



## Environmental Audit Committee

### Biodiversity Offsetting

#### CIWEM Response, October 2013

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1. CIWEM welcomes the opportunity to provide comments to the Environmental Audit Committee on the subject of Biodiversity offsetting. Our comments reflect the views and experiences of a range of our technical members working in environmental management.
2. The Chartered Institution of Water and Environmental Management (CIWEM) is the leading professional and qualifying body for those who are responsible for the stewardship of environmental assets. The Institution provides independent comment, within a multi-disciplinary framework, on the wide range of issues related to water and environmental management, environmental resilience and sustainable development.
3. CIWEM is concerned by the recommendation that the Government mandates a national system of biodiversity offsetting in the recent report of the Ecosystem Markets Task Force (EMTF). We believe that this is extremely premature and wrote to the Secretary of State as part of the Environmental Policy Forum to express our concern in April this year.
4. The six two-year pilot biodiversity offsetting projects are yet to be completed and it is far too early to draw conclusions about the value of such an approach. Indeed to date the results have shown slow progress and limited uptake. The timeframe of two years is also woefully short to judge the proposed approach given the time it takes for any natural habitat to become properly established and colonised.
5. The context of habitats and their interactions cannot be underestimated; simply moving a key habitat does not ensure its success and longevity. Alongside this, it ignores the development of habitats which can occur over many centuries; in these instances their losses are irreplaceable. Offsetting should not occur until a clear set of principles has been developed.
6. Biodiversity offsetting is a form of compensation. As such it may well have its place in managing development, but any form of compensation must always be a last resort. There are natural habitats that cannot be created within acceptable timescales and others which, even though it may appear superficially as though new habitat has been created, may take tens or even hundreds of years to become fully functioning and able to support the full diversity of species that occurred on the area that has been lost.
7. The rhetoric behind biodiversity offsetting is disturbingly in favour of 'saving developers time and money' rather than securing net gain for nature through planning and development. This does little to reassure those who are concerned that offsetting could be misused as a way of circumventing the established and proven approach to managing development impacts on biodiversity, namely 'Avoid – Mitigate – Restore – Compensate'.
8. CIWEM also has concerns over the funding and maintenance of schemes. If the proposed system of 'funding' for the new habitat maintenance is only for [30-40] years through uncertain intermediaries, there is no certainty that any 'new habitat' even if

created, will in itself be sustainable without such management, or that such management will be itself sustained. This does not seem to have been fully thought through.

9. We are furthermore troubled at the potential for newly created habitat (as part of an offsetting scheme) to be deemed suitable for development in its early stages as it is likely to be assessed as of low ecological value. There must be assurances that habitat created through offsetting is protected from further development through to its fully functional intended state.
10. There are also other factors to consider including the potential decline in the local community's access to natural areas which are so important for people's health and wellbeing, and we see no analysis of the cost:benefit of such matters, or the financial impact in terms of QALYs (Quality Adjusted Life Years), for example. All of which makes these proposals appear to be of very poor quality compared to other parts of the world – the USA, for example, takes a much more sophisticated and holistic approach to such assessment.
11. In the absence or impossibility of other preferred solutions, biodiversity offsetting may, in some circumstances, provide a solution to some issues, but it is not a universal panacea. The evidence base is small and yet to be developed, and it is essential that decisions regarding what those circumstances might be are based on rigorous evaluation of scientific evidence.