

Wildlife and Countryside Link: response to BSI Flex 702 - supply of biodiversity benefits consultation

Done correctly, a British standard could provide much needed detail for the development of sound biodiversity markets that have a crucial role in filling the nature finance gap. However, Wildlife and Countryside Link recognises that, in several areas, the standard may fall short of ensuring robust, equitable, and effective biodiversity markets. These must be addressed for the standard to be a useful addition that aids the implementation of a highly complex policy area.

Our key points are set out below.

Paragraph/figure/table/note	Comment / justification for change	Proposed change
General	While Flex 702 outlines high-level principles, it leaves significant room for interpretation. This flexibility can lead to inconsistent applications across projects and jurisdictions, undermining the standard's effectiveness and credibility.	Provide greater clarification in areas like metric selection, baseline setting, and the valuation of biodiversity units, and the application of these across different ecosystems.
0. Introduction	The process for reviewing and updating the BSI Flex is essential to continually improve clarity and implementation if it is later developed into a British standard. This is particularly important in the English context so that the standard can refer to and add detail to legislation, policy and guidance stemming from mandatory Biodiversity Net Gain (BNG) e.g., in relation to double counting.	Include more material considering the four countries within the iterative review of the standard that is already being used, and particularly so if it is later turned into a British standard.
0.3 Characteristics of Biodiversity Markets	There is a balance required between the locality of potentially piecemeal biodiversity enhancements against the relative benefits of biodiversity offsetting to a strategic larger scale further away, such as linkages to Local Nature Recovery Strategies.	Change text from "As locally as possible" to "as locally as possible or in the most beneficial way for the relevant species and habitats"
0.4 The Ecosystem Approach to Biodiversity Markets	The ecosystem approach is a strong strategy for biodiversity markets as it acknowledges the dynamic relationships between biotic and abiotic factors. This is welcomed, but the standard lacks robust mechanisms to address unintended	Introduce robust mechanisms and detailed guidelines on how to prevent and measure leakage and unintended environmental impacts, as well as

	<p>consequences, such as displacing negative impacts to areas outside the project's focus (leakage). Similarly, the standard has not outlined how leakage/displacement could be measured. This can lead to suboptimal outcomes, such as biodiversity loss in non-target areas.</p>	<p>strict regulation and enforcement to produce effective transparency and scrutiny.</p>
3.2 Biodiversity Gain	<p>The baseline and counterfactual are two separate measures. In many cases, the counterfactual scenario would involve sustained degradation of a site at worst. Therefore, measuring biodiversity gain against 'the baseline and counterfactual' does not appear to be clear and has the potential to overinflate improvements if measured against the counterfactual. Additionally, the change alluded to under the definition is not stated as having to be positive, so would unintentionally include negative change in biodiversity, incompatible with gains.</p>	<p>The definition of biodiversity gain should be made clearer e.g. 'positive change in biodiversity or ecosystem condition compared to the baseline of that condition, as a result of market intervention(s)'.</p>
3.3 Biodiversity Metric	<p>The definition refers to comparison 'to a baseline or counterfactual'. As the statutory metric refers to a baseline and not also to a counterfactual, it could be confusing to include this. Additionally, if other metrics do refer to a counterfactual as well as a baseline, these should be deprioritised as this risks lower requirements for interventions for nature and is superseded by the statutory metric.</p>	<p>The definition should be edited to be clearer e.g. 'systematic way to measure change in biodiversity or ecosystem condition, compared to a baseline, in a consistent way by using proxy measures which represent biodiversity'.</p>
3.4 Biodiversity Unit	<p>This definition might be confusing as quantifying biodiversity in units does not always represent a gain.</p>	<p>Consider alternative definition of 'quantified measure of biodiversity, which can be traded in nature or biodiversity markets'.</p>
3.5 Compensation	<p>The definition of compensation misses an opportunity to explicitly include a need to incorporate buffers to ensure the activity fully recompenses for the loss. Biodiversity projects carry risks that could impact the amount of compensation if realised, like an outbreak of a pathogen or extreme weather leading to less trees reaching maturity. Making this need to build in a buffer explicit could help ensure higher levels of successful delivery of compensation for nature. This could</p>	<p>The definition could have wording added to it e.g. '... This recompense should account for appropriate buffers ensure a high likelihood of delivery compensation that fully makes good the lack or variation'.</p>

