How to fund the Trans-European Nature Network (TEN-N)

Common Agricultural Policy





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The Common Agriculture Policy

The Common Agricultural Policy (CAP) is the main funding source for agriculture in the EU, taking up a third of the EU budget. CAP is supported from two funds: the European Agricultural Guarantee Fund (EAGF) providing direct support and funding market measures and the European Agricultural Fund for Rural Development (EAFRD) financing rural development. Payments are planned and managed at national level by each EU country through national CAP Strategic Plans.

The CAP (through EAFRD and EAGF) pursues ten objectives during the 2023 to 2027 period, which all relate to three overarching objectives of EU agricultural policy. Within the specific objectives, there are three relevant for environment and climate, including objective (f) to contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes. National Strategic Plans must present the country's needs for each specific objective and the interventions that address these needs. The plans should demonstrate higher environment and climate ambitions than in the previous programming period and take into account objectives and targets of key EU laws on climate change, energy, water, air, biodiversity and pesticides as part of the Green Deal strategies.

^[1] https://www.investopedia.com/terms/s/subsidy.asp

^[2] https://files.wri.org/d8/s3fs-public/2021-08/repurposing-agricultural-subsidies-restore-degraded-farmland-grow-rural-prosperity_3.pdf

Assessment of Common Agriculture Policy subsidies

Who can apply for CAP funding?

- Active farmers who must demonstrate a minimum level of agricultural activity and meet the definition of active farmer.
- ✓ Agri-environment-climate payments can go to active farmers and other beneficiaries (as defined by Member States);
- ✓ Natura 2000 payments can be granted to farmers, forest holders or other land managers in Natura 2000 sites (such as NGOs);
- ✓ Investments can go to beneficiaries such as agricultural enterprises or local authorities, as defined by Member States.

What types of support does the CAP provide?

The CAP can support

- Ongoing management/conservation on farmland (e.g. permanent grasslands)
- Transition to different farming systems (e.g. organic, agroforestry)
- Forest management
- Restoration small and large scale
- Natura 2000 sites conservation and restoration
- Investments for scientific studies and inventories; preparation of management plans, strategies and schemes; one-off surveying costs
- Pilot projects developing innovative approaches to improve support for Natura 2000 farming systems and build farmer expertise, engagement, acceptance, and cooperation (via the EIP-AGRI Operational Groups)
- Compensation for farming in areas of natural constraints or Natura 2000 due to restrictions
- Training and advice for farmers and knowledge exchange
- Local partnerships and awareness raising (provision of information and publicity materials through LEADER groups)

The CAP cannot support

- Network planning costs.
- Organisations with running costs or regular administrative costs → the CAP cannot fund planning, administrative, monitoring and reporting activities of government agencies or authorities, nor does it provide funding for protected area management.
- Pilot projects and research projects that do not involve farmers → usually more suitable for LIFE and Horizon Europe, respectively.
- Marine and freshwater measures → more appropriately funded through EMFAF and LIFE.
- Trans-national or transboundary cooperation → Interreg is more appropriate.

Types of CAP intervention

(as laid out in the CAP Strategic Plans Regulation (EU) 2021/2115)

Conditionality: CAP payments are conditional on meeting certain requirements. **Conditionality** is not a support mechanism but sets minimum conditions that farmland must meet to be eligible for CAP support. The rules include Statutory Management Requirements (SMRs) which reflect obligations from EU legislation that apply at the farm level (including compliance with the conservation measures and restrictions outlined for Natura 2000 sites); and Good Agricultural and Environmental Conditions (GAECs) which set minimum standards for land, water, soil, biodiversity. SMRs and GAECs are conditions for area payments.

Income support: the CAP provides basic income support and additional support for young farmers, payments coupled to specific crops or livestock, and payments for areas of natural constraint. This maintains a basic level of income for all farmers including those whose low intensity farming face difficult economic conditions.

Eco-schemes: voluntary annual commitment to relatively simple actions for the climate, environment, animal welfare, and combatting antimicrobial resistance. Ambition level must go beyond the baseline requirements and obligations set by the enhanced conditionality standards (Good Agricultural and Environmental Conditions, GAECs), but schemes are designed to be accessible to most or all farmers.

Environment-climate programmes (agri-environment): multi-year (usually five year) commitments to specific activities and management approaches (or to achieving results defined by annually measured indicators). Agri-environment payments can compensate for income foregone or lost revenue, due to the change in practice.

