy projects align with the aims of Welsh Government's own policy to deliver net benefit for biodiversity. As noted in the consultation documents, agricultural practices have significant impacts on biodiversity. The opportunity to tackle both the root cause of biodiversity loss – climate-change – and can also provide biodiversity enhancements through habitat management and biodiversity action plans on leased wind energy sites can bring further benefit to the overall surrounding area.

During the planning and consenting phases, renewable energy projects carry out comprehensive baseline ecological surveys and detailed independent analysis over an extended period. These cover both the flora and fauna at proposed sites. Subsequent biodiversity action plans and habitat management plans projects can promote a better understanding of the baseline environmental scenarios and provide significant, privately funded biodiversity enhancement measures to mitigate for any determined impacts. Private investment through renewable energy projects can leverage significant private sector funding to support local and national biodiversity programmes, that would be otherwise hard to secure.

Tackling the biodiversity crisis will require a combined effort across various industries in Wales. The Nature Recovery Action Plan must include input from all relevant industries and must consider how they can benefit biodiversity. Excluding key industries such as renewables would be detrimental in the effort, especially when certain industries have the economic backing to make a real difference in terms of enhancement and restoration.

There is a real opportunity to **learn from others** who are currently or have already been through similar processes where biodiversity has become an integral part of development, with policy reflecting this. The Scottish Government's Offshore Wind Policy Statement 2022 references balancing renewable energy development alongside nature recovery. Under National Planning Framework 4 (NPF4) policy 3 in Scotland, development will only be supported where it can be demonstrated that it will conserve, restore, and enhance biodiversity. However, we understand that NPF4 is not necessarily being implemented as desired due to differences in interpretation and implementation at a local level, This is something we have experienced in Wales when applying the Chapter 6 step-wise approach, While we encourage the suggestion of Updating Planning Policy Wales to ensure that guidance is clear on how it should be interpreted and secure a biodiversity net benefit, we caution against potential unintended consequences. It's important that in trying to reach the biodiversity targets, Wales does not look to penalise renewable energy development but see the opportunity it presents in tackling both the climate crisis as well as enhancing biodiversity.

The Scottish Government are currently proceeding through a statutory targets process and there are numerous policy documents associated with this process that look at various aspects to support keeping the targets on track. These include 5-year action plans to ensure delivery on the ground. The Scottish Government also recently published research on its approach to measuring Biodiversity in Scotland (e.g. around peatland). It is being consulted on but highlights the need for a common approach across the UK which support Integration across nations. NatureScot are currently reviewing Defra's Biodiversity Net Gain (BNG) metric for application in Scotland. We believe a common and streamlined approach, while embedded in a Welsh context, will support alignment across the board. Clear definitions and shared approaches to measuring Net Benefit for

Biodiversity (NBB) and BNG will provide an understanding of the expectations on implementation, and better consistency. Commonality in approach also means that finance into nature restoration can be encouraged, creating a wider pool of offsite BNB and BNG providers while mainstreaming nature recovery across borders.

While we support the approach, further information on the **monitoring, and reporting requirements** to reach these targets and statutory duties is needed. This should include more information on how the Welsh Government aims to **quantify** biodiversity and how the biodiversity targets will be **measured**, for example, with specific and usable metrics and methodology. Secondary biodiversity targets necessarily lead to developing a metric, which is conflicting with the current approach and messaging regarding NBB in Chapter 6 of Planning Policy Wales⁴. It is important that any metrics used to measure the results of the framework are habitat and species specific to Wales, for example taking in to account the benefits of restoring peatland. It is important that targets are clearly defined and easily measurable. Onshore and offshore wind project developers in Wales already comply with environmental monitoring regulations, pre and post planning and consenting stages, to monitor impacts on the terrestrial and marine environment. Monitoring in the marine environment is incredibly costly, therefore placing further monitoring requirements could undermine the economics and commercial viability of projects.

Effective monitoring, reporting and scrutiny of biodiversity targets is key. Therefore, clarity is needed on whose responsibility it is to carry out the monitoring and reporting, how this will be funded and how long monitoring and reporting would take place after habitat restoration, for example. The size, complexity, and cost of the task, means that it would be very difficult for the government or local authorities to effectively monitor results themselves without adequate resources. However, this burden should not be placed on industry to undertake all monitoring. Setting monitoring standards and a strategic fund for delivery of biodiversity initiatives could be an option to address some of these areas. Working with industry and ensuring these requirements **do not pose as additional obstructions** to deploying renewable energy projects in Wales will be important.

A **national strategic approach** to management, mitigation and restoration that goes beyond development site boundaries could add significant value to biodiversity enhancement associated with wind energy projects. Even a hybrid approach of local and national measures could be supported if the right conditions are in place to balance local and national needs. A national pot for biodiversity enhancement is a proposed option, however the administration of the pot would need careful consideration. A hierarchy could be included, for example, if net benefit for biodiversity can't be delivered on site, then proceed to offsite provision (for example on NRW land) and then finally to paying into a centralised fund. This is already taking place in several English Local Planning Authorities at the local level. Learning could also be taken from existing and in-development funds such as the Marine Recovery Fund, Landscape Recovery Fund and National Habitats Creation Scheme.

There are current discussions taking place between the wind energy sector and government on how a potential sector deal can support collaboration. A strategic approach to biodiversity enhancement could be a key element to this work.

⁴ <https://www.gov.wales/targeted-policy-changes-planning-policy-wales-net-benefit-biodiversity-and-ecosystems-resilience>

We welcome further engagement on our response, and we are committed to working with the Welsh Government to address both the climate and nature emergencies together.