## 18. Agroforestry and the EU Nature Restoration Regulation

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EURAF is an NGO, based in Montpellier and Brussels (Transparency Register ID of <u>913270437706-82</u>). It aims "to promote the adoption of agroforestry practices across Europe by supporting efforts to develop awareness, education, research, policy making and investments which foster the use of trees on farms". It has a network of 31 affiliated entities in 23 countries.

Briefing #18 (v3) reviews implications for agroforestry of the final text of the Nature Restoration Regulation (NRR) published on 24.6.24 (Reg 2024/1991). EURAF continues to welcome the NRR, but we noted six problems in version 1 of this Briefing and added two more in version 2. Both briefings were circulated to relevant MEPs. In the final text of the NRR three of these issues were resolved: A) clarification that productive trees are included as part of "high diversity landscape features", B) an invitation for Member States to develop improved methods to monitor landscape features by August 2025, and C) permission for eligible landscape features to include management practices like mowing or grazing if needed for biodiversity improvement. Two were <u>partially resolved</u>: D) recognition that Mediterranean states must do everything possible to use nature based solutions to mitigate wildfires, but, unfortunately they must still use "standing dead biomass" and "lying dead biomass" as indicators of forest biodiversity - despite the role of these factors in propagating fires, and E) increased mention of trees in the context of the EU 3 billion trees initiative. Three recommendations were not acted on: F) the adjective "high-diversity" continues to describe landscape features despite the metric being identical to ordinary "landscape features" monitored in CAP legislation, G) no use is made of the CAP tree-planting and maintenance metric "Result Indicator 17", and H) no mention is made of open data, including the EU INSPIRE or REFIT Directives or the OpenData4All initiative.



Box I: Harvesting acorns to feed swine, from the Queen Mary Psalter, British Library - EURAF welcomes revision of the NRR to confirm that agroforestry, and lines or small-groups of trees, are included as "high-diversity landscape features" - even if they are "productive"

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<sup>&</sup>lt;sup>2</sup> The <u>Biodiversity Strategy</u> used the wording "To provide space for wild animals, plants, pollinators and natural pest regulators, there is an urgent need to bring back at least 10% of agricultural area under high-diversity landscape features. These include, inter alia, buffer strips, rotational or non-rotational fallow land, hedges, **non-productive trees**, terrace walls, and ponds." The concept of "non-productive trees" is not used in the <u>Implementing Act</u> of the CAP Strategic Plan which talks of "Landscape Features and Non-productive Areas". However the CAP Strategic

### 1 Introduction

Version 1 (22.7.22) of this Briefing welcomed publication by the Commission on 22.6.22 of a proposal for a Nature Restoration Regulation³ (NRR). The proposal was designed to restore degraded ecosystems and reverse biodiversity loss in the EU, with legally binding targets and a proposal for expenditure of €100 billion by EU Member States to restore nature and reverse biodiversity loss in agriculture, forests, oceans and urban areas. The draft regulation was welcomed by environmental groups like WWF, IEEP, IUCN, FERN, EEB, Birdlife, but received with more caution by producer groups. COPA-COGECA, warned that "if left unchecked, this law has the ability to grow in an uncontrolled manner running away from its true purpose, the rejuvenation of nature". The ELO welcomed the proposal but regretted "the lack of an effective and inclusive action plan, and the lack of a bottom-up approach". EUSTAFOR stressed that indicators and related thresholds must consider existing methodologies and definitions, and challenged some of the conclusions on forest biodiversity. The Swedish Forest Industry was concerned "about inadequate use of scientific metrics and uncertainty over terms like "satisfactory levels". EURAF suggested six wording changes, and circulated these to MEPs. They are returned in the following section.