Investments: split into productive (e.g. irrigation, animal housing, renewable energy) or nonproductive (e.g. restoration and conservation management); on-farm investments and off-farm investments (e.g. investments in villages).

Natura 2000 payments: annual per hectare compensation payments to farmers and foresters for the additional costs and income foregone due to the restrictions set by Natura 2000 site management plans or other rules. The specific required or restricted actions that are used to calculate the payment are defined differently in countries and regions.

Cooperation and innovation: promote and support quality schemes and their use by farmers; support producer groups, producer organisations or interbranch organisations; prepare and implement smart-village strategies; and other forms of cooperation. Operational groups under the agricultural innovation programme (EIP-AGRI) can be supported to implement pilot projects to stimulate innovation and improve the exchange of knowledge, better linking research and farming practice.

Community-led Local Development (LEADER): Community led local development approach, in which farmers, rural businesses, local organisations, public authorities and individuals from different sectors team up to form local action groups. At least 5% of EAFRD funding must go to LEADER Local Action Groups (as part of the cooperation intervention). These groups can set their own priorities, but some choose to work with local protected areas and environmental groups.

Advice and training, knowledge exchange and information: All Member States are required to have a Farm Advisory Service which must provide all farmers with advice on how to follow the agricultural and environmental conditionality requirements. In addition, CAP Strategic Plans can support farmer trainings, knowledge exchange and peer-to-peer learning between farmers, and any costs of exchange and dissemination of knowledge and information.



Opportunities for funding measures for the Trans-European Nature Network (TEN-N) through the CAP

This section assesses the opportunities for financing protected area designation, management, and network extension measures through the CAP funds. The table below matches the types of costs with the available sources of funding according to the CAP regulations (see Useful resources section of this factsheet for the full regulations). The types of costs are further explained in the annex to this factsheet.

Types of measures eligible for CAP funding (see annex for explanation)		Eco-scheme (EAGF)	ENVCLIM (agri- environment) (EAFRD)	INVEST (EAFRD)	Cooperation (EAFRD)	Natura2000 payment (EAFRD)
Network planning costs	Administrative Spatial planning Biogeographical network planning Monitoring and reporting of the protected area network	×	×	×	×	×
Protected area establishment costs	Site/corridor designation and management planning	×	×	×.	×	×
	Administrative	X	\times	\times	X	X
	Remaining knowledge gaps and research needs	×	X	\checkmark	\checkmark	X
	One-off establishment actions	\times	\times	X	\checkmark	×
	Compensation	\times	\sim	X	\times	X
	Land purchase	\times	×	×.	×	X
Management costs	Site (cluster) administration	\times	X	X	\times	X
	Compliance checking and enforcement	X	X	X	×	×
	Monitoring and reporting	X	X	X	X	X
	Maintenance and ongoing restoration measures for species and habitats	\checkmark	\checkmark	\checkmark	×	\checkmark
	Additional green infrastructure measures (outside protected areas)	\sim	\checkmark	\checkmark	×	\checkmark
	Protected Area infrastructure maintenance	\times	\times	\checkmark	\times	×
Communication and awareness raising costs	Natura 2000- related communication and awareness raising measures, education and visitor access	×	×	\checkmark	\checkmark	×
	Best practice exchange	X	×	\checkmark	\sim	X

* a few CAP Strategic Plans may have made this action eligible

What activities can the CAP fund?

The CAP is the key funding instrument for supporting both **on-going nature-friendly management** of farmland and forests that already form ecological corridors as well as to **recreate and restore habitats or landscape features or species habitats** on farmland where they have been lost and **where they are needed to bridge spaces between protected areas.**

The CAP can contribute to the creation and management of an ecological network of protected areas through the following actions:

1. Network planning and site and corridor designation and protection



CAP non-productive investments can include opportunities to fund management planning for Natura 2000 and other protected areas that contain farmland, - if the national CAP Strategic Plan does not rule out such funding. CAP may also fund communication with landowners and other stakeholders, and one-off habitat surveys to fill knowledge gaps.

Land purchase is rarely an eligible investment in CAP Strategic Plans, but a few plans give scope to local authorities to purchase land for measures to prevent flooding or coastal erosion.