	also include consideration of buffers to specifically account for the delay in the compensatory habitat becoming established.	
3.7 Ecosystem	The definition does not appear to reflect the current Convention of Biological Diversity (CBD) definition referred to as the 2008 definition here used ends in ‘...interacting as one system’, whereas the definition on the CBD website, apparently last updated in 2011, ends in ‘...interacting as a functional unit’. The latter is a more accurate definition as it allows for the existence of multiple functional units within one area.	The definition could be updated to reflect the 2011 CBD definition of ‘ecosystem’ and the reference updated to the 2011 version, available here: https://www.cbd.int/doc/legal/cbd-en.pdf
3.11 Like-For-Like or Better	The definition says ‘the same type of biodiversity’ but is not clear as to what this means. For example, is it referring to in-species diversity/between-species diversity or diversity of ecosystems, or is it referring to the specific species/habitat types affected by the project? Additionally, the word ‘conservation’ here could be usefully replaced by a more accurate and specific word, due to the characteristics of offsetting necessarily involving the degradation or destruction of the original habitat and therefore is not always a conservation activity.	The definition could be altered to be clearer, particularly regarding ‘type’ of biodiversity and the replacement of the word ‘conservation’ for a word that would still accurately apply even where offsetting is on a like-for-like basis. Additionally, some clarity on how ‘higher biodiversity value’ or being ‘better’ is defined would be valuable here, in a way that makes clear how trade-offs would be considered in a local ecosystem context.
4.1.1	While transparency regarding the market functioning is essential, we would encourage also allowing for this principle to not apply where material information should be kept confidential for specific environmental protection reasons. For instance, the presence/location of particular plant and animal species can be sensitive information, particularly where these species may be susceptible to persecution or other intentional targeted harm. Therefore, detailed survey information describing the location of, for instance, a bat roost should not be shared as is but could be shared in a lower-resolution format.	The principle could be amended to read ‘...unless it is commercially confidential or it would enable persecution of a protected species’.

4.2 Quantification of Units	This section talks of hypothetical metrics but does not make clear the interaction between additional voluntary metrics and the statutory metric.	This section should focus more on the statutory metric and make clear that other references to metrics refer to additional, voluntary metrics that may be developed.
4.2.1 Irreplaceable Habitat	The framework doesn't specify what is causing this negative impact - the offset provider or the economic activity. There are quite significant implications if the latter. If so, is it just the impacts on irreplaceable habitats (IH) that cannot be offset using biodiversity credits or that any project/activity which negatively impacts IH cannot offset using credits? Clarification is needed here.	This section should state that irreplaceable habitats or irreplaceable biodiversity shall not be negatively affected by the offset provider or activity requiring an offset. We would support that negative impacts on IH cannot be offset with credits and that any project/activity with negative impacts could not access offsets as this would support the mitigation hierarchy and help to avoid accusations of greenwashing.
4.2.1 Irreplaceable Habitat	While the standard states that irreplaceable habitats should not be negatively impacted, it does not refer to strong enforcement mechanisms or clear consequences for violations. Not all lists of irreplaceable habitats are the same. In this scenario, the list and definitions in the National Planning Policy Framework are more suitable as it's open, rather than the closed list used by Defra for BNG, and therefore would allow for habitats to be included sooner than the infrequent reviews of the list. The document does not define 'irreplaceable biodiversity'.	Develop clearer provisions to ensure irreplaceable habitats are not compromised under any circumstances. The language throughout must be much clearer that loss of irreplaceable habitats will contribute to further biodiversity decline. Use the list and definitions for irreplaceable habitats in the National Planning Policy Framework.
4.2.5 Note 2	This would be made clearer through an example.	Provide example, such as 'e.g. through a Corporate Social Responsibility purchase'
4.2.7	It is not clear what is meant by measuring the biodiversity gain using the baseline and an evidence-based	References here to a counterfactual could be removed or alternatively caveated so that it is only

