The European Commission's <u>proposal for a Regulation on Nature Restoration</u> presents a huge opportunity to address the biodiversity and climate crises in a synergistic manner. Restoring ecosystems to bring back nature is crucial for human health and wellbeing, food security and increases our resilience against floods, droughts and other extreme weather events. In addition, restoring ecosystems such as peatlands, seagrass meadows, seminatural grasslands and forests can help to sequester millions of tons of carbon each year.

The members of the <u>European Habitats Forum</u> call upon the European Parliament and the Council of the EU to adopt the Nature Restoration Law (NRL) in a timely manner, to strengthen key aspects of the proposal to meet the urgency of the twin climate and biodiversity crises, and to ensure implementable and enforceable targets.

Building upon the expertise of the EHF members and complementing the papers of other coalitions (see e.g. this <u>overarching NGO analysis</u>), we highlight below the improvement needs for key aspects of the NRL proposal in a specific fact sheet.



Peatland restoration



The need for restoration

Peatlands occur in <u>almost all EU Member States</u>, with a concentration in North-western, Nordic and Eastern European countries, covering an area of approximately 350,000 km2, of which <u>more than 50% are degraded by drainage</u> and used for agriculture, forestry and peat extraction.

The EU is the second largest global emitter of greenhouse gases (GHG) from drained peatlands (230 Mt CO2eq/year = 15% of total global peatland emissions), which equates to approximately 7% of EU-27 total GHG emissions (3,601 Mt CO2eq/year in 2019). To reduce these emissions significantly and protect the remaining peat carbon stocks, restoring drained peatlands must entail rewetting (raising water levels to near the surface, e.g. by drain blocking or stopping pumping in polders).

Besides reducing GHG emissions, rewetting peatlands will prevent soil subsidence, eventual flooding, and saltwater intrusion in coastal areas. It will lower the risk of peat fires, soil erosion, and desertification. Peatlands further have a high proportion of specialised plant, amphibian and bird species that are rare and threatened on the European or even global level. As a result of habitat isolation and heterogeneity, peatlands play a special role in maintaining biodiversity at the genetic level.

The Commission proposal

Article 9(4)

"For organic soils in agricultural use constituting drained peatlands, Member States shall put in place restoration measures. Those measures shall be in place on at least:

- (a) 30 % of such areas by 2030, of which at least a quarter shall be rewetted;
- (b) 50 % of such areas by 2040, of which at least half shall be rewetted;
- (c) 70 % of such areas by 2050, of which at least half shall be rewetted.

Member States may put in place restoration measures, including rewetting, in areas of peat extraction sites and count those areas as contributing to achieving the respective targets referred to in the first subparagraph, points (a), (b) and (c).

In addition, Member States may put in place restoration measures to rewet organic soils that constitute drained peatlands under land uses other than agricultural use and peat extraction and count those rewetted areas as contributing, up to a maximum of 20%, to the achievement of the targets referred to in the first subparagraph, points (a), (b) and (c)."



Improvement needs

The target to restore drained peatlands under agricultural use beyond peatlands listed in Annex I of the Habitats Directive 92/43/EEC (Article 9 NRL proposal) is highly appreciated. Peatlands which have been drained and are currently used for agriculture, can become just as vital for water storage and climate change mitigation and adaptation as peatland habitats that are protected under the Habitats Directive. We welcome the recognition of the importance of peatlands for biodiversity and climate protection and the mention of

alternative modes of use such as paludiculture.

The targets of the NRL proposal focus strongly on agriculturally used peatlands, while many peatland-rich EU Member States use peatland areas predominantly for land use types other than agriculture (namely forestry or peat extraction). These other land use types are hardly covered by the proposal, which leaves the peatland-rich Nordic and Baltic countries with a rather small area target to restore peatlands compared to the other Member States, despite their large share of drained peatland areas.



As it stands, Article 9(4) thus creates an imbalance in the NRL's ambitions in light of the need for peatland restoration. Therefore, its scope should be extended to other types of land use.

The proposed Article 9(4) differentiates between restoration and rewetting. The overarching objective of the proposal is "to contribute to the continuous, long-term and sustained recovery of biodiverse and resilient nature [...] and to contribute to achieving Union climate mitigation and climate adaptation objectives and meet its international commitments". Due to the large emissions from drained peatlands, climate objectives require the full rewetting of peatlands.

Raising the water level only partially can lower GHG emissions and support biodiversity, nevertheless peat degradation and GHG emissions will continue. In order to stop peat decomposition, soil subsidence and CO2 emissions from peatlands, peatland restoration always requires full rewetting by raising the water level to near the surface.

Only through fully rewetting, peatland degradation can be stopped and the remaining peat carbon stock will be saved.



Recommendations

We therefore call upon EU decision-makers to ensure that:

- a) Rewetting is a prerequisite for peatland restoration. The separate rewetting target should be deleted and full rewetting should be a condition for all peatland restoration;
- b) The scope of the target is expanded to all non-residential land uses on drained peatlands. Restoring drained peatlands is crucial for biodiversity and climate, regardless of the type of use;
- c) The proposed **target percentages are increased significantly**. A higher ambition for drained peatland targets is needed for consistency across policies and to prevent drained peatland from remaining a huge source of carbon losses in the AFOLU (agriculture, forestry and land use) sector;
- d) A **mandatory monitoring** of peatlands restoration is set in Article 17 to monitor the long-term biodiversity and climate benefits of the restoration measures.

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