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Paper Title	Delivering Biodiversity through Natural Resource Management
Paper Reference:	NRW B B 43.15
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Purpose of Paper:	Discussion/Information/Decision
Recommendation:	Board to note our biodiversity delivery role and how this will be taken forward within the context of sustainable management of natural resources, applying an ecosystem approach.
Decision Required:	- Board to endorse the development of our strategic approach and priorities to demonstrate how our work on biodiversity supports the core principle of embedding biodiversity outcomes into the natural resource management approach. - Board to endorse the involvement of the Board Environment sub group in developing this work.

Impact:	Impact on the Environment: The aim of Natural Resources Wales' work is contributing to help halt biodiversity loss and improve ecological and wider ecosystem resilience. Impact on the Economy: Our success in achieving nature recovery will underpin sustainable development and support positive impacts for people through economic opportunity and the supporting
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	and provisioning services provided by our natural environment. The Wildlife Economy Wales scoping study (2007) found the annual value of wildlife-related activities to the Welsh economy was estimated at £1.9 billion, 2.9% of Wales' national output and 3% of employment. Impact on Community: Our biodiversity work includes engaging with communities. Biodiversity is a key building block of our ecosystems that enables them to provide a range of services and benefits for communities across Wales. Setting out the evidence and priorities for biodiversity through the planning and preparation for Area Statements will engage with people at a local scale and support the development of clear links between people and the value they can derive from nature. Impact on Knowledge: Developing evidence and knowledge exchange through collaboration and partnership working will be essential for informing biodiversity delivery work and our role in supporting delivery of sustainable development. Opportunities exist to increase and improve the connection between people and nature through knowledge transfer e.g. citizen science. Ensuring we have the process in place through Area Statements, which takes account of local knowledge/evidence, will help to build collaborative interpretation of evidence, leading to agreed action.
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Issue

1. Key evidence, such as the 2011 *National Ecosystem Assessment* on the state of UK ecosystems, shows a continuing decline in biodiversity with around a third of the services provided by our natural environment either degraded or in decline. These findings were reflected in the 2013 *State of Nature* report. Scientific evidence also shows the impacts of climate change are likely to continue and exacerbate these problems as highlighted in our *State of Natural Resources Reporting (SoNaRR) Snapshot Report* (Annex 1). Overall, there is substantial evidence which highlights that more integrated management of our natural resources is needed, which better recognises the value of our ecosystems and the services they provide.
2. The capacity of our natural resources to continue to provide the services on which we all depend is diminishing. If we are to continue to benefit from them we need to manage them effectively and sustainably to achieve the Well-Being of Future Generations (Wales) Act's well-being goals.
3. Over the past decades, challenging biodiversity targets have been set for Wales based on a range of international, EU and domestic legislation and policy drivers (Annex 2). Much activity has taken place and progress has been made but overall we have collectively failed to meet these targets. Following the failure to meet the international 2010 targets, the Convention on Biological Diversity Strategic Plan now includes 20 headline (Aichi) targets to be achieved by 2020 (Annex 3). The Plan encourages taking an ecosystems approach which is also reflected in the EU Biodiversity Strategy's vision and its targets for 2020. Aichi Target 17 specifically requires countries to review their own strategies by 2015 and is the driver for Welsh Government to produce its Nature Recovery Plan (NRP) in 2015.
4. The NRP will establish the strategic direction for Wales and confirm priorities, roles and responsibilities and will contribute to the development of the new National Natural Resources policy statement that is a key product in the Environment Bill. NRW now needs to develop its biodiversity delivery programme in step with its response to the Bill and the NRP.

Background

5. Currently there are some concerns that biodiversity is not recognised clearly enough in the proposed new legislation and that natural resource management may not be wholly sufficient to halt the decline. Establishing how we are embedding biodiversity as a core principle of our delivery has reached a critical point as demonstrated by stakeholder concerns raised in recent Environment and Sustainability Committee scrutiny sessions.
6. Clearly, maintaining and enhancing biodiversity through diversity of habitats, species, genetics and geodiversity is critical for ecosystem function, resilience and the ecosystem benefits we rely on. Helping organisations, business and people make the connections to the benefits biodiversity can deliver and their

role in securing nature recovery is a key driver for the Environment Bill and needs to be explicit in NRW's response to taking and promoting an integrated approach.

