









The European Commission's proposal for a regulation on nature restoration – a potential game changer for Mediterranean wetlands

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Introduction

On 22 June 2022, the European Commission presented its proposal for the <u>new Regulation on nature restoration</u>, also called <u>Nature Restoration Law (NRL)</u>. It aims at contributing to the recovery of biodiverse and resilient nature across the EU's land and sea areas through the restoration of ecosystems, as well as contributing to the EU's objectives concerning climate change mitigation and adaptation.

The legal proposal for the NRL is a huge opportunity to bring nature back to Europe, benefiting biodiversity, climate and people. The restoration of ecosystems such as wetlands can help reduce emissions by sequestering and ensuring the storage of millions of tonnes of carbon each year. Nature restoration is our best insurance policy for climate adaptation, as it increases our resilience to droughts, floods and other extreme weather events. Consequently, it also contributes to long-term food security. Restoring and preserving nature can also bring many socio-economic benefits such as sustainable jobs, recreation opportunities and broader human health benefits. Therefore, nature restoration is undoubtedly one of the best investments we can make. The European Commission's impact assessment concluded that investing in nature restoration adds between €8 to €38 in economic value for each €1 spent, thanks to the diverse ecosystem services provided. For inland and coastal wetlands it is estimated that the monetised benefits from carbon storage alone already exceed the estimated costs of ecosystem restoration.

The legal proposal is therefore an important milestone to reverse the tide of both biodiversity loss and climate change, with the potential to make a real impact at the required scales if implemented in a timely and well-considered manner.

The present position paper is largely based on the joint position paper of BirdLife, ClientEarth, EEB and WWF, to which a Mediterranean wetlands perspective is added. In the Mediterranean Basin, one of the major global biodiversity and climate change hotspots, wetlands are disappearing at an alarming rate. Since 1970, around 50% of Mediterranean wetlands have disappeared. This is severely compromising the resilience of human populations, natural ecosystems and economies. Urgent actions to restore Mediterranean wetlands are needed, because conserving the remaining ones is no longer sufficient. Currently, at least 4,000 km² of Mediterranean wetlands are in urgent need of restoration or are already being restored to some extent. So far, only 3.73 km2 are reported as having been restored.

The NRL can be the necessary game changer for Mediterranean countries to increase nature restoration. The legal proposal clearly acknowledges and underlines the key importance of wetland restoration throughout its text, for example in relation to EU climate policies. Wetlands, including those in the Mediterranean region, need to be in good condition in order to be able to effectively capture and store carbon.

We call on the European Parliament and the Council to adopt the proposed NRL without delay and to strengthen it where needed, in line with the main points in the assessment below.

Overarching objective: effective and area-based restoration measures in place on at least 20% of the EU land and sea areas by 2030 - Art. 1

Good elements of the proposal:

• As with the EU Climate Law, a robust and clear overarching EU headline target (i.e. to put in place restoration measures on at least 20% of the EU's land and sea areas by 2030) is indispensable to mobilise Member State action at the required scale. It is also welcome that the overarching target encompasses individual, ecosystem-specific targets in the proposed regulation emphasising the co-benefits and the restoration of ecosystems towards the provision of multiple services. A numerical target, referring to the EU's land and sea area, creates the legal certainty that is necessary for speedy and effective implementation. The reference to effective and area-based restoration measures is important to highlight that only the area-based restoration measures mentioned in Art. 4, 5, 7 and 9(4) should be counted towards this objective. As the European Parliament already called for legally binding restoration targets to restore at least 30% of the EU's land and sea areas¹, the 20% area coverage is a minimum requirement and the ambition level should not be lowered.

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¹ 2020/2273(INI)

To be improved:

- Whilst the overarching objective is set at the EU level, it is crucial that each Member State contributes fairly to it. To ensure Member States can be held accountable for their contribution, information (including quantification) on the aggregated area-based restoration measures (i.e. total area) should be included in the national restoration plans (Art. 12(2)(a)), which need to be assessed by the Commission (Art. 14(2)).
- If no definition is provided under Art. 3 on which measures are 'area-based', an explicit reference to Art. 4, 5, 7 and 9(4) should be made in Art. 1(2) to ensure with certainty that only those area-based targets contribute to the overarching area-based objective.
- The wording should be changed from "20% of EU land and sea" to "20% of EU land and 20% of EU Sea" to avoid that Member States could "compensate" lack of marine restoration with terrestrial restoration.

Restoration of high quality nature, with time-bound area-based restoration targets -Art. 4, 5, 7 & 9(4)

Restoration of terrestrial, coastal, freshwater and marine ecosystems – Art. 4-5

Good elements of the proposal:

- The proposal includes time-bound targets for the restoration to high quality nature, based on the habitats for which the EU and its Member States have a particular responsibility (defined by the EU Habitats Directive as 'Annex 1 habitats'). Besides the obligation to restore habitats to good condition, there are also targets for habitat reestablishment and the restoration of habitats of species protected under the Birds and Habitats Directives. This includes several threatened habitats typical for Mediterranean wetlands such as coastal lagoons, salt meadows and river floodplain vegetation.
- The restoration measures need to take into account the need for improved connectivity. The proposal also contains a strong non-deterioration obligation.
- The marine habitats to be restored go beyond those covered under the Habitats Directive. Also, the restoration of habitats of species go beyond the species protected under the Birds and Habitats Directives. Many marine habitats in the Mediterranean region (e.g. seagrass beds) are an inherent part of larger wetland coastal ecosystems with a high biodiversity and carbon storage capacity.

