



WWF

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## Parliamentary Briefing

# 25 year plan for the environment

February 2017

### Key Points

- WWF-UK welcomes the Government's commitment to producing a new 25 Year Plan for the Environment (25YEP), which seeks to reverse decades of decline by improving the environment for our own benefit and that of future generations.
- Well designed, the 25YEP provides an opportunity to make a step change in the way we manage our environment, on land and at sea, and to do things more effectively, by setting clear goals for what we want to achieve as a society, and using a joined-up, strategic and long term approach to achieving those goals.
- This is important because we are seeing ongoing environmental damage, with increasing social and economic costs. These include serious health problems due to pollution, increasing flood risks, a growing problem of water scarcity in parts of the country, reduced fish stocks and an enormous decline in number and range of wildlife.
- The vote to leave the European Union presents an opportunity to rethink some important policies, such as the Common Agricultural Policy (CAP), which through poorly designed subsidies to farmers has contributed to significant environmental damage. This has in turn undermined the quality of the land, water and other natural resources upon which farmers' livelihoods depend. So there is an opportunity to benefit both farmers and the environment by redesigning agricultural policy to bring it into line with the environmental goals of the Plan.
- The 25YEP is an opportunity to align policies coherently in order to achieve substantial environmental improvements, based on the recognition that we all depend on a healthy environment which is a crucial foundation for a healthy society and economy.

- The Plan should be a vehicle that mobilises the private sector to invest in nature, incorporate the value of nature in decisions, and manage it more sustainably, through appropriate regulation and incentive frameworks.

• But for the Plan to succeed, it needs to be appropriately designed. WWF asks that the Plan:

1. Sets **ambitious, measurable goals, and a legally enforceable action plan** to deliver these, alongside a strong regulatory framework and a transparent monitoring system.
2. Involves **all government departments** and public bodies in its design, and hold them accountable for how their policies and actions will affect its delivery.
3. Is backed up by **sufficient government investment** to achieve its targets, and be able to mobilise additional finance from the private sector through an appropriate regulatory framework and system of incentives.
4. Show **international leadership** by including measuring and managing the UK's impact on the environment in other countries through the products we import.

### The case for WWF's key asks for the 25YEP

**Set ambitious, measurable goals, and a legally enforceable action plan to deliver these, alongside a strong regulatory framework and a transparent monitoring system.**

**Why and how?**

- Clear, measurable goals with 5-yearly milestones are needed to ensure government and others are focused on the desired outcomes of the Plan, and can monitor progress towards them over time, and that any failures to deliver are identified and addressed.
- An action plan is needed to set out how the goals will be achieved and who is responsible for delivering them. Goals without an action plan are unlikely to result in change.
- A strong legal underpinning is required to ensure future governments continue to deliver against the goals, to provide long-term policy certainty, and to put strong enforcement mechanisms in place to ensure compliance where necessary.
- This legal and regulatory underpinning is also needed, as evidence shows that voluntary measures alone are not enough<sup>1</sup>. Businesses and local communities require incentives and clear direction in order to take the necessary action.

**Involve all government departments and public bodies in the Plan's design, and hold them accountable for how their policies and actions will affect its delivery.**

**Why and how?**

- Compliance across the public sector is crucial because a wide range of policies impact on environmental outcomes. For example, the location of new **housing and infrastructure**, and how they are built, can have a huge impact on environmental outcomes<sup>2</sup>. So the impact of any new

<sup>1</sup> An **RSPB study** showed the impact of most voluntary schemes is limited. Over 80 per cent of schemes were found to perform poorly on at least one key measure. The majority of schemes set unambitious targets, with many also failing to achieve 'unambitious' targets. In addition, many schemes were undermined by low rates of private sector participation and the resultant lack of a 'level playing field' for those participants seeking to improve their performance.

<sup>2</sup> See **third NCC report**: para 2.2.4: "England's population is projected to grow by approximately 8m people over the next 25 years (reaching over 62m by 2040).... This will require significant expansion in the housing stock and other infrastructure. For example, simply to keep up with existing demand, around 200,000 new homes may be required in

housing, transport or energy infrastructure should be assessed against the Plan's goals. Likewise the Government's new **Industrial Strategy** needs to be consistent with and assist with the delivery of the 25YEP.

- All government departments and public bodies should be required to assess the impact of their policies on the goals set out in the Plan, and to **report on that transparently** on a regular basis. This would achieve more 'joined-up' action; not to do so would allow conflicting and counter-productive policies to continue.
- Other new policies, such as the expected forthcoming **Water Bill**, and the new **fisheries policy**, should also be designed in a way that is consistent with achieving the goals set out in the Plan.
- The **Treasury** has a crucial role to play in implementing the Plan, as it holds the public purse strings, and controls many economic policy levers which can help to promote the goals of the Plan, such as taxes and subsidies. There is a strong economic case for the Treasury to act: investing in natural capital will benefit the economy, reduce economic risks and save money over time<sup>3</sup>. The Treasury should report on natural capital outcomes and their economic implications as part of the annual Budget report.
- The Plan should explicitly link, and make a significant contribution to the achievement of the new **Emissions Reduction Plan**. For example, investing in increased tree cover and restoring peatlands can both reduce emissions and have important wider benefits in terms of health and recreation.<sup>4</sup> Additionally, a focus on cleaner (electric and hybrid) vehicles and more active transport (cycling and walking) can benefit human health and reduce air pollution, whilst contributing to tackling greenhouse gas emissions.
- The **Department of Health** should also have a key role: some of the biggest benefits from investing in nature are likely to arise from improved health outcomes, both physical and mental. Investing in nature could reduce healthcare costs considerably<sup>5</sup>.
- **Local authorities** have an important role in designing and implementing the Plan, as many key local decisions, such as local planning decisions, will be crucial to achieving its goals.
- The Plan should be designed in a way that helps the UK to meet the **Sustainable Development Goals** (SDGs). The UK will be unable to meet many of the goals, for example on sustainable agriculture and water quality<sup>6</sup>, without adjusting policies and practices; the 25YEP should be seen as a key way to address these shortcomings.

