

Policy Options for an EU No Net Loss Initiative

Graham Tucker, IEEP

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NNL Summit: Mitigation including offsets in the EU









The NNL policy options study

Aim & scope

- To support the Commission in Action 7b on proposing by 2015 an initiative to ensure there is NNL of ecosystems and their services
- Assessed pressures on biodiversity and current effectiveness and potential for existing EU policies to contribute to the NNL objective.
- Identified a set of EU options for achieving the NNL target, following the mitigation hierarchy, but the focus was on offsets and related measures to address residual impacts.
- Policy option impacts assessed in relation to effectiveness, efficiency and coherence with other EU policies.



The NNL challenge

- Wide range of significant pressures (especially from agriculture, forestry and fisheries) likely to continue.
- EU legislation includes measures to avoid and reduce impacts, but some are not well implemented.
- EU legislation includes measures for offsetting residual impacts under the Birds and Habitats Directives, but not for most biodiversity outside Natura sites.
- Most Member States do not require offsetting of biodiversity outside Natura sites.

Achieving NNL will therefore require a policy framework that covers <u>all sectors</u> and improves the implementation of existing policies AND includes new carefully designed and regulated policy measures for mandatory offsetting.



1: Strengthen measures to avoid and reduce impacts

- Improve implementation of Birds and Habitats Directives, especially application of Appropriate Assessment, including to forestry and agriculture.
- Improve application of EIA (as revised) to agriculture and forestry.
- Use CAP funds and regulations to better protect biodiversity.
- Ensure biodiversity proofing of all EU funds.
- Improve strategic spatial planning, eg for Green Infrastructure requirements, and adopt proposed Marine Spatial Planning Directive.



2: Strengthen offsetting under existing instruments

- Improve implementation of Habitats Directive Art 6(4) compensatory measures, e.g. through:
 - Commission opinions to enforce NNL;
 - stronger like-for-like rules;
 - improved guidance and
 - more detailed and transparent monitoring and reporting.
- Strengthen the Environmental Liability Directive contribution to NNL objectives by increasing the scope of the biodiversity and ecosystem services damages to which it applies.



3: New strongly regulated mandatory offsetting

Taking into account **risks** of reduced protection and offset failure, introduce new **mandatory** offsetting for all sectors **IF** the provisions are sufficiently well designed and robust to ensure that it will be adequately:

- regulated according to clear principles and standards that are compatible with international best practice;
- monitored by competent environmental authorities, with clear enforcement measures triggered if the offset does not comply with agreed standards and achieve NNL as a minimum; and
- supported and administered through appropriate governance procedures and adequately resourced institutions.





To provide feedback please contact Graham Tucker GTucker@ieep.eu

The report on 'Policy options for an EU No Net Loss initiative' for the European Commission is available on the DG Environment No Net loss Webpage at http://ec.europa.eu/environment/nature/biodiversity/nnl/index_en.htm

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