

The EU Recovery Funds: time to start properly investing in biodiversity and nature conservation

Joint position paper on mainstreaming biodiversity conservation and nature based solutions in the EU Recovery Plans

The state of nature is in crisis. A recent European Environmental Agency (EEA) report¹ reveals that 81 per cent of habitats in Europe are in ‘poor condition’, and without swift action this dire situation will only become worse. We need systemic and wide-reaching reforms and investments to address biodiversity and nature conservation before it is too late.

The European Union’s flagship recovery instrument, the Recovery and Resilience Facility (RRF), is the most concrete answer to such a crisis. Worth EUR 672 billion, this emergency fund offers a golden opportunity to invest in transformative green projects and reforms.

If planned correctly, the allocation of these funds today will create path dependencies and set in motion the ecological transformation of our economies, delivering the key climate, energy and biodiversity objectives that form the backbone of the European Green Deal. The following key points need to be addressed in order to use this recovery as an opportunity to address biodiversity loss and nature conservation, before it is too late.

1. Increase financial allocations for biodiversity spending within the Recovery Plans.

The RRF regulation stipulates that each national plan must allocate at least 37 per cent of expenditures for supporting climate objectives² – including biodiversity actions³. The ecological transition as a whole depends on a stable mix of measures that target climate change, biodiversity restoration and energy use/efficiency and production. In order to implement these measures, RRFs must meet the target of at least 37 per cent for climate spending, and this amount must be allocated for projects that encompass all dimensions of the ecological transition. Yet despite the abundance of funding opportunities for biodiversity and nature conservation, draft recovery and resilience plans (RRFs) are currently failing to achieve anywhere near the figure needed to finance the necessary improvements to strengthen biodiversity measures. For example, the latest Bulgarian RRF draft outlines just 0.72 per cent for biodiversity from their Green pillar, even less spending than the previous draft. This is extremely concerning given the precarious state of Bulgarian forests, rivers and iconic species. Based on our assessment of the German RRF – the strongest economy in the EU – not a single measure addressing biodiversity has been identified. In other

¹ https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1920

² https://ec.europa.eu/info/sites/info/files/document_travail_service_part1_v2_en.pdf

³ https://ec.europa.eu/info/sites/info/files/document_travail_service_part1_v2_en.pdf

cases, draft plans not only fail to provide measures to safeguard biodiversity and nature protection, but also include investments in harmful and destructive projects. Just one example is the Latvian RRP, which calls for the removal of ‘unproductive’ forest stands. So called ‘unproductive’ forests are in many cases habitats of the utmost European importance. Yet there have been no guarantees provided that this measure will not destroy or negatively affect these habitats. In Poland, the RRP includes adopting the special Act on anti-drought investments, which is very far from nature-based solutions and contains new rules on building water facilities that would undermine the protection of Poland's biodiversity and water resources.. Overall, such proposals fall completely short of the objectives of the RRF, and do nothing to contribute to a green recovery as envisioned by the Commission.

2. Target key reforms and investments through the RRF in order to achieve the upscaling objectives of the Biodiversity Strategy for 2030.

The Commission’s objectives outlined in the Biodiversity Strategy for 2030 require a significant increase of EUR 20 billion a year in biodiversity spending in the next decade. The 2021-2027 EU budget also sets milestones to increase biodiversity spending to 7.5 per cent by 2024, followed by 10 per cent by 2026. The RRF represents a major opportunity to achieve this by providing immediate funds to trigger the required reforms and investments. This reform dimension must be utilised to lay the groundwork for the next decade, providing capacity building and improved management for a wide variety of future projects implemented by separate funding streams. The RRF should focus on providing investments that cannot be funded by other funds, such as for the restoration of nature and degraded land. It should also fund the establishment and use of nature-based green infrastructure, which the EU already actively promotes through the management of a network of natural areas that deliver a wide range of ecosystem services⁴. This would enable a green economy, provide job opportunities and enhance biodiversity. Such a focus differs from funding streams such as the European Regional Development Fund, which instead focuses on managing protected areas and sustainable activities. Coherence and complementarity between multiple EU funding streams will enable a multifaceted approach for delivering on the biodiversity objectives. The key focus of the RRF should be to make immediate allocations for investments that build capacity and ensure better management for future large projects; only in this way will the EU make the most of its budget.

