

ROADMAP

Title of the initiative: **Communication on a new post-2010 EU biodiversity policy and strategy**

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Lead DG/contact person/details: ENV B.2

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Initial IA screening & planning of further work

A. Context and problem definition

(i) What is the political context of the initiative? (ii) How does this initiative relate to past and possible future initiatives, and to other EU policies?

Biodiversity is one of the four priority areas of the 6th Environmental Action Programme [EAP]. In 2001, the EU set itself the target to halt biodiversity loss in the EU by 2010. In 2002, it signed up to a global target (under the United Nations Convention on Biological Diversity [CBD]) of significantly reducing biodiversity loss worldwide by 2010. Efforts to tackle biodiversity loss were subsequently stepped up, and an EU Biodiversity Action Plan (so called BAP) was adopted by the Commission in 2006 to accelerate progress.

Despite the efforts to date, however, the EU has not achieved its target. A mid-term assessment report of the BAP carried out in 2008 (COM(2008) 864) which represented the last opportunity for stock-taking before 2010, presented a detailed picture of the state of implementation, highlighting the need for more action.

At its March 2009 meeting on the environment, the Council called for a new EU vision and target for biodiversity, building on and contributing to the international deliberations on a global vision for biodiversity beyond 2010 as part of an updated strategic plan to be adopted by the end of 2010 to implement the United Nations Convention on Biological Diversity (CBD).

Based on the Commission Communication "Options for an EU vision and target for biodiversity beyond 2010" (COM(2010) 4), the Council meeting on the environment agreed on 15 March 2010 on a new vision and target for biodiversity. The vision is that "by 2050 European Union biodiversity and the ecosystem services it provides -- its natural capital -- are protected, valued and appropriately restored for biodiversity's intrinsic value and for their essential contribution to human wellbeing and economic prosperity, and so that catastrophic changes caused by the loss of biodiversity are avoided." For this vision to be agreed, "a headline target of halting the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restoring them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss" was agreed. This forms the new policy framework for the development of a post-2010 biodiversity strategy at EU level.

To deliver on this biodiversity target, a new EU strategy is to be developed, taking into account and responding to international deliberations on a global vision for biodiversity beyond 2010 as part of an updated "Strategic Plan of Action" to be adopted at the next 10th Conference of the Parties of the CBD in October 2010. Given that the post-2010 EU target adopted does include a global component – the need to step up the EU contribution to averting global biodiversity loss – the new EU strategy will need to mirror this scope and address, inter alia, the protection of global biodiversity.

Given the cross-cutting nature of biodiversity as an issue, measures to be undertaken would generally fall within the framework of a number of existing policies on e.g. environment, agriculture, fisheries, transport, energy, regional development, climate change, development and cooperation.

What are the main problems identified?

Biodiversity – the variety of ecosystems, species and genes – is the world's natural capital. It is integral to sustainable development by providing vital goods and services (so called ecosystem services) such as carbon and water regulation or food provision. Human activities have caused widespread destruction and degradation of ecosystems, have accelerated species loss by about 100-1000 times the natural background rate, and have caused a decline in some two-thirds of the world's ecosystem services. An independent study on "The Economics of Ecosystems and Biodiversity" (TEEB) initiated by the Commission and Germany in the context of the G8 showed that the annual loss of ecosystem services worldwide is estimated equivalent to €50 billion, while by 2050 the cumulated welfare losses were estimated equivalent to 7% of GDP.

At EU level, conservation assessments of species and habitats show that, despite some successes, the overall situation has continued to deteriorate. The first large-scale assessment of Europe's most vulnerable habitats and species protected under the Habitats Directive ((COM(2009) 358) concluded that only 17% had a favourable conservation status.

Habitat destruction, fragmentation and degradation caused by land-use change, over-exploitation, unsustainable practices (e.g. overfishing), invasive species, pollution and, increasingly, climate change are the strongest pressures on biodiversity at EU and global level. The current rate of population growth and growing per capita consumption together with insufficiently developed market structures and institutions to allocate natural resources optimally are driving biodiversity loss, with resources being used up faster than they can be replaced.