Version 2 (20.1.23) noted the concern\_voiced by agricultural ministers about the lack of flexibility and time for Member States to meet the NRR targets, excessive shares of costs allocated to countries which already have high nature restoration levels, the use of Europe-wide indicators, which ignore differences between countries, and insufficient flexibility in the derogations allowed from the "non-deterioration requirement". Forest targets and indicators were flagged as a particular problem for countries with large forest cover, and some of these countries signed an informal strategic partnership to deepen cooperation in forestry management and policy issues. They noted that commercial and social issues are as important as biodiversity in EU forests and stressed the need for a bottom-up approach to policy-making. The 120-page draft amendments coordinated by Cesar Luena MEP (5.12.22) contained proposals to increase flexibility and derogations available to Member States, and to increase some of the targets. EURAF regretted a) the almost complete lack of amendments on agroforestry, and b) the continuing absence of proposals to use data from CAP IACS/LPIS dataset for monitoring landscape features. EURAF noted that some Member States were continuing to keep this data secret, in apparent contradiction of the EU INSPIRE and REFIT directives.

### 2 Changes in the Regulation from the point of view of agroforestry and landscape features

Agroforestry is still mentioned only three times in the final regulation (<u>Reg 2024/1991</u>), but there are 17 mentions of trees. The most important of these in the context of: a) woody landscape features (although the target for 10% high-diversity landscape features was deleted), b) increasing tree cover in towns (although the original target of a 10% tree-cover in towns by 2050 was deleted). These changes are reflected in the recitals:

- Recital 54 (was 49). There are many extensive agricultural practices which have multiple and significant benefits on the protection of biodiversity, ecosystem services and landscape features such as precision agriculture, organic farming, agro-ecology, agroforestry and low intensity permanent grassland. The following sentence was added "Such practices do not intend to stop agricultural land-use but rather to adapt this type of use for the benefit of the long-term functioning and productivity of the agricultural ecosystems. Financially attractive funding schemes for owners, farmers and other land-managers to voluntarily engage in such practices are important in delivering the long-term benefits of restoration".
- Recital 55 (was 50). Restoration measures need to be put in place to enhance the biodiversity of agricultural ecosystems across the Union, including in the areas not covered by habitat types that fall within the scope of Directive 92/43/EEC. In the absence of a common method for assessing the condition of agricultural ecosystems that would allow setting specific restoration targets for agricultural ecosystems, it is appropriate to set a general obligation to improve biodiversity in agricultural ecosystems and measure the fulfilment of that obligation on the basis of (existing indicators) a selection of two indicators out of a) the grassland butterfly index, b) the stock of organic carbon in cropland mineral soils or c) the share of agricultural land with high diversity landscape features
- Recital 57 (was 52). High-diversity landscape features on agricultural land, including buffer strips, rotational or non-rotational fallow land, hedgerows, individual or groups of trees, tree rows, field margins,

Plan Regulation and the Implementing Act sets the 4% threshold for Landscape Features and Non-Productive Areas ONLY for **arable land**.

<sup>&</sup>lt;sup>3</sup> Accompanied by Staff Working Documents: Full Impact Assessment, and Executive Summary Assessment.

patches, ditches, streams, small wetlands, terraces, cairns, stonewalls, small ponds and cultural features, provide space for wild plants and animals, including pollinators, prevent soil erosion and depletion, filter air and water, support climate change mitigation and adaptation and agricultural productivity of pollination-dependent crops. A large section was removed and replaced with the following "Productive features can also be considered as high-diversity landscape features under certain conditions"

The new **Recital 54** mentions potential funding schemes for the establishment and management of landscape features, and this is reflected in the new mandatory "landscape feature ecoschemes" which Member States have been asked in the Simplification Regulation (2024/1468) to implement by 2025. These replace the minimum area thresholds for GAEC-8, removed in the CAP Strategic Plan Regulation (2021/2115).

The new **Recital 55** replaces a commitment to measure all three of these indicators of biodiversity (butterflies, soil carbon or landscape features) with flexibility for Member States to measure only two of the three.