3. Invest in biodiversity to help deliver a swift economic recovery.

Biodiversity conservation will not only benefit the environment and climate, but it will also deliver a series of economic benefits to ensure economic growth, job creation, and better health and human welfare, in turn delivering a green and

⁴ https://ec.europa.eu/environment/nature/ecosystems/index_en.htm

sustainable recovery throughout the Union. According to the Commission⁵, investments in climate adaptation – which constitute biodiversity investments – would generate up to 500,000 jobs by 2050⁶. Furthermore, every EUR 1 billion invested in the management of Natura 2000⁷ sites already generates 30,000 jobs both directly and indirectly⁸. The overall ratio of benefits of protecting nature globally compared to the cost of inaction is estimated to be at least 100 to 1⁹. Biodiversity investments will also be key for reducing the spread of diseases, preventing further pandemics and improving overall human health.¹⁰ The economic cost of the current pandemic has been unprecedented, and measures to reduce this from being repeated should be seen as a priority.

4. Allow biodiversity needs to be factored into the ecological transition.

Restoration activities are some of the most effective climate mitigation and adaptation measures, and more attention must be placed on this. Forests, for example, absorb one-third of annual carbon emissions and mitigate against climate change. Thus, they should be protected from destruction, but also restored where they have been lost.

Simply increasing the amount of money allocated for biodiversity within the recovery funds is not the only solution. There is also an evident need for better implementation, as highlighted by the alarming number of ongoing infringement procedures at the national level (the Habitats and Birds Directives, Water Framework Directive and Environmental Liability Directive / Nature and Habitats Directives.) The Natura 2000 network is a concrete example of this implementation failure. Most of the sites are not adequately managed or properly protected, mainly due to a chronic lack of stable funding. The RRF can and should address this by providing increasing funding and resources, improving the administrative and regulatory framework to allow more efficient action for biodiversity that profits the European citizen

5. Ensure the application of a comprehensive, transparent and green assessment methodology.

Member States need to ensure that all projects and activities financed by the RRF are fully compliant with EU and national environmental laws. Therefore, a thorough, comprehensive and transparent environmental assessment in the form of a Strategic

⁵ COM(2020) 380 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1590574123338&uri=CELEX:52020DC0380>
⁶https://ieep.eu/uploads/articles/attachments/0ab6a23f-d51b-4cce-8e4d-4ac04d16fc4e/Natura_2000_and_Jobs_-_Main_report.pdf?v=63664510033

⁷ Member States' Prioritised Action Frameworks 2020; Mutafoglu et al. (2017), Natura 2000 and Jobs: [Scoping Study](#)

⁸ Member States' Prioritised Action Frameworks 2020; Mutafoglu et al. (2017), Natura 2000 and Jobs: [Scoping Study](#)

⁹ Hepburn et al. (2020), Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?, Smith School Working Paper 20-02.

¹⁰ Van Langevelde, F., Rivera Mendoza, H.R. et al. The link between biodiversity loss and the increasing spread of zoonotic diseases, document for the ENVI committee, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg, 2020.

Environmental Assessment (SEA) must be carried out for all projects and plans financed by the RRF.

In addition, Member States must still prove that no significant harm to the environment is done during the implementation of each project, as stated in the Do No Significant Harm (DNSH) criteria. However, for climate change and biodiversity loss, there is a clear difference between no negative impact and positive impact. Measures that fulfil the DNSH requirement should not by default be deemed positive. The Commission should therefore scrutinise and outline the steps they've undertaken to ensure the projects being financed actually contribute to climate and environmental action. Only then should they be accounted for within the 37 per cent earmarked for climate objectives.

6. Allow greater involvement and participation by civil society during the planning and implementation stages of the RRF.

Speaking during a plenary session in March on the RRF, Executive Vice President of the European Commission Valdis Dombrovskis emphasised that a successful recovery necessitates a strong and active civil society guided by the partnership principle. Civil society organisations will ensure that proper needs assessments and ambition gaps are addressed during the planning stages. During the later implementation stages, civil society and stakeholders, especially environmental NGOs, must also play a key role as watchdogs, monitoring the process and raising concerns when EU environmental acquis are breached. This should be acknowledged and further developed through the RRF, as in many cases it is civil society that is responsible for raising cases of illegal activities in Member States.

In addition, CSOs' technical expertise should be fully utilised. As beneficiaries of the RRFs, they should be given the opportunity to provide technical assistance, such as organising independent monitoring or evaluations of the plans' implementation over time. Ensuring the direct involvement of these experts would allow for improved monitoring and collecting of data, data analysis, problem solving, and local community organising, as well as conservation site management.

The above list is a concise, non-exhaustive overview of how the recovery can and should be used as the impetus to finally address biodiversity loss and nature restoration. In the context of the Environment Council on 18 March, when environmental ministers will exchange views on the Recovery and Resilience Plans, the following civil society organisations strongly urge you to ensure biodiversity and nature conservation are a key part of the recovery. Further information, compiled by the Green 10 (July 2020), including an extensive list of projects that we believe should not be financed, can be found [here](#).

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