The Natura 2000 payment provides a compensation for restrictions on agricultural or forestry activities in Natura 2000 areas, and so can at least partly compensate landowners for the income foregone from site designation.

2. Restoration and maintenance of habitats and species in protected area(s)



CAP eco-schemes, agri-environment schemes, and non-productive investments are the most important funding available to support the maintenance or restoration of the conservation status of habitats and species on farmland, including farmland birds, pollinators and other insects, wetland habitats and species. Some schemes are targeted towards improving the conservation status of certain species and habitats. Natura 2000 payments support nature-friendly farming in the sites by compensating for restrictions. Some schemes include eradication of invasive alien species.

Some Member State CAP strategic plans include opportunities for local or regional authorities or protected areas to access non-productive investments for larger scale restoration actions, such as removing or moving banks or dams along waterways to restore flood plains, the restoration of natural hydro-morphological water regimes e.g. on peatland, and the removal of non-native forestry plantations and the planting of diverse, native, locally-adapted forests and woody features.

3. Creation of new connecting landscape elements and protection of existing elements



CAP eco-schemes, agri-environment schemes, and non-productive investments can support the creation of new ecologically valuable farmland habitats such as field margins and buffer strips, new hedges and woodlots, areas of agroforestry, and rewetted peatlands. Agri-environment schemes can fund the transition of farming systems from arable to grassland, to organic, rewetting of peat soils, and restoration of habitat features.

The CAP provides some protection of existing landscape elements through the Good Agricultural and Environmental Condition (GAEC) rules.

- Most important for ecological connectivity is the GAEC 8 rule which requires farmers to keep existing landscape features on their land and not disturb them (e.g. by hedge cutting) during the bird breeding season. Since 2024 it also required farmers with over 10 ha of land to set aside at least 4% of their arable land to non-productive areas, either fallow or sown to seed mixes for wildlife or with landscape features. Pesticides and fertilisers cannot be used on these areas. Many of these areas were already set aside by farmers as ecological focus areas under the previous CAP. However, from 2025, Regulation (EU) 2024/1468 now allows farmers to not set aside the non-productive area, so this additional ecological network may be lost.
- GAEC 2 on protection of wetland and peatland requires the mapping of all carbon rich soil areas to be protected and then have management restrictions (e.g. on ploughing and drainage) from 2024 or 2025. Agricultural activities may be maintained, e.g. paludiculture or grazing.

Natura 2000 payments can be used to compensate for management restrictions in areas outside the Natura 2000 network which contribute to the ecological coherence of the Natura 2000 network, generally linear habitats, or patches of habitat. This option is available to private forest owners in Latvia and Estonia and to farmers in Castilla-la-Mancha and Extremadura in Spain in ecological coherence areas.

CAP support schemes for habitat creation may be designed and targeted at farmers within defined areas or zones with particular habitats or geographies or with certain farming systems. In most schemes however the farmer is most often free to decide where on the farm to place the new habitat. In some cases, the cooperation measure and/or farmer advisors have a role to play in steering farmer actions to the most ecologically beneficial actions and locations, thereby allowing the creation of an ecological network between neighbouring farms and within catchments or landscapes.

4. Maintenance and management of the area in a sustainable way by defining and implementing targeted conservation measures



CAP eco-schemes and agri-environment schemes are the most important funding available to support the maintenance of the conservation status of habitats and species on farmland, including farmland birds, pollinators and other insects, wetland habitats and species. In many CAP Strategic Plans, there are either tailored agrienvironment schemes for farmers within Natura 2000 sites, or a higher payment rate for farmers within sites compared to outside. Agri-environment schemes can fund low intensity and diverse farming systems, agroforestry, paludiculture on rewetted peat soils, management for species requirements (such as delayed mowing and special mowing techniques or no cutting or harvesting of areas where birds are nesting). Agrienvironment payments can compensate for income foregone due to the change in practice compared to an average income from the farming system targeted for the change. Eco-schemes can support organic farming, agroforestry, extensification, field margins, grazing and mowing amongst other actions.

Some Member State CAP strategic plans provide some level of support to livestock owners to guard against damage and loss from large carnivores, by funding investments in fencing, shepherding, dogs etc, as well as for measures on training, advice and cooperation between rural actors aimed at ensuring coexistence (Berce 2024). Some use national funds for this purpose. However, the Alpine Convention working group point out that some countries and regions do not provide adequate support (Berce 2024). Agri-environment payments may be used to compensate farmers for damage to their crops or beehives or fields from wildlife of conservation concern (ducks and geese, bee-eaters, beavers).

