



RSPB Cymru Consultation response: Welsh Government Draft Budget 2023-2024

The Royal Society for the Protection of Birds is the UK's largest nature conservation charity, inspiring everyone to give nature a home. Together with our partners, we protect threatened birds and wildlife so our towns, coast and countryside will teem with life once again. We play a leading role in BirdLife International, a worldwide partnership of nature conservation organisations.

Introduction: Towards a Net Zero & Nature Positive Economy for Wales

RSPB Cymru welcomes the opportunity to provide evidence to inform Committee scrutiny of the Welsh Government's 2023-24 draft budget proposals.

We appreciate the extremely difficult economic landscape in which the 2023/2024 Budget is being delivered. Nonetheless, the urgent need to invest in the future by acting to reverse the nature and climate emergency is clear. Nature Positive 2030 – a report by JNCC, Natural Resources Wales, and the other UK country statutory nature conservation bodies – explains why nature loss harms human health and well-being and undermines our economy: *we no longer have a sustainable natural system that can provide reliable supplies of clean water, purify our air, regulate our climate, or secure our food supplies. More than half global GDP is put at risk by losses to nature.*

This has been recognised by the Senedd declaration of a nature emergency, and the Welsh Government's commitment to "embed our response to the climate and nature emergency in everything we do". Restoring nature, and the many benefits and services it provides, offers a substantial return on investment and a major opportunity for jobs and skills. Thus, **action to achieve a Net Zero and Nature Positive economy by 2030 must be a central strand of Wales' economic recovery.**

The funding gap

Analysis for the [Green Finance Institute](#) indicates that the wider annual investment needs for nature in Wales (including clean water, natural flood risk management, bio resource efficiency, biocarbon, biosecurity, access and engagement) are in the region of **£0.8 billion¹**. Closing this finance gap will require a strategic multi-annual approach, including addressing the actions discussed below, to develop and apply finance for nature's recovery.

Return on investment

The Natural Capital Committee has stated that "*Investment in environmental improvement and natural capital enhancement can yield rates of return which readily outstrip those afforded by public spending elsewhere*" (NCC, [2019:4](#)).

A [2011 report for Defra](#) estimated the annual value of SSSIs in Wales at £128m. Compared to the annual public spend on SSSIs of £10m in Wales at the time, this equated to every £1 in public

¹ Green Finance Institute <https://www.greenfinanceinstitute.co.uk/news-and-insights/finance-gap-for-uk-nature-report/>

spending returning a benefit of almost £13. The benefits of increasing funding to bring all SSSIs in Wales into favourable condition were estimated at £103m per annum².

The economic benefits of investing in nature-based solutions to mitigate and adapt to the impacts of climate change can be substantial. Conservative estimates suggest that for peatland restoration, £4.62 of economic and social benefits can be expected from each £1 invested; for woodland creation, the return would be £2.79; while for saltmarsh it is up to £1.31³.

Research from Vivid Economics and Barton Wilmore ([2020](#)) suggests that investment of around £5.5 billion in urban green infrastructure in the UK could yield health benefits of £200 billion, benefit over 20 million people, create an initial 40,000 jobs and 6,000 on an ongoing basis, while helping overcome regional inequality and deprivation.

A decade of action for a Nature Positive Wales

The [2020 State of Natural Resources Report](#) showed an overall trend of “serious decline, reflecting the global situation and internationally recognised nature emergency” in Wales⁴. RSPB report [A Lost Decade for Nature](#) highlighted how governments across the UK had failed to deliver on the global goal to halt biodiversity loss by 2020 and the underpinning targets (the Aichi targets).

We now look to the upcoming 15th Conference of Parties to the Convention on Biological Diversity (COP15) in December to establish a new global deal for nature, aimed at halting and reversing biodiversity loss by 2030, and driving its recovery by 2050 (becoming [Nature Positive](#)). We have welcomed the Welsh Government’s commitment to setting legally binding nature recovery targets; coupled with ambitious action plans and investment these must ensure the next global deal for nature has a far greater impact than its predecessor. We welcome the start that has been made via the Biodiversity Deep Dive on the anticipated global ‘30 by 30’ target - to protect and effectively manage 30% of land and sea for nature by 2030.

In her [written statement](#) following the Biodiversity Deep Dive, the Climate Change Minister stated ‘*the imperative to act is now and Wales needs to deliver a decade of action if we are to become nature positive*’. A new RSPB report - [A World Richer in Nature](#) – sets out key commitments needed at a global level and in each of the UK countries to turn around nature’s decline in the current decade. The report sets out a number of actions the Welsh Government needs to take to finance nature’s recovery in Wales:

- Increase public investment in nature’s recovery and ensure funding supports major collaborative projects to restore nature.
- Continue the development of the Sustainable Farming Scheme to ensure farmers are rewarded with public money for public goods, including biodiversity.
- Fully integrate the response to the nature and climate emergency across all departments, and make public support for business conditional on contributing to net zero and nature recovery targets.