	<p>counterfactual. For instance, does this mean that a gain must be shown compared to both the baseline and the counterfactual or would one be sufficient? We are clear that any gain in biodiversity should be measured by comparing the post-project biodiversity to the baseline. One situation where also including a counterfactual could be beneficial is where without market intervention, the ecosystem was already on a path towards natural regeneration, so that if the gains secured were less than would have occurred anyway, then this would not actually represent a gain. Otherwise, we struggle to see how including the counterfactual would support nature recovery.</p>	<p>brought into consideration where the counterfactual would represent biodiversity improvements compared to the baseline.</p>
<p>4.2.8</p>	<p>A baseline should be taken before any activity, regardless of whether the activity is intended to have a positive or negative impact. If a site has been pre-emptively degraded, i.e. “habitat trashing”, in order to falsely inflate the amount of units gained by subsequent interventions, , this should be accounted for.</p> <p>Units illegitimately gained through habitat trashing cannot form a part of any reputable biodiversity market and therefore needs to be reported to a regulatory body to safeguard against further undermining the British standard principles. Simply rectifying the baseline value does not go far enough and is subject to discrepancy from the true value. It is also uncertain who would undertake this regulatory function.</p>	<p>More clarity is needed on how baseline activity and impact could be evidenced e.g. Biodiversity Net Gain (BNG) uses the date the Environment Bill was read in parliament as a baseline date for habitat condition. Further guidance/specificity needed to ensure enforceability.</p>
<p>4.2.9</p>	<p>The standard refers to using consistent methodology whilst, in contrast, also highlights areas where the methods could change. At the very least, methods should be consistent within a project. There requires some clarity in the text to prevent misunderstanding on changing methodology that has repercussions for the comparison of metrics across time and sites.</p>	<p>In addition to the current text, there should be mention that any methodology used needs to be clearly stated and explained. Any changes to methodology need to be transparent and scientifically justified. New methodology such as eDNA must align with the baseline assessments and project lifecycles.</p>

4.2.10	While it is important to keep the two separate, having separate assessments of biodiversity and ecosystem services risks double-counting. This is particularly important for species where related ecosystem services are less direct (e.g. bat species acting as pest control) or there are none, despite any ecosystem services being separate from their potential value in the ecosystem.	Strengthen guidelines to prevent the same biodiversity outcomes from being sold under different market mechanisms. There needs to be a coherent plan so that metrics for biodiversity and other Ecosystem Services do not result in contradictory actions being planned.
4.3 Openness to Innovation	New assessment methods and techniques for measuring biodiversity must be backed by a body of scientific evidence proving their efficacy and suitability. This is especially relevant to some methods such as eDNA and bioacoustics that are not suitable to all habitat types or for all species. It is insufficient for new assessment methods/techniques to simply demonstrate they can compare the baseline and the post-intervention biodiversity.	Make requirements more stringent to ensure new methods are rigorously tested. For example, as well as having to clearly demonstrate that the approach enables comparison, new methods and techniques should also have to demonstrate robust scientific basis and accuracy.
4.4 Multiple Benefits from Nature	The text could benefit from further clarity about the division of actions and biodiversity outcome. For instance, it is not clear whether a seller could sell the units from two different actions associated with an increase in a species population to two different buyers, on the basis that they were two different actions or only to one buyer on the basis that it only produced one biodiversity outcome. Actions and outcomes here do not have clear meanings or distinctions.	The text should be made clearer to safeguard against loopholes or misunderstandings.
5.1 Additionality	Additionality is a core principle of biodiversity markets and is an area where the standard could provide extra clarity and added value. It is not clear how additionality will be regulated or verified, or what the additional test means in practice or how it is intended to work.	The definition of additionality should be tightened, and the standard could provide examples of what is expected in practice. More clarification is needed on what agreements this is intended to cover moving forward.
5.2 Avoiding Unintended Consequences	The aim of the Principle should be to avoid potential impacts as well as material ones, following a precautionary approach.	'material' should be removed from the wording of the Principle.
5.2.1	In 5.2.1, 'unintended consequences' refers to preventing a decrease in the populations of protected species on the IUCN	'enhance ecosystem or habitat condition gain' should be replaced with 'enhance ecosystem or

