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COMMISSION STAFF WORKING DOCUMENT

EXECUTIVE SUMMARY OF THE EVALUATION

Of the EU Biodiversity Strategy to 2020

{SWD(2022) 284 final}

1. EU BIODIVERSITY STRATEGY TO 2020

The EU Biodiversity Strategy to 2020^1 (2011-20) provided a framework for the EU's biodiversity policy and for implementing its global commitments under the Convention on Biological Diversity.

It set out the following 2020 targets and horizontal measures:

Headline target: Halt the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restore them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss.

Target 1: Fully implement EU nature legislation

Target 2: Maintain and restore ecosystems and their services

Target 3: Increase the contribution of agriculture and forestry to biodiversity

Target 4: Ensure sustainable fisheries and healthy marine ecosystems

Target 5: Combat invasive alien species

Target 6: Help avert global biodiversity loss

Horizontal measures: Strengthen financing, partnerships and governance

2. AIM AND APPROACH OF THE EVALUATION

The purpose of this evaluation is to draw lessons that can help improve the design of future EU biodiversity policy instruments. To this end, the Commission assessed the strategy's effectiveness, efficiency, relevance, coherence and EU added value, using a set of evaluation questions² and drawing on an extensive literature review, stakeholder consultations and case studies carried out in 10 EU Member States³.

3. EVALUATION FINDINGS

Biodiversity is the foundation of human life and prosperity, essential in our efforts to combat climate change and adapt to its inevitable impacts. However, the EU and its Member States have not succeeded in halting and reversing biodiversity loss by 2020. Biodiversity, and the flow of benefits from healthy ecosystems, have continued to decline both in the EU^4 and globally⁵.

Many of the strategy's actions have been delivered thanks to efforts at the EU, national and local levels, and in line with EU legislation and policies in key sectors. As a result, some species' populations have recovered, vulnerable habitats and ecological connectivity have been restored locally, and advances have been made in knowledge and stakeholder engagement.

¹ Our life insurance, our natural capital: an EU biodiversity strategy to 2020 (COM(2011) 244 final).

² See <u>Evaluation Roadmap</u> on the Commission's Better Regulation portal.

³ Trinomics B.V. (2021) <u>Support to the evaluation of the EU Biodiversity Strategy to 2020</u>. Final study report.

⁴ European Environment Agency (2020) <u>State of Nature in the EU 2020</u>, European Environment Agency (2020) <u>European environment — state and outlook 2020.</u>

⁵ IPBES (2019) <u>Global Assessment Report on Biodiversity and Ecosystem Services</u> by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

New legislation is mobilising a coordinated EU response to the growing threat of invasive alien species. Together with its Member States, the EU has provided significant resources for global biodiversity.

Investment in green infrastructure and nature-based solutions has created high socioeconomic value in employment, natural capital regeneration and quality of life. However, the full potential of such benefits has not been realised, due to a limited implementation effort.

However, the evaluation found a number of significant challenges and gaps in implementation:

- *Funding* opportunities have increased in response to the biodiversity targets, but this increase has not reached the level needed to meet the financing needs and reverse biodiversity decline, and opportunities provided by EU instruments have not been taken up fully in EU countries.
- In the context of limited budgets and competing demands, biodiversity targets and support measures especially those of a *voluntary nature* have been *insufficiently prioritised and integrated* into policy and investment decisions; nor have there been robust mechanisms to track progress at EU level and ensure these measures are implemented.
- More *engagement by stakeholders* is necessary to develop common solutions, trust and ownership for implementation. The lack of a *clear framework of obligations* to ensure predictability and a level playing field has been seen by some stakeholders as an obstacle to engaging in implementation.
- **Data and knowledge gaps** remain on ecosystem condition and pressures, and knowledge of the value of natural capital has not been systematically integrated into policy and investment decisions.

As a result, progress on the ground has been uneven, and the impact of targeted efforts has been limited by continued pressures on biodiversity from human activities⁶. The impacts of EU production, consumption and trade on biodiversity remain high.

In conclusion, the framework provided by the strategy has helped raise ambition, coordinate action, integrate biodiversity objectives into other policy areas, and mobilise resources for biodiversity.