Who is affected?

Biodiversity is vital for human survival and livelihoods through the goods and services it provides (millions in developing countries directly depend on local biodiversity for their food supplies).

Biodiversity underpins long term economic prosperity and social well-being. Many economic sectors and social groups depend on the sustainable use of biodiversity, many economic operators may have an impact on biodiversity and several EU policies have a direct bearing on biodiversity. Thus it is expected that this strategy will have an impact on citizens at large and in many sectors. All sectors depending on or impacting on the biodiversity resource base are directly affected – e.g. agriculture, forestry, fisheries, (extractive) industries, transport, energy, production and eco-innovation, regional development, spatial planning, tourism, pharmaceuticals, trade, development and cooperation.

Biodiversity loss has an important impact on employment. In the EU, decline in the viability of farming practices favourable to biodiversity led to the loss of some critical ecosystem services in rural areas and of fertile agricultural land, with land abandonment causing economic and social losses in rural communities in particular. In the marine environment the situation is similar for some fishing communities that have been severely affected by the depletion of fish stocks. These jobs are at risk if ecosystems continue to degrade.

Finally, Member States' administrations that would have to implement future policy would also be affected. If further legislation is adopted (e.g. on some of the specific pressures on biodiversity, for instance Invasive Species) impacts can be foreseen on the specific sectors mentioned above.

(i) Is EU action justified on grounds of subsidiarity? (ii) Why can the objectives of the proposed action not be achieved sufficiently by Member States (necessity test)? (iii) As a result of this, can objectives be better achieved by action by the Community (test of EU Value Added)?

Biodiversity ignores boundaries. A number of species are migratory; species, ecosystems and genes spread across boundaries. A number of pressures on biodiversity are trans-boundary by nature (eg invasive species or climate change). The principle of Community involvement in managing biodiversity is therefore well established. International agreements and EU legislation are already in place in a number of biodiversity-relevant areas. If not addressed at EU level, further loss of biodiversity and ecosystems may reach an irreversible state, putting EU well-being and sustainable development at risk.

At the same time, biodiversity occurs at the local level, is not evenly spread and trends differ from one region to another across the EU. The burden of tackling the challenge is therefore also spread unequally. This calls for a diversified policy toolbox catering for specific situations and differences: measures will in certain cases need to vary from Member State to Member State and within Member States from region to region. The challenge is in integration and coherent and co-ordinated programming.

B. Objectives of EU initiative

What are the main policy objectives?

The policy objective is in the first place to deliver on the EU post-2010 vision and target as agreed in March 2010. The target includes three main elements: a) halting the loss of biodiversity and the degradation of ecosystem services in the EU by 2020; b) restoring them in so far as feasible and c) stepping up the EU contribution to averting global biodiversity loss.

The second policy objective is to continue to play a leadership role on the global biodiversity debate.

Do the objectives imply developing EU policy in new areas or in areas of strategic importance?

Any measures to be undertaken would fall within the framework of existing policy and in some which are of strategic importance, e.g. environment, agriculture, fisheries, regional development, transport, energy, development cooperation, trade, research.

C. Options

(i) What are the policy options? (ii) What legislative or 'soft law' instruments could be considered? (iii) Would any legislative initiatives go beyond routine up-date of existing legislation?

The new EU Biodiversity Strategy will need to set out the actions that will deliver on the EU vision and 2020 biodiversity target and respond to commitments made on the targets to be agreed at global level. In line with requirements under the UN Convention on Biodiversity, the strategy will have to identify sub-targets on the basis of which action is to be undertaken. 20 sub-targets are currently being discussed at international level on which negotiations are ongoing (e.g. halt overfishing).

Three options are being considered:

1) Build upon the existing BAP (adopted in 2006), which comprises a list of over 150 actions, apportion responsibilities at EU and national level, follows an exclusively non-binding, voluntary approach, and simply update it to reflect new commitments made under recent policy development, in the context of the CBD deliberations and agreed global target and the newly agreed Biodiversity 2020 target at EU level.