The new **Recital 57:** a) corrects the previous statement that "productive trees" could only be considered as part of high-diversity landscape features **on arable land**, and b) removes mention of "achieving at least 10 % of agricultural area with high-diversity landscape features"

These three Recitals are reflected in the following Articles in the final Regulation (24.6.24):

- Article 11 (Restoration of Agricultural Ecosystems), allows Member States to choose two from the list of three (butterflies, soil carbon and landscape features) which were listed in the first draft.
- Article 14 (Preparation of National Restoration Plans), says (Para 7) "Each Member State may, by 19
   August 2025, develop a methodology to complement the methodology referred to in Annex IV [i.e.LUCAS],
   in order to monitor high-diversity landscape features not covered by the common method referred to in
   the description of high-diversity landscape features in that Annex. The Commission shall provide
   guidance on the framework for developing such methodologies by 19 September 2024".
- Article 20 (Monitoring) which lists a range of indicators which Member States are expected to monitor
  (Box 1). The Biodiversity Indicators listed in point C (i.e. Article 11(2)) need to be reported only every six
  years, and should indicate an "increasing trend" at a national scale. While many indicators are required to
  be measured and reported on annually, this seems a surprisingly relaxed pace.

Box II - Monitoring requirements for Member States in the Nature Restoration Regulation (NRR)

### **Article 20 (Monitoring)**

A. condition and trend in the condition of the habitat types, and the quality and the trend in the quality of the habitats of the species referred to in Articles 4 (i.e. *Terrestrial, Coastal and Freshwater systems*) and 5 (i.e. *Marine Systems*) in the areas subject to restoration measures on the basis of the monitoring referred to in Article 15(3), point (p) (i.e. *monitoring of areas subject to restoration*);

B. the area of urban green space and urban tree canopy cover within urban ecosystem areas, as referred to in Article 8 (i.e. no net loss of urban green space and urban tree canopy cover by end 2030 and increasing trend thereafter) and determined in accordance with Article 14(4) (i.e. Member States can choose whether this includes peri-urban areas);

C. at least two of the biodiversity indicators for agricultural ecosystems chosen by the Member State in accordance with Article 11(2) (i.e. grassland butterfly index, stock of organic carbon in cropland mineral soils, share of agricultural land with high-diversity landscape features);

D. the populations of the common farmland bird species listed in Annex V (i.e. Brlik et al 2021);

- E. the biodiversity indicator for forest ecosystems referred to in Article 12(2) (i.e. Common forest bird index Brlik et al 2021)
- F. at least six of the seven biodiversity indicators for forest ecosystems chosen by the Member State in accordance with Article 12(3) (i.e. standing deadwood; lying deadwood; share of forests with

<sup>&</sup>lt;sup>4</sup> Section removed ...productive trees that are part of arable land, agroforestry systems and productive elements in non-productive hedges can also be considered as high biodiversity landscape features provided that they do not receive fertilisers or pesticide treatment and if harvest takes place only at moments where it would not compromise high biodiversity levels. Therefore, a requirement to ensure an increasing trend for the share of agricultural land with high-diversity landscape features should be set out. Such a requirement would enable the Union to achieve one of the other key commitments of the EU Biodiversity Strategy for 2030, namely, to cover at least 10 % of agricultural area with high-diversity landscape features. Increasing trends should also be achieved for other existing indicators, such as the grassland butterfly index and the stock of organic carbon in cropland mineral soils.

- uneven-aged structure; forest connectivity; stock of organic carbon; share of forests dominated by native tree species; tree species diversity)
- G. the abundance and diversity of pollinator species, according to the method established in accordance with Article 10(2) (i.e. to be defined in a Delegated Act to be written by 19.8.25)
- H. the area and condition of the areas covered by the habitat types listed in Annexes I and as defined in the Habitats Directive (92/43/EEC i.e. *terrestrial, coastal and freshwater*) and Annex II (i.e. *marine habitats*)
- I. the area and the quality of the habitat of the species referred to in Article 4(7), and Article 5(5) (i.e species listed in the Habitats Directive and the Directive on the conservation of wild birds):
- J. the extent and location of the areas where habitat types and habitats of the species have significantly deteriorated and of the areas subject to compensatory measures taken under Article 4(13) (i.e. application by Member States of the "non-deterioration requirement at the level of biogeographical region"), as well as the effectiveness of the compensatory measures to ensure that any deterioration of habitat types and habitats of the species is not significant at the level of each biogeographical region in their territory and to ensure that meeting the targets and fulfilling the objectives set out in Articles 1 (i.e. Subject matter), 4 (i.e. Restoration of terrestrial, coastal and freshwater ecosystems) and 5 (i.e. Restoration of marine ecosystems) is not jeopardised.