7. The Bill helps Wales move beyond focusing on biodiversity and nature conservation as a 'silo' issue by adopting a strategic ecosystems approach and provides the tools for us to work collaboratively around the proposed new duties, supported by the Well-Being of Future Generations Act (WBFG Act). By strengthening those existing approaches to biodiversity management, currently reflected in existing national and international commitments, the Bill secures a more proactive whole system approach. This recognises the role that biodiversity plays in the functioning and resilience of ecosystems and is implicit in the Bill.
8. NRW has a significant role in delivering against the WBFG Act. Working alongside other public sector bodies, businesses and other organisations, we have a real opportunity to demonstrate how the sustainable management of Wales' natural resources can support the well-being goals. Our specific contributions to the development of well-being plans will be through the provision of evidence and preparation of Area Statements. These need to seek innovative opportunities and demonstrate the benefits of the environment to people.
9. Continued pressure on public sector funding and the need to use a more integrated approach is driving continued effort to find more efficient and joined up planning and delivery of nature recovery in Wales. NRW, working with others across sectors, needs to seek and plan opportunities for action which supports multiple outcomes. Identifying clear and widely agreed strategic priorities backed by supportive delivery mechanisms and funding will be required. NRW's strategic work needs to influence cross-cutting policy and funding mechanisms to ensure this package of support is in place.

NRW's Biodiversity Delivery Mechanisms and Priorities

10. Our varied work from strategic planning to direct delivery on Wales National Nature Reserves and the Welsh Government's Woodland Estate, advice and regulation etc. all helps to support biodiversity delivery. These wide mechanisms include actively engaging people to encourage, fund and enforce the sustainable management of land, water, air and sea. Our work to maintain and enhance biodiversity through protected sites and species management should be seen in the context of this wider delivery.
11. NRW's broader activities need to be reviewed and adapted to ensure they are applying the ecosystem approach. We have already seen this approach being applied to water through the Water Framework Directive and with the direction of travel for forestry outlined in our commitments to promoting and delivering sustainable forest management. The NRW Transformation Programme for natural resource management is setting out what we need to do, and how, to ensure we make the connections between these functional/sector aspects of our work.

12. An ecosystems approach will move us beyond a priority sites and species protection focus. These sites will continue to play a key role in supporting important species and ecosystems and enable us to strengthen ecological resilience. Addressing the challenges and pressures requires more than just a site-based approach- we need to use these biological reserves to enhance scale, connection and condition more widely throughout Wales.
13. Using national designation mechanisms for places of particular importance for biodiversity and geodiversity will still be at the core of our biodiversity work. These places have a key role in conserving the most important species, habitats and geological sites and are currently often the only haven for some species. Their associated management activities also provide the main mechanisms for delivering Wales' Habitats and Birds Directives requirements.
14. The Habitats Directive sets a duty to deliver appropriate conservation measures for all Natura 2000 (N2K) features and sites. While we need to work towards reaching favorable condition for these, the number and extent of required actions is extremely challenging to be able to deliver them all before 2020. NRW's LIFE N2K Programme will be completed by this September and will provide a full suite of costed actions for N2K sites that can be used to help identify strategic priorities. It will also produce a Prioritised Action Framework for Welsh Government to use and issue to the EU. This will encourage better funding integration and promote more strategic N2K investment planning.
15. Protected sites can help provide greater ecological resilience across Wales through developing them as cores of ecological networks allowing species movement in response to climate change e.g. by consolidating woodland to deliver biodiversity improvement alongside broader benefits such as carbon storage and water quality management and soil protection.
16. Building on our protected sites network through targeted habitat restoration and work to improve ecological connectivity and condition will be critical in supporting nature recovery at a range of scales across Wales.

Taking our biodiversity work forward

17. We are actively working to more visibly demonstrate the connection between our Natural Resource Management (NRM) Transformation Programme and the delivery of biodiversity outcomes both internally and externally. We will also ensure our activities and proposed priorities remain aligned with the forthcoming Nature Recovery Plan which is due to be completed by late autumn 2015.
18. Welsh Government has produced a consultation on the Plan and we are now actively involved in the Task & Finish Groups set up to clarify Wales' key biodiversity priorities and actions under the following topic areas:
 - Improving evidence
 - Engagement and Support
 - Resilience