Non-productive investments and agri-environment schemes are available in most countries for invasive alien species management and eradication.



5. Training, knowledge exchange, innovation, cooperation and partnerships



The CAP can support training events for capacity-building and best practice exchange between farmers, and between farmers and experts and/or environmental organisations and/or protected areas.

EIP-AGRI operational group pilot projects can develop innovative approaches to improve support for Natura 2000 farming systems and build farmer expertise, engagement, acceptance, and cooperation.

Investments are often available for starting green agricultural businesses in or around Natura 2000 sites and other protected areas. Investments may also be available for equipment and infrastructure for public use in natural areas: visitor centres, information offices, signposting, access and trails, etc.

Some LEADER Local Action groups choose to build partnerships and carry out awareness raising and dialogues between local farmers and protected areas and/or environmental groups, for example to promote nature-friendly local production systems and products.

The CAP and landscape features

Landscape features are extremely important for maintaining biodiversity in agricultural landscapes. They include buffer strips, hedgerows, field margins, fallow, tree rows, small wetlands and ponds, patches, terraces and stone walls, and other non-productive areas.

The farmed landscape has a large role to play in conserving and restoring biodiversity levels across Europe. Toward this objective, the EU <u>Biodiversity Strategy</u> for 2030 set a target for 10% of agricultural land to incorporate high-diversity landscape features (HDLFs). The EU <u>Nature Restoration Regulation</u> Article 11 requires Member States to put in place measures which shall aim to achieve an increasing trend at national level of at least two of the three indicators, one of them being the share of agricultural land with high-diversity landscape features.

The CAP Strategic Plans are a key tool to achieve these objectives and to promote improved maintenance, restoration and creation of landscape features in agricultural landscapes. This can be achieved via conditionality (the GAEC 8 rule) and additional funding within eco-schemes under Pillar 1 and EAFRD-funded agri-environment-climate measures under Pillar 2 targeting landscape features. Eco-scheme support for biodiversity should include support for non-productive areas and for the establishment of landscape features (Article 31.4e).

One challenge is that some Member States do not have comprehensive mapping of the landscape features on farmland, and any unmapped features are not properly protected by the GAEC 8 standard as they do not get included in the CAP payments system spatial database (IACS3). There are also large differences between what different Member States include or exclude from the scope of GAEC 8 and what they map in IACS. For example, until recently only a very limited number of Member States included field margins.

There is hope that these measures under the new green CAP architecture together with the binding obligations in the EU nature restoration law will contribute to addressing long-standing barriers to wider use of landscape features such as limited information and awareness about the environmental importance of landscape features by farmers, fear of potential loss of income, costly maintenance and fear of yield loss (Czúcz et al 2022). There is still an important need for Member States to invest in surveying and mapping landscape features and incorporating them in the CAP payments system spatial database (IACS).



Important considerations for TEN-N

- The bulk of CAP funding still goes disproportionately to the most productive and most intensive farms, which are in most cases also a significant barrier to ecological connectivity, as intensively managed farmland is unable to support as much biodiversity as extensively farmed land.
- Provides limited direct opportunities for organisations that are not recognised as active farmers or their associations, such as common market organisations or cooperatives. Although biodiversity protection is one of its specific objectives, CAP is an agricultural fund designed for farmers and foresters to maintain production and its main objective is not nature protection and restoration. It is planned and implemented by agricultural ministries, agencies, and organisations (such as chambers of agriculture), with environment ministries and agencies sometimes co-managing part of the agri-environment programme.
- Local authorities tend to have little involvement in planning or distributing agricultural funding, except for LEADER and some EIP-AGRI pilot projects.
- Funding most overcome persistent barriers to nature-friendly farming economic (good practices are not financially viable), technical (farmers often lack sufficient knowledge and expertise in certain practices, guidance, training and peer support in national language not available), cultural (fear of the unknown), and legal/administrative (complex administrative rules, outdated IT systems that cannot manage more complex schemes).
- The largest part of CAP funding goes to farmer income support and investments in production. Assessment of previous CAP programmes show that biodiversity continued to decline despite the availability of CAP funding. The European Court of Auditors (2020) concluded that the CAP has not been delivering for biodiversity; scientists conclude that billions of CAP subsidies are misspent and do not support the CAP's stated social or environmental goals (Scown et al 2020).
- CAP funding is voluntary for farmers and most schemes are available to all eligible farmers and do not require cooperation or region-specific objectives. Some agrienvironment schemes are regionally targeted or targeted at specific habitat types or land uses, but farmer uptake is still voluntary.