To be improved:

- The ambition level of the targets is too low and the bulk of restoration action is postponed to 2040 and even 2050. This is not in line with the urgency of tackling the triple crisis of nature, climate and water in Europe and the Mediterranean region specifically. The percentage targets for the different milestones in Art. 4 and 5 should therefore be increased significantly. The timeline to reach 100% should also be brought forward.
- The establishment of a non-deterioration obligation is positive, but it should be clarified that the restored areas must be added to the protected area network via legislation, an administrative act or contractual means to ensure long-term non-deterioration. Otherwise, we risk having a lack of guaranties for non-deterioration in the absence of legal protection or any other contractual arrangements. Currently, 61% of Mediterranean wetlands are located in Natura 2000. The protection of restored Mediterranean wetlands should also be effectively guaranteed (not only on paper). In addition, safeguards are needed to ensure that (1) the exemption justifications for the non-fulfilment of the continuous improvement and non-deterioration obligations are not misused (e.g. for "human and energy security") and (2) the ongoing destruction of habitats are sufficiently mitigated by the mechanisms of the NRL (e.g. impact water extraction).
- The marine restoration targets are at risk of being unimplementable and empty in practice, because their restoration measures are too dependent on the ineffective procedures of the Common Fisheries Policy (CFP) for managing destructive fishing impacts. A safeguard mechanism should be added to ensure that Member States' failure to reach an agreement for a joint recommendation does not undermine restoration. Such a mechanism could, among others, set a time limit to the joint recommendations process (as laid in Art. 11 and 18 of the CFP) and/or empower the Commission to break the Member States' deadlock, if no timely agreement could be reached.

Restoration of the natural connectivity of rivers and natural functions of the related floodplains -Art. 7

Good elements of the proposal:

• It is positive and important that the legal proposal contains a separate Article on river restoration, obliging Member States to make an inventory of barriers to the longitudinal and lateral connectivity of rivers, to remove those barriers, and to restore the natural functions of the related floodplains. In the Mediterranean region, the <u>natural flow of rivers</u> has decreased by 20-60% (and even up to 80% in some areas) between 1960 and 2000. Dams constructed in recent years to compensate for water shortages have further reduced the natural flooding of wetlands downstream and have caused an increase in pollution.

Removing barriers on rivers strongly contributes to rewetting of degraded wetlands, e.g. as part of larger integrated river basin management.

To be improved:

- The proposal should contain legally binding, quantified and time-bound targets to remove barriers. Member States should be required to restore 15% of river length (178,000 km across the EU) into free-flowing rivers by 2030 through barrier removal and the restoration of related floodplains. The free-flowing status of rivers also needs to be safeguarded for the future in the context of creating and maintaining large, well-connected European river networks for vulnerable species and habitats.
- The current text addresses primarily obsolete barriers, which reduces the scope of the provision and should therefore be deleted. Instead, the prioritisation of barriers should be made at national or river basin level via a case-by-case assessment, taking into consideration the specific purpose of the barrier, the ecological benefits of removal and trade-offs with other sectors, as well as the need to ensure connectivity between marine and freshwater ecosystems.
- References to the possibility of using exemptions under the Water Framework Directive (WFD) and the Trans-European Transport Network (TEN-T) Regulation should be deleted to avoid the abusive use of derogations. Otherwise, restoration is likely to be implemented only at upstream sections of small rivers without restoration of lateral connectivity required for many species (e.g. migratory fish). Instead, the text should only recall the main purpose of the WFD, which is to bring the vast majority of EU water bodies to good status by 2027.

Restoration of peatlands under agricultural use -Art. 9(4)

Good elements of the proposal:

• The proposal contains quantified, time-bound targets for the restoration of peatlands under agricultural use. This is very important as drained peatlands account for 5% of the total EU greenhouse gas emissions and 25% of all agricultural emissions. The climate dimension of nature restoration has been a key element from the very start of the EU commitment to propose legally binding restoration targets. Already in the EU's Biodiversity Strategy for 2030, the Commission indicated that the law should particularly cover ecosystems with 'the most potential to capture and store carbon and to prevent and reduce the impact of natural disasters'. Peatlands must therefore be a core element of the Nature Restoration Law. Due to the generally arid climate, peatlands are typically small and scattered in the

Mediterranean region, but they should not be overlooked for nature conservation and restoration. Peatlands are present in the vast majority of Mediterranean countries and contribute disproportionately to regional biodiversity with several endemic species. They also play a significant role in storing and slowly releasing water. This reduces drought and flood risks in Mediterranean areas, which are already strongly impacted by climate change. These peatlands are increasingly threatened by the growing need for agricultural land and water resources. Several restoration efforts have already been initiated.