However, the strategy's targets and its range of instruments have not been comprehensive, targeted and powerful enough to:

- tackle the main pressures on biodiversity,
- encourage large-scale restoration efforts,
- prioritise sustainable land and sea use across economic sectors,
- ensure the deployment at scale of nature-based solutions,
- tap into synergies with other policy objectives (including on climate mitigation and adaptation),
- engage stakeholders in implementation.

The target of halting and reversing biodiversity loss has not been achieved - but it remains highly relevant to the EU's biodiversity, environmental and socio-economic needs.

⁶ In particular related to land take and land use intensification, the over-extraction of biological resources (such as timber and fish), pollution (such as pesticides and nutrients), and the increasing impacts of climate change and invasive alien species. See <u>EU Ecosystem assessment (JRC 2020)</u>.

4. LESSONS LEARNED AND FOLLOW UP

The EU Biodiversity Strategy for 2030⁷ was adopted in May 2020. It responded to the high environmental ambition set by the European Green Deal⁸, and drew on implementation experience⁹, exchanges with stakeholders and emerging findings from the evaluation. The following section summarises how key lessons derived from the evaluation of the strategy to 2020 have been reflected in the design of the new strategy, as well as in related follow-up actions.

Lesson 1. Effective implementation requires specific, measurable targets with clear definitions, set timelines and assigned responsibilities for implementation.

Clear, quantified and time-limited targets, including such set in key relevant EU instruments like the common fisheries policy, have helped to steer and accelerate progress to the 2020 EU biodiversity objectives.

Response – The strategy for 2030 lays out a comprehensive framework of measurable and time-bound commitments, with clearly indicated responsibilities, to protect, restore and sustainably manage biodiversity in the EU and support global biodiversity. It further sets related time-bound actions and clearly indicates the responsibilities for their implementation. This includes enabling measures to boost implementation and the necessary societal transformation, as well as a detailed agenda for external actions in support of global biodiversity. Its flagship initiative, a Commission proposal for a new EU Regulation on nature restoration¹⁰, aims to set concrete EU targets to restore degraded ecosystems.

Lesson 2. Well-designed measures for biodiversity protection, restoration and sustainable use can bring wider environmental and socio-economic benefits.

Evidence reviewed in the course of the evaluation indicates that the benefits flowing from healthy ecosystems far exceed the costs related to their protection, restoration and sustainable management, across all biodiversity targets. Better understanding of these benefits and of approaches to tap into synergies between policy objectives - for example, by deploying nature-based solutions - could have helped to mobilise more financing and support, while contributing to wider policy objectives. There is also a clear need to strengthen links between EU action for global biodiversity and for sustainable development to achieve the SDGs.

Response – the strategy for 2030 puts a strong emphasis on the potential for synergies between protecting and restoring biodiversity and wider environmental, social and economic objectives. The Commission's proposal for a new regulation on nature restoration aims to deliver benefits for biodiversity, climate mitigation and adaptation, disaster risk reduction, health and the provision of a range of further ecosystem services such as pollination and erosion protection. Furthermore, the Covid-19 pandemic raised awareness of the links between biodiversity and health, including the importance of access to nature for mental and physical health. The strategy envisages actions to strengthen these synergies, for example in the greening of urban ecosystems. It also aims to significantly reinforce an integrated

⁷ EU Biodiversity Strategy for 2030: bringing nature back into our lives (<u>COM(2020) 380 final</u>).

⁸ European Green Deal (<u>COM(2019) 640 final</u>).

⁹ Such as the Mid-term Review of the EU Biodiversity Strategy to 2020 (COM/2015/478 final), the State of Nature in the EU (EEA Report No 10/2020), the European environment — state and outlook 2020 (SOER 2020) and the EU Ecosystem Assessment.

¹⁰ Proposal for a Regulation of the European Parliament and of the Council on nature restoration (COM/2022/304 final).

approach to biodiversity and sustainable development in EU external action, as well as increasing coherence with internal EU policy developments.

Lesson 3. Action to halt and reverse biodiversity loss needs to cover the range of pressures on all main ecosystem types.

The evaluation found that the 2020 biodiversity targets and actions were not comprehensive in addressing all drivers of biodiversity loss across the range of ecosystem types, including key pressures such as land use changes, pollution or unsustainable maritime activities beyond overfishing.