Strengths for TEN-N

- Large budget both EAGF and EAFRD.
 Prescribed ringfencing for environment and climate in each national plan: EAGF - at least 25% of budget for direct payments must go to eco-schemes, which should make a key contribution to reaching the Green Deal targets on climate, environment, animal welfare and antimicrobial resistance. EAFRD - 30% of funding must go to climate and environment commitments, principally through the obligatory agri-environment programme.
- Eco-scheme support for biodiversity should include support for non-productive areas and for the establishment of landscape features (Article 31.4e). Eco-schemes can also support the creation of temporary or rotating habitat areas on intensive farmland, such as fallow patches, multi-annual low intensity legumes, and field margins or buffer strips.
- Agri-environment programme provides tailored schemes targeted at specific areas, habitats and activities and provides some compensation for income foregone. Schemes can fund the restoration and recreation of landscape features in field margins, uncultivated areas on farms, tracks, riverbanks and many other beneficial practices.
- Knowledge exchange (peer-to-peer learning) and training promotes sharing of best practices and profiles leaders and increases ecological knowledge.
- Cooperation supports neighbouring farmers to coordinate their on-farm actions and create ecological networks at landscape level. EIP-AGRI operational groups promote innovative pilot projects to test new approaches.
- Strategic Plans can be reviewed every year to reflect new legislative commitments (e.g. from the EU nature restoration law) and to learn from evaluations of scheme performance.

Limitations for TEN-N

- The CAP has the potential of delivering real impact for ecological connectivity on farmland, but several issues limit this potential:
- CAP support is available for actions that can undermine ecological connectivity by creating new barriers to wildlife – such as irrigated areas, forest roads, renewable energy installations, water reservoirs and dams, afforestation. There are no specific requirements to prevent CAP spending harming ecological connectivity other than any environmental impact assessment requirements for bigger projects set in national law.
- · Initial assessments of the new eco-schemes suggest that their potential has been largely missed with reasons including: too many options given to farmers, unambitious design, insufficient advice and knowledge exchange support, insufficient and unmotivating funding and small target area, not complementary with longer-term agri-environmental interventions in Pillar II, legal and administrative hurdles making it unattractive for farmers to take up new schemes (e.g. restrictions on conversion of arable to permanent grassland) (Midler et al 2023; Runge et al 2022). Farmers are free to discontinue or engage in schemes at the start of each year. A year is not necessarily enough to incentivise farmers to continue with the supported practice.
- Insufficient link to European Green Deal targets and objectives in the national strategic plans making it more difficult to link CAP interventions to the EU's environmental objectives (Chartier et al 2023). Tracking of biodiversity spending within CAP has been unreliable (European Court of Auditors 2020).
- There are issues with the lack of proper implementation, control and sanctions or penalties for non-compliance concerning all CAP interventions.

Slovakia - Whole farm eco-scheme

What is funded?

On arable land, farmers are supported to set aside non-productive areas and to sow part of the non-productive areas with pollinator-friendly seed mixes on a minimum of 1% in 2023, increasing by 0.2% each year until 2027. Farmers in protected areas (Natura 2000 sites) must follow stricter conditions by setting aside 3.5% of their land. Farmers with arable fields larger than 50 ha outside protected areas (or 20 ha within a protected area) must split the field by creating a biostrip with a minimum width of 12 m. Farmers are recommended to place them along the contour of the slope. No interventions are allowed on the set aside areas and on permanent grassland from the beginning of April until the end of June (or July in higher altitudes), allowing birds to nest and insects to reproduce. On permanent grassland, mowing can be done up to two times from that date. In permanent crops (vineyards, orchards, etc.), the scheme requires year-round ground cover. No pesticides are allowed, and there are requirements to apply manure, compost or straw and to use cover crops or intercrops.

Who benefits?