² <https://randd.defra.gov.uk/ProjectDetails?ProjectID=17005>

³ Cambridge Econometrics & RSPB (2021)

⁴ [Natural Resources Wales / State of Natural Resources Report \(SoNaRR\) for Wales 2020](#)

- Develop clear frameworks and standards for private investment in nature-based solutions that safeguard communities and secure real benefits for biodiversity. Support an investment readiness fund to provide more sustainable investment opportunities.
- Invest in a National Nature Service to provide green jobs and skills. An RSPB Cymru report found that the right investment in nature could provide almost 7000 green jobs in Wales.

Biodiversity Deep Dive

The Biodiversity Deep Dive process, into how Wales can deliver the anticipated global target to protect and effectively manage 30% of land and sea by 2030 (the '30 by 30 target') has made a welcome start in identifying some of the key actions needed for nature recovery in Wales, and includes commitments linked to all of the actions set out above.

The published Recommendations, which the Welsh Government has committed to, need to be underpinned by a more detailed action plan that will set out who is responsible for each action and provide a clear timetable for delivery. This will form part of Wales' Nature Recovery Action Plan which must be updated to reflect the wider suite of targets agreed at COP15.

The document setting out the Recommendations acknowledges that *'taking effective action to tackle the nature emergency by 2030 will require adequate funding'*, and includes a welcome commitment to develop a clear policy position on private investment in nature recovery. A number of the recommendations include specific commitments to increase resources to improve delivery, which we would expect to see reflected in the Welsh Government's budget. They include⁵:

- Expanding and scaling up the Nature Networks Programme.
- Increasing the delivery capacity of the National Peatland Action Programme
- Funding Local Nature Partnerships.
- Establishing a targeted scheme to support restoration of seagrass and saltmarsh habitats along our coastline.
- Ensuring protected sites are a priority for NRW and providing adequate funding.
- Increasing capacity and capability in public bodies to undertake enforcement (longer term).
- Ensuring designated landscapes are funded adequately to deliver nature recovery at the landscape scale (longer term).
- Investing in skilled advisors to engage farmers with the new [Sustainable Farming] Scheme and maximise the potential benefits for nature.
- Investing in sustainable land management pilots to build knowledge and experience in delivery for species and habitats. (The longer term actions point to the critical role of the SFS in supporting protected sites and landscape scale nature recovery, and commit to developing and enforcing minimum standards).
- Implement a spatial approach to marine planning identifying the ecological constraints and opportunities for different marine activities including renewables.

⁵ Except where noted these are 'immediate actions' – to be delivered in the next 6 months. The longer term actions are to be delivered during the Senedd term.

Investment in terrestrial and marine protected areas

The starting point for delivering the 30 by 30 target is improving the condition of our existing protected areas⁶. NRW's budget was cut in real terms by 35% between 2013 and 2020⁷, with the majority of resources lost from nature conservation functions. The Deep Dive commitment to provide adequate resources to NRW to deliver its functions effectively for protected sites (land and sea) is therefore warmly welcomed.

The scaling up of the Nature Networks Programme and its funding is also critical; it is our understanding that the scheme has attracted extremely high interest and ambition. In addition, it is vital that the next phase of the scheme (2023-24) also offers multi-year funding.

As long ago as 2015, an EU LIFE funded study published by NRW estimated that the actions needed to attain favourable conservation status of Wales' Natura 2000 sites would cost **£144 million** over 5 years (this is a significant underestimate of the real costs, as these costed actions do not include human resources to deliver on the ground).

Sustainable Land Management

To secure nature's recovery we must see a transformational change in Welsh agriculture. We welcome the Agriculture (Wales) Bill and support the proposal for the new Sustainable Farming Scheme (SFS) to enable farmers to restore nature and help tackle the nature and climate crisis, secure the environmental public goods that this and future generations depend on, and to promote sustainable food systems. We do not support the retention of non-objective income support payments, as they don't guarantee value for public money, can result in negative environmental outcomes and, unlike agri-environment payments, are associated with a relatively large decrease in the stability of farm income, across most farm types⁸.

Furthermore, we believe that focussing taxpayers' money on securing environmental outcomes and promoting sustainable food production and onward supply chains will provide a strong value for money argument for maintaining the existing rural budget for Wales at a time when public finance is coming under increased scrutiny.

A [report](#) commissioned by the RSPB, the National Trust and The Wildlife Trusts found that Wales requires a minimum of £273 million invested per annum to meet environmental commitments through land management, an amount similar to what Welsh farming currently receives from existing support mechanisms (although this figure is likely to be considerably more today as a result of rising costs since this work was completed)⁹.

⁶ <https://naturalresources.wales/evidence-and-data/research-and-reports/protected-sites-baseline-assessment-2020/?lang=en> NRW's baseline assessment of terrestrial protected sites reported that it was only possible to assess condition for around half of Wales' site features, but of those assessed only 20% were considered in favourable condition. NRW's 2018 indicative assessment of Marine Protected Areas found only 46% to be in a favourable condition.