Response – the strategy for 2030 outlines a plan to restore and sustainably manage Europe's ecosystems. For each ecosystem type, it sets targets and measures to minimise key pressures on biodiversity, and these have been mirrored in related policy initiatives, including the EU Farm to Fork Strategy, the EU Soil Strategy, the EU Forest Strategy and the EU Bioeconomy Strategy. They have also been taken into account in designing EU programmes and funding instruments under the 2021-27 multi-annual financial framework, which aims to ensure that EU investments 'do no significant harm', in line with the European Green Deal.

Lesson 4. A mixture of policy instruments is needed to deliver the biodiversity commitments.

The evaluation found that the Strategy had played an important role in providing a coherent and strategic EU level framework of targets to foster political commitment and coordinated implementation. Within it, some voluntary mechanisms and incentives worked well, either on their own or in support of existing EU legislation. However, voluntary instruments alone did not succeed in ensuring sufficient progress to the biodiversity targets. The evaluation revealed that a lack of specific binding targets often led to a failure to ensure appropriate action at different levels of governance, in particular for ecosystem restoration.

Response – the strategy for 2030 provides a coherent EU policy framework within which a range of policy instruments will help deliver its commitments. These include new legislation (where binding obligations are considered necessary – notably a Commission proposal for a Regulation on nature restoration), strengthened partnerships, guidance and financing, and voluntary instruments to incentivise economic actors and other stakeholders to act as required.

Lesson 5. A substantial increase in funding for biodiversity is necessary, with a robust tracking system.

The 2020 Strategy resulted in a significant increase in funding for biodiversity. However, it did not define clear biodiversity funding needs and targets, and was unable to ensure that the necessary funding was committed for all the action to be taken under the Strategy.

Response – the strategy for 2030 set out to meet the implementation funding needs from private and public funding at national and EU level. It indicates the scale of funding needed for its implementation and sets out measures to meet the funding needs, from private and public sources, at both EU and national level. This is matched by an increased funding ambition for biodiversity in the EU budget for 2021-27, which aims to invest 7.5% of the EU budget in support of biodiversity in 2024, and 10% in 2026 and 2027. Biodiversity objectives and measures are integrated across EU funding instruments, including in the Recovery and Resilience Facility. Developing binding restoration obligations will strengthen the legal basis for mobilising funding for restoration measures. Improved tracking methodologies for EU funding programmes are under development.

Public funding is essential to tackle the challenges of biodiversity loss, but private finance will also be necessary. As set out in the Strategy to Financing the Transition to a Sustainable Economy, a clear and robust EU sustainable finance framework can help channel private finance to support the transition to sustainability, including the EU biodiversity objectives.

Lesson 6. EU programmes and instruments should be biodiversity-proof to ensure no significant harm.

A methodological framework was developed for biodiversity-proofing the EU budget¹¹. However, its use in the national programming of EU funds has remained limited. The evaluation indicates that integration with sectoral policies has been the strongest at the level of broad policy objectives. However, the methodology for biodiversity proofing was not consistently applied at the national level to eliminate support measures that encourage unsustainable land and sea use practices.

Response – biodiversity-proofing frameworks are being improved and applied across specific sectors. The Commission has developed checklists of criteria to ensure that EU investments do no significant harm to biodiversity in line with the do no significant harm principle, for example in the context of the Recovery and Resilience Facility¹². Strengthened biodiversity proofing will help to minimise pressures on biodiversity and increase the contribution of sectoral policies to biodiversity objectives, both at the EU level and in the EU countries.

Lesson 7. A robust biodiversity governance framework is needed to ensure responsibility for implementation, enforcement, monitoring and review, stakeholder engagement and evidence from research and science-based policy-making.

Biodiversity governance was strengthened under the Strategy to 2020, yet the evaluation found weaknesses when it came to establishing a "whole of government approach", mobilising broad ownership and accountability for the delivery of the Strategy, ensuring adequate capacity and funding, as well as effective progress reporting and review.