All active farmers who are eligible for direct hectare subsidies under the CAP. Preliminary figures issued by the Agriculture Ministry of Slovakia in June 2023 showed that more than half of the eligible farmers had signed up to the scheme (8 809 out of 16 468 farms). The Ministry expects the eco-scheme to cover at least 70% of the total eligible farmland. The scheme has a very substantial budget (€513 million) and is available to farmers on 87% of Slovakia's farmland. The payment rate is higher for arable land within Natura 2000 areas.

How does the scheme support protected areas and ecological connectivity?

The eco-scheme does not directly address ecological connectivity as it is a single farm approach. However, it addresses Slovakia's severe decline of pollinators and birds on farmland by creating non-productive elements which help restore the ecological network in arable areas. For example, the agriculture cooperative Blatné has included around 80 hectares of land in the eco-scheme and created around 30 bio strips. The chief agronomist of the cooperative stated that the benefits of the scheme were quickly reflected in the numbers of farmland birds found during surveys.

In 2024, Slovakian farmers have been required to set aside 4% of their productive land without compensation under the obligatory standard GAEC8. This requirement has now been removed under Regulation (EU) 2024/1468. The overall effect of the eco-scheme may be reduced in 2025 as there will be only 1% non-productive area per farm instead of a total of 5% (eco-scheme plus GAEC), unless the payment rate and/or conditions of the scheme are revised.

Sources: Eco-scheme 31.1 in Slovakia CAP Strategic Plan available at: <u>https://www.mpsr.sk/europska-komisia-schvalila-slovensky-strategicky-plan-spolocnej-polnohospodarskej-politiky-na-roky-2023-2027/462---18431/</u>

Euractiv article Jun 24, 2023. Autor: Marián Koreň. Available at: <u>https://www.euractiv.com/section/politics/news/first-year-of-eus-cap-reforms-created-unprecedented-space-for-nature-in-slovakia/</u>

Germany – Agri-environment schemes and cooperation for biodiversity

What is funded?

The cooperative biodiversity measure supports several land managers to work together with accompanying internal or external project management to implement coordinated and targeted biodiversity measures.

There are sub-schemes for nature-conservation oriented grassland management and grazing (including a results-based option), conservation-oriented arable use (including extensive crops and practices, sown strips and margins, fallow, tolerance of damage by wild animals); extensive management of permanent crops; a sub-scheme for landscape structures, and cooperative measures. All sub-schemes require no use of pesticides and fertilisers.

The sub-scheme for conservation through adapted use and maintenance of existing or newly created landscape structures is aimed at tall stem orchards, rows of trees, hedges, and other habitats on farmland. The orchard support is for high and half height fruit and nut trees with tree densities of usually 100 trees per hectare.

Who benefits?

The cooperative biodiversity measure and the sub-schemes are offered in all the German federal states that have CAP agri-environment programmes, but with regional differences in the specifications. Generally, any farmer with the required grassland or arable land can apply to one of the sub-schemes, but eligibility conditions may vary slightly in the different federal states. The cooperative measure must be applied for by a group of farmers.

How do the schemes support protected areas and ecological connectivity?

The support for cooperative biodiversity measures allows the implementation of particularly sustainable and site-adapted biodiversity measures on agricultural land that contribute to the protection of biodiversity, to the improvement of ecosystem services and to the conservation of habitats and landscapes. It allows the coordinated implementation of an ecological network in a farming landscape.

The sub-schemes for grassland and arable support the extensification of management practices, creating areas of farmland that offer better habitat to animals and plants feeding there and moving in and out of them. The sub-scheme for landscape structures supports the maintenance of the remaining tall stem orchards and their grasslands and associated features such as hedges, a very important extensively used habitat for animals and plants in Germany's farmland landscapes.

Source: GAP-Strategieplan für die Bundesrepublik Deutschland El-0105 — Management commitments to improve biodiversity. Available at: <u>https://www.bmel.de/DE/themen/landwirtschaft/eu-agrarpolitik-und-foerderung/gap/gap-strategieplan.html</u>

Belgium (Flanders) – Non-productive investments in Natura 2000 and in areas with high nature values

What is funded?

Studies and investments in management and conservation actions and measures needed for the realisation of conservation objectives in Natura 2000 sites, particularly the restoration of natural hydrology and rewetting. Funding priorities are selected by the Flemish nature agency based on a nature development project feasibility study. Funded actions might include: tree planting, excavation or reprofiling of land, cutting and removal of invasive alien species, grazing, mowing, coppice or hedge or forest edge management, sod cutting, pruning, fence installation or removal, digging or clearing ditches, protecting wildlife. The purchase of machinery, land, or animals cannot be funded.

