

NATURAL RESOURCES AND BIODIVERSITY IMPACT ASSESSMENT OF THE DEVELOPMENT OF TOURISM AND REGULATION OF VISITOR ACCOMMODATION (WALES) BILL

BACKGROUND

The Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (“the Bill”) provides the legislative framework for a licensing scheme for visitor accommodation in Wales, starting with self-catering accommodation. This scheme will support tourism in Wales, by reassuring visitors that accommodation meets the standards they would expect and providing a clear regime for providers.

The licensing scheme will build upon the register of visitor accommodation providers as set out in its companion legislation, the Visitor Accommodation (Register and Levy) Etc. (Wales) Act 2025 (“the VARL Act”). Under that Act, the Welsh Revenue Authority (WRA) will establish, maintain and publish the register of providers, which will also detail the type and location of the premises they operate across Wales. This information may be of interest to local authorities, visitors, businesses and researchers, and will inform the future licensing scheme.

The Bill will complement other measures introduced by the Welsh Government to address the challenges arising from a concentration of second homes and short-term holiday lets in particular areas in Wales. A secondary outcome of this Bill will be to align more closely regulation of self-catering visitor accommodation with the regulation of the private rented sector, ensuring consistent standards for that accommodation, and monitoring compliance with those standards.

The Bill also creates a Code of Welsh law on tourism that will incorporate existing legislation on the development of tourism in Wales, with a view to improving the accessibility of tourism legislation.

TOURISM AND THE ENVIRONMENT

The [Well-being of Future Generations \(Wales\) Act 2015](#) requires us to adopt sustainable development principles in the development of our policies. These principles include considering long-term implications, collaborating with people, communities, and each other, acting to prevent problems, such as climate change and take a more integrated approach.

The [United Nations World Tourism Organisation](#) describes sustainable tourism as that which “takes full account of its current and future economic, social, and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities.

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Tourism in Wales draws heavily on the availability of high-quality natural resources and healthy ecosystems, with environmental sustainability forming a core part of the [2020-2025 Priorities for the Visitor Economy](#). Visitors come to engage with Wales's areas of natural beauty and to explore the natural environment that Wales has to offer. Wales is perceived as a destination for outdoor activities – a perception which is supported by the [green and natural environment](#).

NATURAL RESOURCES POLICY

The introduction of a licensing scheme for visitor accommodation will not directly deliver any of the national priorities in the [Natural Resource Policy](#). It is not intended to directly affect the environment or change tourist behaviour. However, there may be secondary impacts from its introduction, should it affect tourism demand.

For example, enhancing tourism in Wales by ensuring that visitor accommodation providers are aware of and adhere to safety conditions might attract more tourists. This could lead to increased impact to the environment, but this is impossible to estimate. Similarly, if visitor numbers decrease because some visitor accommodation providers choose to close their businesses, this might be expected to reduce pollution and other negative [externalities of tourism](#).

BIODIVERSITY

Development of Tourism and Regulation of Visitor Accommodation (Wales) Bill (Henceforth referred to as 'the Bill') does not directly impact biodiversity or natural resources policy. However, qualitative research identified our natural environment and scenery as significant strengths which make [Wales feel distinctive](#) compared to other UK holiday destinations.

Unless we can safeguard these, then this could lead to a decline in visitor numbers. The landscape and natural beauty that attracts visitors to Wales, can be most impacted by visitors.

The Bill could help Welsh tourism businesses become more sustainable. For example, visitor accommodation providers could become more aware of the Welsh Government's [Tourism Green Growth Pledge](#). The scheme offers support to businesses with a range of practical actions they can take to improve their sustainability.

We have reviewed the most up to date knowledge sources to inform this assessment. The Bill does not impact on the species and habitats of principal importance as listed and published under Section 7 of the Environment (Wales) Act. The [State of Natural Resources Report](#) and the [area statements](#) published by NRW are expected to apply when the local authorities are taking local decisions about tourism.

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Similarly, the Bill does not have regard to construction or land management, either directly or indirectly, and so biodiversity records available through the [Local Environment Record Centres](#), [Atlas of Living Wales](#) or [DataMap Wales](#).

As the purpose of this legislation is to regulate visitor accommodation in Wales, there will be no impact on the support of citizen-science initiatives or monitoring schemes, nor will it collect any biodiversity data. However, there is the potential for the regulator or local authorities to use this scheme to influence businesses to support biodiversity action. The cumulative effect of nudging and influencing businesses and their clients over the years could help to build capacity for, and knowledge of, biodiversity action in business leaders. This could contribute to objective 1 of the [Nature Recovery Action Plan](#) for Wales

CLIMATE CHANGE

We have considered the carbon impact of this proposal. We have not quantified the emissions associated with it because we expect them to fall below the threshold for a quantitative analysis. We have high confidence in our assessment.

STRATEGIC ENVIRONMENTAL ASSESSMENT

A [strategic environmental assessment](#) (SEA) is not required for this policy. The [European Directive 2001/42/EC](#) assesses the effects of certain plans and programmes on the environment. All plans and programmes in the UK which fall within the scope of the Directive should be assessed for major building or development projects.

Article 3(2) makes an SEA mandatory for plans and programmes which are prepared for tourism. Whilst this scheme relates to tourism it does not set a framework for any future development consents and will not have a significant direct impact on the environment.

HABITATS REGULATIONS ASSESSMENT

A habitats regulations assessment is not required by law as the Bill will not impact on the Natura 2000 European protected sites network.

ENVIRONMENTAL IMPACT ASSESSMENT

The Bill is not a project requiring development consent and therefore the various regulations which require environmental impact assessment do not apply.