Response – under the strategy for 2030, an enhanced governance framework is being set up including a transparent progress-tracking mechanism with public tools to monitor implementation of the actions and the delivery of the targets, and to enable regular progress reporting and review. In this new governance framework, research and science will be better connected with political decision-making through a new Science Service, funded by Horizon Europe, and a new Knowledge Centre for Biodiversity¹³. The monitoring and review mechanism will be further developed and aligned with other monitoring frameworks under EU legislation and policies, as well as the post-2020 global biodiversity framework. Coordination among EU and national actors, stakeholder engagement and the science-policy interface have been strengthened with the launch of the EU Biodiversity Platform¹⁴.

Lesson 8. Knowledge, awareness, capacities and skills are crucial for supporting action on biodiversity across all parts of society, sectors and levels.

The strategy to 2020 has helped to significantly improve the knowledge base on biodiversity and ecosystem services. Nevertheless, there are still significant gaps in knowledge on biodiversity and ecosystems, underlining the need for a robust biodiversity observation

¹¹ <u>Common Framework and Guidance Documents for Biodiversity proofing of the EU budget.</u>

¹² Commission Notice: Technical guidance on the application of 'do no significant harm' under the Recovery and Resilience Facility Regulation (2021/C 58/01).

¹³ Knowledge Centre for Biodiversity.

¹⁴ Commission Expert Group <u>EU Biodiversity Platform</u>.

network and more consistent ecosystem condition reporting. Further effort is also needed to ensure that available knowledge reaches decision-makers and that it informs policy decisions and the design of policy tools.

Response – the strategy for 2030 sets out actions to strengthen biodiversity monitoring and ecosystem condition assessment for a more robust knowledge base for biodiversity policy, and ensure this knowledge is available, taken up and used in designing and implementing biodiversity measures. Such actions include for example a Commission proposal on new modules for European environmental economic accounts¹⁵, the integrated forest monitoring system envisaged in the EU Forest Strategy for 2030, and Horizon Europe projects to strengthen biodiversity monitoring¹⁶.

The <u>Knowledge Centre for Biodiversity</u> will play a key role in this process. A range of initiatives will aim to ensure that actors across the board develop the knowledge, skills and attitudes to contribute to the green agenda, such as the Council Recommendation on Learning for Environmental Sustainability and the new European sustainability competence framework¹⁷.

Lesson 9. Biodiversity loss and climate change are interlinked and need to be tackled together.

Nature regulates the climate, and nature-based solutions, such as protecting and restoring wetlands, peatlands and coastal ecosystems, or sustainably managing marine areas, forests, grasslands and agricultural soils, are essential for emission reduction and climate adaptation. The evaluation concluded that the potential for deploying nature based solutions has not been sufficiently used to achieve synergies between improved ecosystem resilience and climate mitigation and adaptation.

Response – the strategy for 2030 sets out measures to support solutions that address both biodiversity and climate mitigation/adaptation, including the proposal for a regulation on nature restoration. Such solutions have also been integrated in key EU climate policy and legislative initiatives, including the EU Climate Adaptation Strategy, the revision of the Land Use, Land Use Change and Forestry Regulation and the Renewable Energy Directive.

Conclusion

As outlined above, the EU Biodiversity Strategy to 2020 did not succeed in putting in place a robust governance framework that could ensure urgent implementation efforts at scale, sufficient financing commitment as well as ownership and responsibility by all actors for delivering the biodiversity targets.

The EU Biodiversity Strategy for 2030 responds to these weaknesses. It provides a comprehensive EU framework with concrete, time-bound and measurable targets and a strong focus on win-win solutions for biodiversity, health, climate and development, as well as a range of policy instruments to ensure their delivery, with clearly assigned responsibility for implementation.

¹⁵ Commission proposal amending Regulation (EU) No 691/2011 as regards introducing new environmental economic accounts modules (COM/2022/329 final).

¹⁶ <u>https://europabon.org/, https://www.biodiversa.org/</u>

¹⁷ <u>https://education.ec.europa.eu/focus-topics/green-education/learning-for-environmental-sustainability</u>

Lessons learnt from the evaluation have also fed into key initiatives under the EU Biodiversity Strategy for 2030, in particular the EU proposal for binding EU nature restoration targets, the new EU biodiversity governance framework, EU guidance documents on different aspects of implementation as well as the programming of EU funding instruments.