Who benefits?

Private landowners within Natura 2000 or local authorities who manage Natura 2000 areas are invited to submit applications in response to a call, which are ranked by the selection committee. The Flemish Land Agency (VLM) may also benefit directly.

How does the scheme support protected areas and ecological connectivity?

The scheme funds restoration and one-off management activities in Natura 2000 sites, including the restoration of habitats, species habitats, and ecological connectivity. The local authorities who manage Natura 2000 sites and the VLM have the possibility to coordinate and incentivise applications for investments in targeted areas where ecological connectivity is most needed.

Sources: Intervention INVEST 3.27 in Flanders CAP Strategic Plan available at: <u>https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans/belgium-flanders_en</u>

Ireland - ACRES co-operation programme

What is funded?

The scheme provides a tailored approach to support habitat enhancement by Irish farmers. Each farmer applies for the scheme through an approved farm advisor. The advisor scores the farm for its habitat quality together with the farmer, using the recommended actions and quality thresholds defined for that farm habitat type (peatland, grassland, rough grazing, scrub/woodland). The score from these assessments is used to calculate the farm's habitat payments. The higher the quality of the farm the greater the payment, with a cap of a maximum of €7 000 per year per farm. Scores are based on the number or abundance of positive indicator species and taken off for negative features such as piles of rubbish or other materials or erosion patches or gaps in hedges or walls. Farmers are encouraged to apply for non-productive investment support and landscape actions to repair, restore or replace landscape features such as stone walls, ditches, trees, hedges, and wetlands, or remove invasive alien species, or restore fencing, drinking places, gates, etc. to allow more efficient grazing and animal care.

The programme combines CAP support under the agri-environment programme, the cooperation measure, and non-productive investment. The programme funds the project team, habitat surveying and farm advice, annual habitat quality payments to farmers, and community engagement. It is linked to funding for non-productive investments in restoration and maintenance.

Who benefits?

ACRES Co-operation is available to individual farmers and farmers on common land in eight cooperation zones which cover the High Nature Value farmland area of Ireland, with a high proportion of semi-natural vegetation, farmland in Natura 2000, and priority water catchments with high water quality. Around 9 000 farmers are currently signed up to the scheme and it offers these farmers personalised monitoring and consulting to help and support them in their chosen options for biodiversity on farmland. Each co-operation area is run by a project team and has developed a Local Area Plan that specifies its approach to addressing environmental and conservation challenges within the region. Co-operation Project team advisors have been trained to support farmers to select and deliver the most suitable action in the right place and incentivise improvements.

How does the scheme support protected areas and ecological connectivity?

The scheme is improving farmland habitat quality, restoring landscape features such as the traditional dry-stone walls, restoring wetlands and peatlands, and reducing wildfire risk across the co-operation area. The Local Action Plans and scorecards are designed to meet the conservation objectives of the Natura 2000 sites and the species protection objectives within each conservation area, with a focus on priority species and habitats such as Hen Harrier, Corncrake, Curlew, and peat habitat. It is hoped that participation in the scheme will enable the continuation of the traditional farming practices that maintain the High Nature Value farmland, avoiding both intensification and farm abandonment, and thereby avoiding fragmentation.

Annex II: What are the financial costs associated with the TEN-N?

The creation and management of a coherent TEN-N in line with the EU Biodiversity Strategy to 2030 requires the following actions from the national and regional authorities:

- **Designate the relevant areas as protected**, in order to contribute to the 30% protected areas and the 10% strict protection targets.
- Restore the relevant areas to contribute to the 20% restoration target of EU's land and sea by 2030, in order to improve the habitat condition and delivery of ecosystem services.
- Create new connecting landscape elements to physically or functionally connect existing elements.
- Maintain and manage the protected areas in a sustainable way by defining and implementing targeted conservation measures, which may allow various types of low-impact land uses.
- Financial and technical support to the development of the network.

Meeting these objectives involves the following costs:

Network Planning Costs

One time or recurring costs associated with planning for or updating a comprehensive and wellconnected network of protected areas.