Note that monitoring for A starts as soon as restoration measures are put in place; monitoring for B, C, D, E and F starts on 18.8.24; monitoring for G starts one year after entry into force of the Delegated Act; monitoring and reporting for C and will be carried out **at least every six years** (initially covering 18 August 2024 until 31 December 2030); monitoring for E and G will take place every year; monitoring for H and I will take place every six years.

The definition of "share of agricultural land with high diversity landscape features" included in Annex IV is almost the same as the definition of "landscape features" used in the CAP Strategic Plan Regulation and its Implementing regulation (Box III), with the unfortunate exception that "temporary fallow" has been included as a landscape feature. In CAP nomenclature, temporary fallow is a "non-productive feature" and not a "landscape feature". It is excluded from the CAP PMEF Impact Indicator 21 (% area of landscape features).

# Box III - Description of high-diversity landscape features in the final NRR - this now differs from CAP Impact Indicator 21, because of the inclusion of "land lying fallow, including temporarily".

**Description:** High-diversity landscape features, such as buffer strips, hedgerows, individual or groups of trees, tree rows, field margins, patches, ditches, streams, small wetlands, terraces, cairns, stonewalls, small ponds and cultural features, are elements of permanent natural or semi-natural vegetation present in an agricultural context which provide ecosystem services and support for biodiversity.

In order to do so, landscape features need to be subject to as little negative external disturbances as possible to provide safe habitats for various taxa, and therefore need to comply with the following conditions:

- (a) they cannot be under productive agricultural use (including grazing or fodder production), unless such use is necessary for the preservation of biodiversity; and
- (b) they should not receive fertilizer or pesticide treatment, except for low input treatment with solid manure.

Land lying fallow, including temporarily, can be considered as high diversity landscape features if it complies with criteria set out under (a) and (b) of the second paragraph. Productive trees part of sustainable agroforestry systems or trees in extensive old orchards on permanent grassland and productive elements in hedges can also be considered as high diversity landscape features, if they comply with criterion set out under (b) of the second paragraph, and if harvests take place only at moments where it would not compromise high biodiversity levels.

Unit: Percent (share of Utilised Agricultural Area).

EURAF welcomes the inclusion of landscape features and agroforestry in paras 16 & 17 of Annex VII - "Examples of restoration measures referred to in Article 14(16)".

- 16. Introduce **high-diversity landscape features** in arable land and intensively used grassland, such as buffer strips, field margins with native flowers, hedgerows, trees, small forests, terrace walls, ponds, habitat corridors and stepping stones, etc.
- 17. Increase the agricultural area subject to **agro-ecological management approaches** such as organic agriculture or agro-forestry, multi cropping and crop rotation, integrated pest and nutrient management.

### 3. Incorporation of EURAF recommendations in the final NRR text

In version 1 of this briefing EURAF suggested six changes to the wording of the NRR, and a further two in version 2.. The verdict on these suggestions is as follows:

- 1. In Recital 52 (now 57), the wording "productive trees that are part of arable land" should be changed to "productive trees on agricultural land" to make it clear that productive trees can be part of "landscape features", whether they are in silvoarable or in silvopastoral systems. Success productive trees are now classed as "landscape features"
- 2. In Recital 52 (now 57), and elsewhere, the prefix "high-diversity" landscape features should be removed. CAP Result Indicator 34 is already a mandatory indicator for annual CAP reporting by Member states. It is highly confusing to have two different indicators, one simply called "landscape features" and another called "high-diversity landscape features". Impact indicator 21 (which is also called Context Indicator 21) should be used in reporting for both the CAP and the Nature Restoration Regulation, although methodologies need to be standardised (Czúcz, Baruth, Angileri, et al., 2022; Czúcz, Baruth, Terres, et al., 2022; Nemcova & Caiati, 2022; Pe'er et al., 2022), with clarity on the use of multiplication and weighting factors and feature dimensions. Failure "high diversity landscape features" continue to be used.
- 3. In Annex IV under the indicator "share of agricultural land with high diversity landscape features" criteria a) "no productive agricultural use) should be removed. Mowing or grazing is often one of the best means of increasing biodiversity. Success the wording "unless such use is necessary for the preservation of biodiversity" was added.
- 4. CAP Result Indicator 17 "Areas supported for afforestation, agroforestry and forest restoration (or the equivalent for MS which fund this activity outside the CAP), should be included in Annex IV (area of agroforestry) and Annex VI (area of afforestation or forest restoration). Failure this potentially very important metric was not included.
- 5. Annex VI contains two indicators of forest biodiversity (standing deadwood and lying deadwood) which are also indices of the likelihood of fires spreading on forestland. In areas of medium-to-high fire risk these indicators should be replaced with an index of silvicultural adaptation to fire, such as whether measures are introduced to encourage grazing in forests and in fire-breaks. Partial success: a new Recital (63) was introduced which asks member states to take account of the risk of forest wildfires based on local circumstances, but the specification of indicators were not changed.
- 6. Annex IV mentions Impact indicator I.21 but indicates that this will be calculated solely from the LUCAS landscape sub-sampling framework. This is a retrograde step since in the CAP 2014-2022 most member states used data from the IACS/LPIS EFA Layer. This layer guarantees that farmers retain basic payments on land with landscape features. It should be the primary data source. Success: Member States are encouraged in Article 11 (7) to develop a more appropriate methodology than LUCAS, and this could use the LPIS Landscape Feature layer.

### In version 2 of this Briefing EURAF:

- 7. Commented that there were only three mentions of agroforestry and few mentions of trees, as a means of nature restoration. Partial Success: while the mentions of agroforestry have not increased (Recital 54, Annex IV and Annex VI) there are now 17 mentions of trees including new Recitals 64 and 72 on the Union's plans to establish 3 billion additional trees by 2030, and commitments in Article 13 and 17 to the same.
- 8. Commented that there was no mention of the need for open environmental data and no mention of the INSPIRE Directive or the GreenData4All initiative. Failure: there are still no mentions of the need for open environmental data in the revised document.

### 4 Wider aspects of modifications to the Nature Restoration Regulation

The final version of the EU Nature Restoration Regulation was weakened in several key areas compared to the initial draft, but is still a landmark piece of legislation:

Reduced Restoration Targets: While the overall target of restoring 20% of land and sea areas by 2030
remained, the specific targets for individual habitats were reduced or made less stringent. Targets for
restoring habitats such as forests, grasslands, wetlands, and peatlands were weakened, allowing for more
flexibility in implementation (<u>EU Commission 2024</u>)

- 2. **Increased Flexibility:** The final text granted Member States more discretion in deciding how to implement restoration measures, allowing them to consider local circumstances and the specific needs of different regions. Certain sectors, such as agriculture and forestry, were granted more exemptions from restoration requirements, reducing the overall area that would need to be restored (EU Parliament 2024).
- 3. **Weakened Provisions for Species Conservation:** While the initial draft had specific provisions for protecting pollinators, the final text was less detailed and postponed the details to a Delegated Act. Similarly, provisions for bird conservation were weakened in the final text, although still welcome (Birdlife 2024).
- 4. Reduced Emphasis on Ecosystem Services: The final text placed less emphasis on the economic
  - benefits of ecosystem services, such as pollination, water purification, and climate regulation. The regulation was less explicitly linked to other EU policies related to climate change, agriculture, and fisheries, limiting its potential impact on these sectors (IIEP 2024).
- 5. **Delayed Implementation:** The final text allowed for a delayed implementation of certain restoration measures, particularly in the agricultural sector. These changes collectively weakened the final version of the regulation compared to the initial draft, potentially limiting its effectiveness in addressing the biodiversity crisis. However, the regulation still represents a significant step forward in restoring Europe's degraded ecosystems and promoting biodiversity conservation.(IUCN 2024).



Box IV: Landscape features like small groups of trees are included in the definition of agroforestry, provided they are smaller, narrower, or less dense than the national definitions of "forest". More lower branch pruning is needed for the walnut trees shown.

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