2) Follow to the letter the CBD agreement in the making and translate it - once adopted - into a new EU strategy (including soft approaches or legal instruments as necessary) wherever compatible with the 2020 EU target.

3) Base the future strategy on pressures on biodiversity (such as over-exploitation; climate change; land use change/fragmentation; invasive species) at EU and global level and devise a strategy – which would be a mixture of soft approaches or legal instruments – to respond to these pressures and deliver on the 2020 EU target, while ensuring full compatibility with the CBD targets and agreement. Invasive species has already been identified by the Council as a potential candidate issue for regulatory action.

The emphasis could be placed on a set of sub-targets forming the linchpin of the strategy and mobilising political and other action, targeting the main biodiversity components or pressures exerted at EU level on biodiversity in order to ensure focus and more effective delivery. The analysis carried out to date suggests the need to restrict the number of sub-targets –. In addition,

more systemic coverage of all pressures and relevant cross-cutting issues (i.e. scientific knowledge/assessments, communications etc) would be ensured in the strategy per se. For each of the sub-targets, cost-effective measures will be proposed together with intermediate milestones to keep the strategy on course. These measures are likely to build upon relevant priority actions that have been identified at EU level and measures identified by the CBD.

All three options require the establishment of a robust biodiversity baseline (which was missing at the time of the establishment of the expired 2010 target of halting biodiversity loss). Such a biodiversity baseline will be finalised by June 2010 and launched in the context of Green Week. This is a precondition to ensure that any sub-targets set will be evidence-based and measurable.

Does the action proposed in the options cut across several policy areas or impact on action taken/planned by other Commission departments?

All activities depending on or impacting biodiversity loss are concerned – e.g. agriculture, fisheries, regional development, transport, energy, trade, development cooperation, external action, extractive industries, tourism. All policies linked to pressures on biodiversity loss would need to be tackled. The strong link between biodiversity and climate change - biodiversity and resilient ecosystems are our life insurance against climate change, providing a 'natural fix' for mitigating and adapting to its consequences – would need to be further addressed.

Explain how the options respect the proportionality principle.

The different options may be a combination of voluntary approaches (eg exchanges of good practices on Green Infrastructure), market based instruments (eg increased payments for ecosystem services), approaches based on the integration of biodiversity aspects into other policies (eg Common Fisheries Policy, Common Agricultural Policy, Regional and Cohesion Policy, Research and TD), enhanced implementation of existing legislation (eg Habitats and Birds Directive) and the development of new regulatory provisions (eg Invasive Species). The Strategy will of course build on the acquis and existing policies and be fully coherent with international commitments. This combination of policy instruments will provide a high level of flexibility which will allow ensuring that the proportionality principle will be respected.

D. Initial assessment of impacts

What are the significant impacts likely to result from each policy option (cf. list of impacts in the Impact Assessment Guidelines pages 32-37), even if these impacts would materialise only after subsequent Commission initiatives.

The negative economic, social and environmental impacts from biodiversity loss are very significant. As highlighted above, the annual loss of ecosystem services worldwide is estimated to €50 billion, while by 2050 the cumulated welfare losses were estimated equivalent to 7% of global consumption¹.

All three options can therefore potentially bring about significant and sustainable economic, social and environmental benefits, if achieved. While it is clear that all options would have an impact on sectors depending on biodiversity or impacting it and policies have a direct or indirect bearing on biodiversity, it is too early to provide a detailed account of costs entailed as these will largely depend on the nature of accompanying measures underpinning the strategy.