	Red List species only. There are protected species that are not Red Listed because they are data deficient.	<p>biodiversity condition' to ensure consistency with other sections of the standard.</p> <p>The definition under 5.2 should cover all protected species. Ideally, decreases to any species unless invasive or above carrying capacity should be avoided.</p>
5.2.2	The Note under 5.2.2 is unclear as to whether the pressures mentioned are only limited to those directly linked to the project's development.	Text to be amended to clearly state whether or not the pressures mentioned are only limited to those directly linked to the project's development.
5.2.4.	5.2.4 states that ecosystem services do not focus on specified habitats or species, but this can be contradicted by 5.2.1, which relates to both ecosystem services and biodiversity gain saying that activities that cause a decrease in the population of a protected and Red Listed species should be avoided.	<p>There should be clarity over how 5.2.1. and 5.2.4 do not contradict each other.</p> <p>Remove the "rather than specified habitats or species." Statement.</p>
5.3 Lasting and Permanent Benefits	The minimum 30-year commitment for positive biodiversity outcomes aligns with current UK policy, but it will not ensure true ecological establishment, especially for habitats such as woodlands that require longer timelines to mature. As a result, projects might be temporary, especially if market or regulatory conditions change, or may not account for risks like climate change impacts, land-use changes, or economic pressures that could undermine long-term outcomes. Similarly, the private nature of these projects combined with the lack of planning protection for them makes them inherently temporary or unstable.	<p>Consider integrating Conservation Covenants as a method of legally securing permanent biodiversity benefits. Encourage clear plans for long-term biodiversity maintenance beyond the 30-year minimum.</p> <p>The text could be strengthened by adding 'with the aim of delivering longer lasting benefits, ideally in perpetuity'.</p>
5.4 Validation and Verification	This section does not make mention of any requirement or encouragement for impartial assessors separate to the seller to undertake the monitoring. As sellers are financially incentivised to report positive findings, it would be valuable to provide information here about ensuring robustness,	Provide information/guidance on ensuring robust and accurate assessments, including consideration of financial motivations and biases.

	accuracy and validity, including any suggested regulator input.	
5.4.2	Wording is not very clear.	Text should be reworded to 'Sellers must indicate whether the units have already been created or will be created by a specified future date.'
5.4.3	Slight contradiction of the innovation principle (4.3).	Text should be reworded to "Sellers shall verify delivery of the biodiversity gain using the same method and metric used to assess the baseline unless advances in technology and methods have been made which allow comparable outputs to be measured as set out in 4.3 - Openness to innovation".
5.4.6	5.4.6 mentions making public all survey results, and we would encourage the inclusion of a caveat here ensuring that any survey results confirming the presence/location of a protected species potentially susceptible to persecution is only released at an ecologically appropriate resolution level.	Include a caveat to 5.4.6 that survey results should not be shared in full if doing so would risk persecution of a protected species, but that instead a lower resolution survey output could be shared.
6 Registries	<p>It is good that the standard sets out a registry that must be transparent and accessible by stakeholders. At present, however, it details a bare minimum amount of information required and no mechanism for governance. This could allow inconsistency in unit records and undermine trust in the markets.</p> <p>Additionally, the collection/retention of information beyond the lifetime of the biodiversity unit would be useful for evaluation of the market as it could provide insight into the end of life of these units, as well as allow for future retrospective research.</p>	Expand registry requirements to include more granular information about socioeconomic impacts, funding sources, and accountability for long-term project outcomes. Access to this information must be free of charge and available on publicly available software to allow all stakeholders, regardless of status (i.e., the general public) to access it.

Wildlife and
Countryside



Wildlife and Countryside Link (Link) is the largest nature coalition in England, bringing together over 86 organisations to use their joint voice for the protection of the natural world and animals.

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