- Restoration
 - Governance (incl. Wales Biodiversity Partnership & Strategy Board)
 - RDP outcomes
19. To help maintain an overview of how our biodiversity work is being delivered and embedded through the ecosystems approach we need to review and refresh our internal biodiversity governance. Establishing our biodiversity strategic approach, priorities and governing group from across key parts of the organisation will ensure our resources (including our funding and delivery mechanisms) continue to support the biodiversity priorities outlined above in a co-ordinated and prioritised way while we transform ourselves around the NRM programme.
20. A clear steer from a Nature Recovery Plan and supporting governance within NRW will enable us to best align priorities with funding and delivery mechanisms. It should help us to organise our wider work at the appropriate scale as well as clarifying the opportunities to build resilience through for example, our flood and coastal risk management work, woodland and forestry management and water quality management. In doing so actions for building resilient ecosystems will be integrated across the business.
21. Under the Environment Bill, information on biodiversity priorities will need to guide the development of Area Statements and associated delivery activities. Through NRW's NRM Transformation Programme we are looking to see how maintaining and enhancing biodiversity by taking an ecosystems approach to our work can be implemented and delivered through the Area Trials work. Information and learning gathered through the development and use of State of Natural Resources Report and through the Area Trials will help us understand how this can work in practice.
22. The scale of the challenge to maintain and enhance biodiversity means working with others will be crucial. This is underpinned by the Environment Bill's enhanced duty on all public bodies to maintain and enhance biodiversity in the exercise of their functions and encourages a collaborative approach. We are looking at how working more strategically with our partners through Public Service Boards and the development of strategic agreements with key bodies on priority activities and help to focus effort and funding and making the best use of knowledge and expertise beyond NRW.
23. Information on the priorities and actions from NRW's LIFE N2K Programme will help inform the development of Area Statements as well as help meet legislative requirements under the Programme of Measures to be delivered during Cycle 2 of the Water Framework Directive for example.

Summary

24. Under our Corporate and Business Plan objectives for 'Good for the Environment' we are committed to ensuring our work is focused on delivering resilient ecosystems and that biodiversity outcomes are key to that. More widely we are working through the NRM Transformation Programme to

support the whole business in embedding the principles of a whole system approach.

25. Biodiversity, as a building block of our natural environment is essential to sustaining functioning ecosystems that provide the vital services people depend on. Biodiversity maintenance and enhancement is implicit in all our work where we are either directly or indirectly supporting quality, condition, extent or connectivity of our natural resources.
26. We need to work in close collaboration with others to support targeted work and make the most of scarce resources for maintaining and enhancing biodiversity whilst bringing multiple outcomes for people. We need to help people understand their reliance on ecosystems and the services they provide to help develop more innovative and collaborative ways to enhance ecosystem resilience.

Next Steps

27. Continue developing the work identified above, following feedback from this Board Paper, in-line with the Nature Recovery Plan completion.
28. Continue with our internal work on developing a narrative about how sustainable natural resource management delivers biodiversity outcomes.
29. Provide an NRW response to the new requirements within the Environment Bill and Nature Recovery Plan through the development of our strategic approach and priorities.

Risks

30. We need to ensure our work remains aligned with the emerging policy context including the Nature Recovery Plan and own internal NRM Transformation Programme to avoid creating confusion over priorities or miscommunication over intentions or key messages.
31. Failure to implement European Directives can potentially lead to infraction proceedings. Natural Resources Wales has committed within our Corporate and Business Plans to advise and support Welsh Government to implement the relevant Directives, particularly the Birds, Habitats and Water Framework Directives.
32. While the Environment Bill places a duty on all public sector organisations to maintain and enhance biodiversity, declining public sector resources will dictate what may be delivered.
33. We need to review and refresh internal governance to ensure our approach is supported across the organisation and ensure it remains closely linked to NRW's developing NRM Transformation Programme.

Financial Implications

34. We need to maintain dedicated resource to oversee and co-ordinate our biodiversity work and this requires input and support from staff from across the organisation which needs to be factored into existing workloads.
35. As further integrated policy, environmental planning and place-based delivery develops we need to keep reassessing how best to co-ordinate our biodiversity funding and resources in the context of natural resource management.

Communications

36. All communication with colleagues, partners and networks will be in line with the recommendations of our recently published Communications Strategy. This also applies to all the data and resources provided internally and publically to ensure that our materials are consistent with our branding style and format.
37. Communication messages about biodiversity are being embedded in our NRM communication strategy and in our response to recent scrutiny issues raised regarding our focus on biodiversity.
38. A programme of internal workshops for key staff through focused discussion led by our Communications Team is ongoing to support the narrative for biodiversity and natural resource management.
39. The NRM Transformation Programme's Practitioners group will explore specifically the presentation of biodiversity in the development of Area Statements.

Equality impact assessment (EqIA)

40. EqIA not required in relation to this paper. The NRM Transformation Programme will have an EqIA assessment.

Index of Annexes

Annex 1 SoNaRR SNAPSHOT REPORT

Annex 2 BIODIVERSITY LEGISLATION / POLICY DRIVERS

Annex 3 INTERNATIONAL EUROPEAN AND WELSH BIODIVERSITY TARGETS