As an illustration, Invasive Species, a major pressure on biodiversity, will be considered as a component of the future strategy. The cost of an initiative on Invasive Species will depend on the type of approach retained. Four options are being examined for the time being (Business as usual; maximising the use of existing legal instruments together with voluntary measures; adapting existing legislation; and developing a comprehensive EU legal instrument and dedicated structure). Each of the options would entail different costs as they would not imply

¹ TEEB (2008)- Interim report to COP 9 of CBD

similar requirements in terms of tighter administrative controls; monitoring or eradication programmes. For the Invasive Species component only, implementation costs could range from € 0 (business as usual); to between €1 and €6 million/year onwards (comprehensive legal instrument with dedicated structure) for more ambitious options. This would have to be measured against the current cost of Invasive Species on our economies (an initial estimate assessed annual IS-related costs in Europe at between EUR 9,600 million and EUR 12,700 million per year).

More generally, the first option outlined would entail continuing with the existing approach with which Member States are familiar but which does not allow for a prioritisation of the large number of actions, relies almost exclusively on a voluntary approach, and requires a significant reporting effort. The second option, if mirroring the likely outcome of the international negotiations, would be lighter but also likely to be more general and not necessarily responding to key pressures on biodiversity. The third option would embed prioritisation of the efforts to be made to reach the headline target in 2020 and identify action that is most likely to deliver the desired results (thus potentially generating higher initial implementation costs but greater benefits when implemented).

Could the options have impacts on the EU-Budget (above 5 Mio €) and/or should the IA also serve as the ex-ante evaluation, required by the Financial Regulation?

It is too early to give exact figures for the Strategy package and thus answer the question of the impact on the EU budget. It is also too early to assess if the funding of new measures could be addressed within the existing funds which are available already for biodiversity protection or whether additional funding would be needed in the future. In the context of the impact assessment, the potential for further appropriate measures/provisions in policies with important budgetary envelopes (in particular agriculture, fisheries, cohesion) to the abatement of pressures on biodiversity will also be examined.

Could the options have significant impacts on (i) simplification, (ii) administrative burden or on (iii) relations with third countries?

This initiative will not result in a simplification of the 'acquis' or a reduction of administrative burden.

It is likely to have impacts on our relations to third countries as one of the objectives of the initiative is to improve also global biodiversity, that is contributing to biodiversity protection in these countries; and it may also require specific, third-country-relevant measures to achieve particular sub-targets (eg under Invasive Species, a reinforcement of controls at the EU external borders with regard to the import of species which may constitute a risk; while ensuring WTO compatibility).

E. Planning of further impact assessment work

When will the impact assessment work start?

The work on the Impact Assessment has already started.

(i) What information and data are already available? (ii) Will this impact assessment build on already existing impact assessment work or evaluations carried out? (iii) What further information needs to be gathered? (iv) How will this be done (e.g. internally or by an external contractor) and by when?

(v) What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Communication on "Options for an EU vision and target for biodiversity beyond 2010" (COM(2010) 4) highlighted a number of relevant assessments and studies available at EU and global level (in particular on the current status and trends of biodiversity in Europe; and on driving forces causing biodiversity loss) and committed to additional assessments to be produced ahead of the adoption of the new biodiversity strategy.

The following studies and assessments are available to prepare the staff working document:

- Study on the Value of Biodiversity (2006)

This study brings together EU examples where biodiversity loss or the modification/loss of habitats has led to the loss/degradation of ecosystem services, and consequently to economic costs and/or social losses.

- EC Conservation status assessment (2009)

A first ever assessment of the conservation status of habitats and species protected under the EU's Habitats Directive, according to Article 17 of the directive, has been carried out as the first exercise of the regular six-yearly progress reporting.

- The EU Biodiversity Action Plan mid-term assessment (2008)

The mid-term assessment of the EU Biodiversity Action Plan, as already referred to under 'Latest developments on the 2010 target' was published in 2008.

- Studies on the Cost of policy inaction - The case of not meeting the 2010 biodiversity target (2008) and (2009)

These reports present the results of an analysis of the costs of the loss of biodiversity and ecosystem services from forests and other ecosystems.

- The Economics of Ecosystems and Biodiversity (TEEB) reports (2008, 2009)

These are the Interim Report from a global independent study addressing the value of biodiversity and Ecosystem services and the D1 report for Policy makers.

