



Financing Natura 2000 - Financing needs and socio-economic benefits resulting from investment in the network

**Background Paper for the
Stakeholder Conference on Financing Natura 2000**

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NOTE: The aim of this paper is to inform participants of the conference about the results of the project on *The Economic and Social Benefits associated with the Natura 2000 network* as well as issues linked to the financing of Natura 2000. **As the project is still ongoing the results presented within this report may still be subject to change.**

The views expressed in this report are purely those of the authors and may not in any circumstances be regarded as stating the official position of the organisations involved.

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1. Introduction

The pillars of Europe's legislation on nature conservation and biodiversity are Council Directive 2009/147/EC on the conservation of wild birds (Birds Directive) adopted in 1979 and Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (Habitats Directive) adopted in 1992. Together, both Directives form the most ambitious and large scale initiative undertaken to conserve Europe's biodiversity, with the implementation of a network of protected areas - Natura 2000 - lying at their heart.

The establishment of Natura 2000 is at an advanced stage – the nearly completed terrestrial network consists of roughly 26,000 sites and covers almost 18 per cent of the EU terrestrial territory. For the terrestrial sites, the focus will now increasingly shift to effective protection, management and restoration. Key priorities will hereby be the formal designation by Member States, the setting of conservation objectives for all sites to maximise their contribution to the achievement of favourable conservation status and putting in place of effective management measures. Though significant additional marine areas have been added to the network in recent years, the key focus will be on finalising the list of marine Natura 2000 sites and subsequently the shift to effective protection and management. The next period will be critical for making Natura 2000 fully operational.

Updating and increasing the knowledge base on the financial requirements of Natura 2000 is needed to estimate if the financial resources foreseen for the network's future management and restoration at national level are adequate. Emphasising the socio-economic benefits of Natura 2000 will also be necessary in order to facilitate the preparation of funding applications, and to encourage regional and local acceptance of the network. Hereby, the study on 'The Economic and Social Benefits associated with the Natura 2000 network' (Commission Contract 07.0310/2008515127/SER/B2) aims to support the European Commission in obtaining an accurate estimate of the costs of managing the network, increasing awareness of its socio-economic benefits, and developing a methodology for the systematic updating and refinement of the costs and benefits linked to Natura 2000.

The conference 'Financing Natura 2000' is part of this process. It will present the outcomes of the recent Natura 2000 cost and benefits exercise, but will also offer the opportunity to assess the current approach to financing the network. This in particular includes an evaluation of the effectiveness of the current 'integration approach' on its funding, the use of different innovative financing instruments, and critical thinking on future financing options.

The conference represents a milestone in the path towards a new Financing Natura 2000 Communication, which is foreseen for the first half of 2011.

The scope and ambition of the conference are therefore to assess the current financing provisions and to identify concrete ideas on the future financing of the Natura 2000 network. Specifically the conference aims to:

- present an update on the investment and management needs of the Natura 2000 network;
- demonstrate the importance of investment in the network with respect to the benefits of Natura 2000;

- provide in-depth assessment of the current use of different funding instruments; and
- explore future options for financing the Natura 2000 network

2. Financial resources required to implement the N2K network

a. Historical context

Understanding the costs of Natura 2000 is essential to ensure that sufficient resources are allocated to the network. The EU has a strong interest in this, not only to ensure that the network is effective in meeting its objectives, but also because Article 8 of the Habitats Directive introduced a requirement for the EU to co-finance the delivery of the network.

In response to these issues, an expert working group was established in 2002 to assess the costs of delivering the Natura 2000 network (Markland report¹). Questionnaires were sent to Member States in 2002 and 2003, which fed into the 2004 Communication on Financing Natura 2000. The analysis of the **2002** questionnaires resulted in a total cost of **€4.0-€4.4 billion per year for EU-15 and 10 Acceding Countries**, while the **2003** data led to a revised estimate of **€6.1 billion per year for EU-25**². A new round of improved questionnaires was sent in 2008, in order to collect up to date cost data. 25 of the 27 Member States filled in the new cost questionnaire or provided cost information. This study builds, inter alia, on the results of this latest enquiry.