⁷ Emma Rose, Unchecked UK 2021, [Safeguarding Standards – Why Wales should lead the way](#)

⁸ [Stability of farm income: The role of agricultural diversity and agri-environment scheme payments](#). 2020. C. Harkness, F. J. Areal, M. A. Semenov, N. Senapati, I. F. Shield, J. Bishop

⁹ Matt Rayment 2019 Paying for public goods from land management: How much will it cost and how might we pay? [Paying for public goods final report.pdf \(wildlifetrusts.org\)](#)

We welcome the Biodiversity Deep Dive recommendations to invest in skilled advisors and pilot projects - these commitments are an essential element of the transition from current agricultural payments to sustainable land management.

Sustainable Marine Management

The implementation of effective marine spatial planning is urgent, to support the rapid, Nature Positive renewable energy transition we critically need. As underlined by the [joint report](#) published by IPBES and the IPCC in 2021¹⁰, climate change and nature loss must be addressed together. The Economy Minister has made [clear](#) the Welsh Government's support for the expansion of renewable energy in our seas and the provision of port infrastructure to support it; it is essential that this support is provided in the context of good planning that protects marine wildlife and gives certainty to investors. In our new report, [Powering Healthy Seas](#)¹¹, we outline an ambitious and pragmatic approach to scaling up offshore wind within a wider marine management context that would make Wales's seas work for nature, climate, and communities. Elsewhere in the UK, poorly planned development is proving catastrophic for seabird populations and our report promotes solutions involving industry investment and government action. Welsh Government must seize the opportunity, now, to work with industry and other marine stakeholders to avoid such conflicts by improving the evidence base, and developing a clear, spatial and strategic marine plan.

The Biodiversity Deep Dive includes a welcome recommendation to explore sustainable funding mechanisms to deliver the 30 by 30 target in our seas, including harnessing private finance - such as identifying funding mechanisms from emerging and developing industries, exploring levies and the role of Marine Net Benefit.

Species Recovery

An annual need of £44m per year has been estimated for widespread terrestrial species recovery in Wales (part of the overall funding need for sustainable land management).¹²

One key area to support species recovery in the marine environment is via a Seabird Conservation Strategy with an associated grant scheme. The need for this has never been greater given the outbreak of Highly Pathogenic Avian Influenza at Welsh colonies this year. The Minister recognised this in a [recent letter](#) to the Climate Change, Environment & Rural Infrastructure Committee which included a commitment to such a strategy. Given the urgent need to boost seabird resilience, this strategy must be delivered in 2023 and funding must be allocated to achieve this.

A National Nature Service for Wales

A [report](#) for RSPB Cymru has estimated that an investment in nature, where this provides opportunities across green jobs (including restoration and creation of priority habitats, nature-based tourism development plan, as well as creation of woodland and urban green spaces), could support

¹⁰ https://ipbes.net/sites/default/files/2021-06/20210609_workshop_report_embargo_3pm_CEST_10_june_0.pdf

¹¹ RSPB 2022 Powering Healthy Seas: Accelerating Nature Positive Offshore Wind [powering-healthy-seas-report_rspb_august-2022.pdf](#)

¹² Matt Rayment, [Paying for Public Goods from Land Management](#). The estimate of £44m for widespread species recovery stated above is contained within the actions for 'arable and improved grassland', the overall figure of which also includes other arable and grassland actions for protection of this natural resource.

almost 7,000 direct FTE jobs in Wales. Additional jobs would be created through supply chain and multiplier effects¹³.

Building on the work of over 200 stakeholders across Wales and in partnership with the Food, Farming and Countryside Commission (FFCC), Groundwork, Valleys Regional Park and WCVA, RSPB Cymru has been developing a Business Plan for a National Nature Service for Wales. We welcome the support of Welsh Government in developing this plan. Further investment in the coming year will be vital to bring this project forward in 2023.

Private Investment in nature's recovery

We welcome the commitment under the Biodiversity Deep Dive, together with ongoing work commissioned by the Welsh Government, to consider barriers and solutions to help scale private investment into nature recovery, whilst seeking to mitigate unintended consequences.

There remains a certain amount of uncertainty about how government funding (for example, through land management schemes) can be complemented by private finance to deliver nature-based solutions at scale. The biggest barrier is the need for an initial investment.

We are therefore asking for Welsh Government to support the development of an Investment Readiness Fund, or mechanism to this effect. An Investment Readiness Fund will help shift away from the level of risk and uncertainty upon the environmental voluntary sector and help develop more stable investment opportunities in nature-based solutions for private finance.

¹³ Matt Rayment 2020 Developing a Green Workforce in Wales – Estimating the Scale of the Need and Opportunity [Developing a Green Workforce in Wales \(squarespace.com\)](https://squarespace.com)