**The Plan is backed up by sufficient government investment to achieve its targets, and be able to mobilise additional finance from the private sector through an appropriate regulatory framework and system of incentives.**

**Why and how?**

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England every year for the next 20 years. With these homes come additional demands for water and energy as well as related infrastructure such as new roads and railways. It is not, therefore, just about the land take of the houses themselves. The indirect and cumulative impacts from the building and use of infrastructure that accompanies them are equally important when thinking about how to plan for and manage natural capital.

<sup>3</sup> See WWF-UK's **2016 Greener Budget Report** for evidence on this. For example: £2.1 billion in healthcare costs could be saved if everyone in the UK had access to good quality green space.

<sup>4</sup> See third NCC report Box 4.1: £500million is the value of benefits that could be gained per year by planting 250,000 ha of new woodlands near towns and cities in England, from carbon reductions and recreational benefits.

<sup>5</sup> See WWF-UK's **2016 Greener Budget Report** for evidence on this. For example: £2.1 billion in healthcare costs could be saved if everyone in the UK had access to good quality green space.

<sup>6</sup> See WWF-UK's **2016 Greener Budget Report**, Box 2.

- We need to **invest in natural capital**, and while we know the benefits to society will outweigh the costs, and many of the investments will pay for themselves over time, some upfront costs will be necessary. Government needs to make that money available, and recognise that this spending will save money in the longer term.
- More coherent policy under the 25YEP would ensure **public money is spent more cost-effectively**. For example, public payments for farmers and land managers made through future agricultural policy (post-CAP) should support farming practices which provide environmental benefits, rather than practices which generate environmental costs (such as water pollution), which then fall on the public purse e.g. through water bills or taxation<sup>7</sup>.
- The Government cannot be expected to pay for everything. The private sector depends on natural capital, and should contribute to its maintenance. There are many ways by which **business can be incentivised** or regulated to achieve this, e.g. through regulation, economic incentives, reporting requirements, market-based financing instruments such as green bonds etc. Government should develop with business an appropriate policy framework to mobilise private finance to invest in natural capital.
- The Plan could support **new market opportunities** which could generate jobs, growth, innovative finance and new export markets. It is also an opportunity to promote a more resource-efficient and competitive economy, greater supply chain resilience, and more cost-effective green infrastructure alternatives to expensive hard infrastructure.

**Show international leadership by including measuring and managing the UK's impact on the environment of other countries through the products we import.**

**Why and how?**

- Without this, we might simply 'export' further environmental damage to other countries – something that is already happening according to the Government's own Natural Capital Committee<sup>8</sup>.
- It is no longer ethically acceptable, in light of our international commitment to promote the achievement of the SDGs, or indeed in our own interest as a country.
- We are enormously dependent on natural resources embedded in the products we import from other countries, but if these are not managed sustainably our own access to these resources is threatened. Environmental threats such as climate change, water crises and biodiversity loss and ecosystem collapse are issues the business community consistently ranks among the biggest risks facing them today<sup>9</sup>.
- There are many ways of addressing this challenge of international leadership, including encouraging sustainable management of natural resources abroad through the conditions set within our own trade deals and aid programmes, and by incentivising business to promote sustainability right through their supply chains.

<sup>7</sup> See **Dieter Helm's article** on the impact of CAP on environmental outcomes.

<sup>8</sup> See NCC Second Report, Box 2: England has been gradually transferring the degradation of its own natural assets to those abroad. Taking account of the extent to which we deplete the natural capital of other countries can radically alter assessments of sustainable use. For example, although UK territorial greenhouse gas emissions fell by around 5% between 1992-2004, 'consumption' related emissions (that is, emissions that include embedded carbon in imports) actually increased by 18% (Wiedmann T. et al, 2008). The figure is even starker for water where an estimated 70% of all the water consumed in the UK is 'virtual' and embedded in imports (Royal Academy of Engineering et al, 2010). Care needs to be taken if these imports are sourced from regions of high water stress.

<sup>9</sup> The **World Economic Forum Risks Outlook 2016**, (Figure 1), rates environmental risks highly in their Top 10 risks (of all types) in terms of impact: No. 1: Failure of climate change mitigation and adaptation, No. 3: Water crises, No. 6: Biodiversity loss and ecosystem collapse.

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