To be improved:

• The proposal for the restoration of drained peatlands should be expanded to include also other land uses beyond agricultural use, such as forestry. There must be a clear obligation to restore all degraded peatlands regardless of current land use, in addition to a clarification that all drained peatlands should be rewetted as this is needed to effectively restore peatlands. The restoration targets for peatlands should also be increased overall in relation to both timeframe and area.

Indicator-based restoration targets for the restoration of pollinators, agricultural and forest ecosystems -Art. 8, 9 & 10

Good elements of the proposal:

• The commitment from the Biodiversity Strategy to reverse the decline of pollinators by 2030 has been made legally binding. There are legal obligations to enhance and restore biodiversity in agricultural and forest ecosystems additional to Art. 4 measures, via indicator-based restoration targets. Member States should increase the trend of indicators like the grassland butterfly index, the common forest bird index, the organic carbon stock in cropland and forest soils, the share of forests with uneven age structure and forest connectivity. Restoration measures should also be put in place to ensure that the common farmland bird index at national level reaches quantified levels.

To be improved:

• For most of the indicator-based targets (Art. 9(2) and Art.10) there are no quantified, time-bound objectives defined. Member States only need to achieve an increasing trend at national level and can define their own satisfactory level to be achieved. A clear framework and guidance on the minimum requirements for Member States to define these satisfactory levels (e.g. by using reference levels) is needed and should be adopted in a timely manner under Art. 17(9). For example, the obligation to increase the share of agricultural land with high-diversity landscape features (e.g. small wetlands) should explicitly refer to the 2030

objective of the Biodiversity Strategy to cover at least 10% of the EU's agricultural area (with a breakdown at regional level) within the Article. Only referring to it in the assessment of the national restoration plans (Art. 14(2)) is not sufficient to ensure the proper achievement of this key target for agricultural ecosystems.

Implementation: national restoration plans - Art.11-16

Good elements of the proposal:

- The proposal sets out a comprehensive list of minimum content for Member States'
 National Restoration Plans, including amongst others the quantification of areas to be
 restored, the estimated financing needs and acknowledgement of harmful subsidies
 affecting the restoration targets and measures to ensure the non-deterioration of restored
 sites.
- We further welcome the Commission's assessment of National Restoration Plans, which according to the proposal should take into account both the Union-wide targets and those specific to the Member States (Art. 14(2)). To ensure that all Member States reach their targets, it is also positive that the Commission can request Member States to update their restoration plans in case of insufficient progress (Art. 15(3)).
- The proposal contains strong access to justice provisions, allowing for the legal standing of environmental NGOs and a broad subject matter for judicial claims.

To be improved:

- To ensure the full and effective participation of the public in the preparation of National Restoration Plans, Member States should ensure that the public is adequately informed on the outcomes of the different preparatory mapping and identification processes undertaken under Art. 11.
- Art. 11(11) also needs to be expanded, including by setting adequate consultation timelines and effectively informing the most relevant public stakeholders, to ensure compliance with Art. 7 of the Aarhus Convention.
- The timeline for the finalisation of National Restoration Plans should be shortened to two years overall, so that more time remains for the proper implementation of the plans to meet the 2030 targets.
- National Restoration Plans should (under Art. 12(2)(b)) include an explanation on how the
 restoration measures adopted are additional to those that Member States are already legally
 required to adopt under the existing environmental acquis (particularly the Birds, Habitats
 and Water Framework Directives). To ensure the additionality of restoration measures,

Member States should therefore be required to take their pre-existing obligations into account under Art. 11(7).

Financing

Good elements of the proposal:

• The obligation to include the estimated financing needs and sources for restoration measures in the National Restoration Plans is important to ensure that the plans are implementable. This will also prompt Member States to assess the budget implications of their own plans. In addition, the requested information on subsidies negatively affecting the achievement of the targets of the Regulation is welcome, as it will provide transparency and clear indications on the phasing-out of harmful subsidies.

To be improved:

• To ensure the seamless and effective implementation of the regulation, the legislative proposal should include an obligation for the Commission to assess existing EU funding support available for nature restoration and explore options to expand these to support nature restoration at the required scale and timeline, for example through the establishment of dedicated funding for nature restoration, pursuant to the mid-term review of the Multiannual Financial Framework.

For further information, please reach out to:

- Marianne Courouble, Policy Officer, The Mediterranean Wetlands Initiative (MedWet) (courouble@medwet.org)
- Dania Abdul Malak, Director ETC-UMA (<u>daniaabdulmalak@uma.es</u>)
- Szabolcs Nagy, Associated Expert, Wetlands International (<u>Szabolcs.Nagy@wetlands.org</u>)
- Sofie Ruysschaert, Nature Restoration Policy Officer, Birdlife Europe and Central Asia (sofie.ruysschaert@birdlife.org)