- EEA report on Europe's biological diversity (2009)

The European Environment Agency (EEA) in 2009 produced the 'Progress towards the European 2010 biodiversity target', a composite report on status and trends of European biodiversity based on other existing species-related information, and strongly built on the assessment of SEBI 2010 indicators.

- Statements of latest European Red Data lists (2009)

Following the 2004 global assessment of threatened species, based on EC request, the International Union for Conservation of Nature (IUCN) recently carried out an Europe-scaled survey of certain group of animals in order to assess their status and their threatenedness.

- Millennium Ecosystem Assessment (2005)

The Millennium Ecosystem Assessment is a worldwide assessment of the consequences of ecosystem change for human well-being from 2001 to 2005.

- DAISIE, Delivering Alien Species Inventory for Europe- research project which created a pan-European inventory of alien species

- ALARM, Assessing large scale environmental risks on biodiversity - Integrated Project supported under the 6th RTD Framework programme focuses on risks consequent on climate change, biological invasions, environmental chemicals, rates and extent of pollinator loss and socio-economic aspects in the context of current and future European land use.

The following commissioned studies and major assessments will be finished during the current year and will serve as crucial input for the development of the strategy:

- Commission contract on the Costs and Benefits Assessment of Measurement/Monitoring Systems of Progress towards an EU Post-2010 Biodiversity Target –Summer 2010, it should identify the costs of different options for measuring the current status of biodiversity in EU and tracking changes for the post 2010 biodiversity policy framework. This analysis will look at the trade-of between costs and accuracy.

- Commission contract on Policy options for a future EU biodiversity strategy- September/October 2010, should set out the strengths and weaknesses of the current biodiversity policy and based on this, and on the analysis of the drivers of biodiversity loss and ecosystem degradation, set out options for the future biodiversity policy to achieve different targets.

- Commission contract to support continued development of EU strategy to combat invasive species- A follow up report was launched to support the preparation of the impact assessment to underpin the EU strategy on invasive species, especially in relation to costs and benefits of key administrative measures required for implementation of the future strategy.

- Baseline of the state of biodiversity in Europe to be established by the EEA in June 2010 which should provide factual data and analysis on the state of biodiversity in the EU to support the development of a post-2010 strategy; and related indicators to measure and monitor progress and achievement from 2011 to 2020. It should aggregate the best possible available data on the status of EU biodiversity – in all its components (species, genes, ecosystems and ecosystem services).

- The Economics of Ecosystem and Biodiversity (TEEB) - The TEEB study is a major independent international initiative launched in the context of the G8 to draw attention to the global economic benefits of biodiversity, to highlight the growing cost of biodiversity loss and ecosystem degradation. After a Biodiversity/Climate Issue Paper released in September 2009, the Report for Policy makers released in November 2009, a Report for businesses is to be released in July 2010, a Report for Local Administrators in September 2010 and subsequently at CBD COP 10 in Nagoya in October 2010, and finally a quantitative analysis will be also presented.

A final assessment of the Biodiversity Action Plan (BAP) with and update of the SEBI (Streamlining European Biodiversity Indicators) in October 2010

Which stakeholders & experts have been/will be consulted, how and at what stage?

Intensive consultations with stakeholders on the development of a post-2010 biodiversity policy have taken place over the past year. A high-level stakeholder conference organised by the Commission in Athens on 26 and 27 April 2009 was a milestone in the consultation process. The resulting 'Message from Athens' underlined the need for a post-2010 target and put suggestions forward. A follow-up Ministerial and stakeholder conference was organised in Madrid in January 2010.

Four more meetings with Member States and stakeholders will be convened in 2010 to discuss the strategy per se. Additionally a stakeholder consultation during the Green Week (June 2010) as well as a wider 8 week-long internet-based consultation will be carried out later on in the year following the procedures established for public consultations in the Impact Assessment guidelines. Finally, ad hoc consultations on specific potential components of the strategy (e.g. on Invasive Species, Green Infrastructure) are also foreseen.