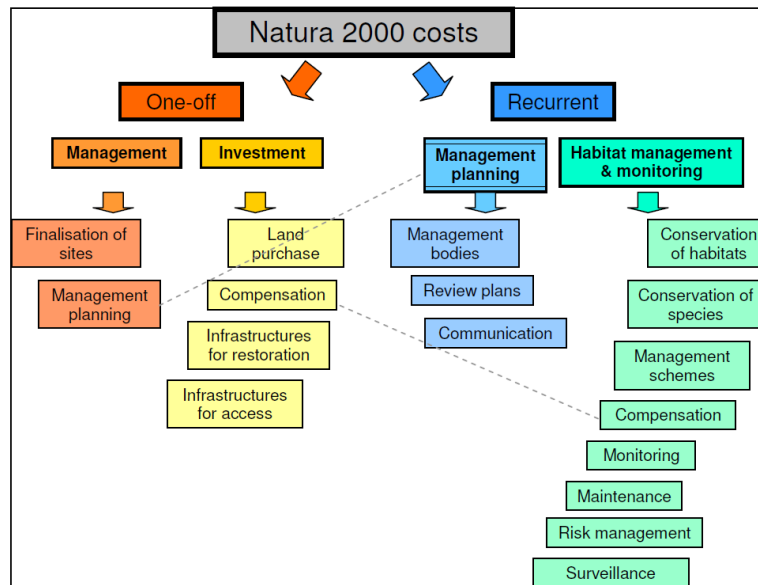
b. The results of the cost questionnaire

The 2008 cost questionnaire asked for information on one-off and recurrent costs related to the Natura 2000 network. The data submitted by the Member States included both incurred costs and future costs which were expected for the finalisation of the network and the achievement of favourable conservation status at the sites. An overview of the cost typologies used in the questionnaire is provided in the figure below.

¹ Final Report on Financing Natura 2000. Working Group on Article 8 of the Habitats Directive. November 2002, Brussels

² Communication from the Commission to the Council and the European Parliament. Financing Natura 2000. Brussels, 15.07.2004 COM(2004)431 final

Figure 1: Cost structure for data gathering



25 Member States completed the questionnaire or provided cost information by 30 June 2010. Based on the data provided in the questionnaire returns, the costs of managing the N2K network for both the terrestrial and marine sites in these MS are estimated at **€5.1 billion per annum over the 2010-2015** period for the **25 countries** (see Annex 1 for details across countries). The estimates indicate that:

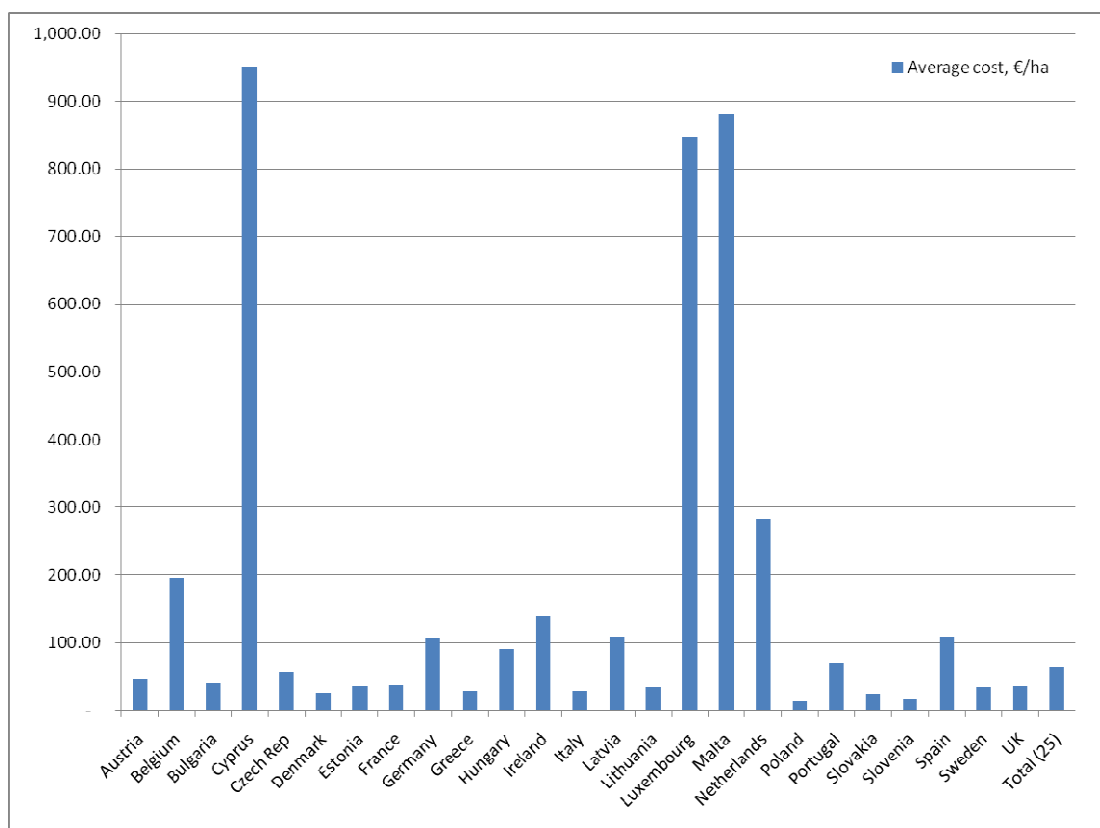
- 98% of these costs relate to existing sites, and only 2% to new sites
- 33% of the costs are one-off investments and 67% are recurrent annual costs.

As regards annual and recurrent costs and the different components, key insights include:

- Overall recurrent costs were, at €3.4 billion /annum, higher than the annualised one-off costs, which were € 1.67 billion /annum for the 25 respondent countries
- The (recurrent) habitat and management costs were the highest of cost elements – at € 2.7 billion/annum
- Infrastructure costs amount to € 0.81 billion/annum, almost twice that of land purchase (to € 0.42 billion/annum)
- Recurrent management planning costs were € 0.7 billion/annum for the 25 respondent countries

Averaged over the terrestrial land area of the network, the costs amount to €63 per hectare per year. **There are very wide variations in average costs, which range from €14 per hectare in Poland to more than €800 per hectare in Cyprus, Luxembourg and Malta** (see Figure 2). These high cost estimates result in part from the scale of fixed infrastructure envisaged relative to the area of the network in these small countries. This is in part due to the fact that smaller sites in proximity to urban areas face higher per hectare costs given existing pressures, but may also reflect differences in the interpretation of the exercise. Some estimates were based on actual planned expenditures, while others estimated the expenditures that would ideally be made if the resources were available. This resulted in high cost strategies being proposed in some MS (involving, for example, high levels of land purchase) compared to more conservative programmes in others.

Figure 2: Average costs associated with Natura 2000 in €/ha across 25 Member States



The MS completing the survey account for approximately 88% of the total area of the Natura 2000 network. Different methods were used to extrapolate from these results in order to fill the gaps for the non responding MS (Finland and Romania), by using: (i) a simple hectare average; (ii) per hectare averages for EU15 and EU12; and (iii) regional averages for Central and Eastern, Northern, North West and Southern Europe. These different methods gave an overall cost estimate for the **EU27 of between €5.5 and €5.8 billion per annum.**

The resulting estimated average cost of €63/ha/yr is low compared to previous estimates. For example, Stones et al (1999)³ in a report for BirdLife International based cost estimates on a central figure of €80 per hectare per year and the Commission’s previous estimates,