- Spatial **mapping and planning:** mapping and modelling to identify priority areas (GIS mapping of habitat and species occurrences, land use, mapping of barriers and corridors), site identification information, IT infrastructure, training and capacity building.
- **Habitat and species surveys**: surveys to map habitat condition and species distribution, identify restoration priority areas and potential habitat recreation areas.
- **Biogeographical network planning:** exchange and joint planning (e.g. meetings, travel to neighbouring countries, information sharing).
- Administrative: staff, overheads, training, as part of the network planning exercise.
- Stakeholder engagement: costs associated with organising meetings with landowners and other potentially affected stakeholders.
- Monitoring and reporting of the protected area network

Protected Area Establishment Costs

One-time or recurring costs associated with planning for placement, levels of protection and designation of additional protected areas and corridors.

- **Site/corridor designation and management planning**: definition of sites (habitat surveys, precise boundary definition, land parcel data, species and habitat data), designation, legal protection, management planning, impact assessment and permit issuing.
- Administrative: staff and salaries, trainings, overheads or office acquisitions, planning and coordination with other management teams in cross-border protected areas.
- Remaining knowledge gaps and research needs: additional surveys and research, engaging external expertise, modelling of ecological changes under climate scenarios, social impacts, capacity building.

- One-off establishment actions: time and tools (incl. machinery) for:
- **Defragmentation measures**: removing roads, river barriers, building green bridges.
- **Infrastructure:** Water management infrastructure, fire management infrastructure, construction of infrastructure necessary for management and visitors.
- Landscape restoration: e.g., fencing, removing or moving dykes, engineering works, earth moving, removing non-native trees, replanting, recreating floodplains.
- Creation of corridors and connectivity/defragmentation features: infrastructure or restoration actions e.g., green bridges, creation of green infrastructure features along water courses or transport networks for biodiversity.
- **Compensation**: establishment of alternative income-generating activities, short-term compensation, stewardship contracts with landowners.
- Land purchase: e.g. buy outs, land swaps.

Management Costs

Fixed and variable, recurring annual or one-off costs of site management and day-to-day activities.

- Site (-cluster) administration: staff and salaries, trainings, overheads, coordination with other management teams in cross-border protected areas, renewal of stewardship contracts with landowners.
- Compliance checking and enforcement: equipment, data, staff.
- **Impact assessment and permits:** assessments of development projects, control and issue of permits or licenses for activities or developments.
- Surveillance, monitoring and reporting: at scale of site and surroundings e.g. corridors. Species and habitat monitoring. Surveillance of invasive species, animal and plant diseases or pests, etc. Wildfire surveillance.
- Maintenance and ongoing restoration measures for species and habitats, incl. tools and machinery.
- Additional green infrastructure measures outside the protected area: maintenance and ongoing restoration measures for species and habitats in corridors, buffer zones, stepping-stone habitat patches etc.
- Protected area infrastructure maintenance: access (roads, paths), visitor facilities observation hides, visitor centres, parking and other facilities, wildfire prevention and management.

Communication and Awareness Raising Costs

- Protected area-related communication and awareness raising measures, education and visitor access: general communication and awareness-raising measures, education, access to visitors, etc.
- Best practice exchange between protected area managers and between land managers of ecological corridors.

Annex III: Useful resources

Resources

- European Commission webpage with the CAP Strategic Plans
 <u>https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en</u>
- The EU CAP Network is the European Commission's platform for information, advice and knowledge sharing about the CAP and agriculture and rural policy in the EU.
- EU CAP Network: https://eu-cap-network.ec.europa.eu/about/eu-cap-network_en
- EIP-AGRI: <u>https://eu-cap-network.ec.europa.eu/support/innovation-knowledge-exchange-eip-agri_en</u>
- LEADER: <u>https://eu-cap-network.ec.europa.eu/networking/leader_en</u>

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Regulations

The CAP in 2023 to 2027 is governed by regulations, delegated acts and implementing acts including:

- Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013.
- Regulation (EU) 2021/2116 on the financing, management and monitoring of the common agricultural policy.
- Regulation (EU) 2024/1468 amending Regulations (EU) 2021/2115 and (EU) 2021/2116 as regards good agricultural and environmental condition standards, schemes for climate, environment and animal welfare, amendment of the CAP Strategic Plans, review of the CAP Strategic Plans and exemptions from controls and penalties.

How to fund the Trans-European Nature Network (TEN-N)

Common Agricultural Policy



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