³ Stones T, Harley D, Rose L, Lasen-Diaz C, Rayment M and Trash M (1999). The Cost of Managing the Natura 2000 Network. Report for RSPB and BirdLife International. RSPB, Sandy, UK.

extrapolated from the Markland report, suggested an annual cost of around €107/ha/yr. The figures are also much lower than recent estimates by BirdLife International⁴, which suggest an average cost of €128 per hectare, based on estimates for 6 Member States provided by BirdLife partners. A key reason for the relatively low estimates made by the Member States is that many of these appear to be based on the existing resources available for the network rather than estimates of the cost of completing, restoring and managing the network if resource constraints were not an issue.

In general little detailed information is available about the profile of future costs. However, the interviews at Member State level provided some insights about how costs might be expected to develop in future. **In most Member States some increase in costs is expected in future, and in no case was it suggested that costs will decline.** Even though many current investments are of a one-off nature, these are expected to be followed by further one-off investments (e.g. further infrastructure), periodic expenditures (e.g. revised management plans, repeat surveys, further research) and increases in management activity with recurrent costs. In most Member States the network is seen as delivering long term objectives which will require ongoing expenditures. In general greater increases in costs are expected in the new Member States, in which the network is still very much under development, than in the EU15, where a significant proportion of one-off investments have already been made and where the focus is shifting towards recurrent costs. On an annualised basis, one-off costs were 43% of total annual costs for new Member States; for the EU15 this was 30% (see also Annex I for country specific data).

c. Interpreting the results

Differences in costs estimates between Member States may vary widely by types of sites, being highest in areas which require highest levels of intervention and management (e.g. in agricultural areas in North-Western Europe) and face greater pressure from development and disturbance (e.g. islands in Southern Europe). The costs of completing and managing a network of protected areas is dependent on a number of factors – **the size of the sites** (costs per hectare are lower for bigger sites than for small ones), **the accessibility / proximity of the sites to urban areas** (the increased pressure on the site tends to increase costs) and **income** (costs of protected areas management tends to be higher in higher income countries, reflecting wage and land costs)⁵. Finally, the **maturity of the network** and the past expenditure will also affect the costs, as past expenditure can reduce needs for future expenditure.

⁴ BirdLife International 2009. Financing Natura 2000: Assessment of funding needs and availability of funding from EU funds. Final Composite Report http://www.birdlife.org/eu/pdfs/N2000_Final_composite_report_09.pdf

⁵ Vreugdenhil 2003 and Balmford et al 2003 in Bruner Bruner A., Hanks J., Hannah L. 2004.: How Much Will Effective Protected Area Systems Cost? Conservation International. http://www.conservationfinance.com/Documents/CF_related_papers/PA_Costs2.pdf

Balmford, A., Gaston, K.J., Blyth, S., James, A., & Kapos, V. 2003. Global variation in terrestrial conservation costs, conservation benefits, and unmet conservation needs. *Proceedings of the National Academy of Sciences*. 100:3, 1046–1050. Available from <http://www.ibcperu.org/doc/isis/1046.pdf>

Different **conservation strategies** might also affect the level of costs. Several Member States (e.g., Bulgaria, Czech Republic, France, Italy, Malta, Slovakia and UK) indicated that land purchase is only contemplated in rare circumstances, and that forming management agreements with private landowners is the norm. However, in others (e.g., Cyprus, Lithuania, Luxembourg, Romania, and Sweden) purchase of land was seen to play a more important strategic role, often being seen as the best means of achieving the required objectives of the network.

A great cause of variations in cost estimates also relates to the interpretation **of the questionnaire by Member States**, and particularly the degree to which responses were constrained by the realities of existing resource limitations. The guidance stated that the purpose of the questionnaire was *to obtain an estimate of the financial resources required to complete and effectively manage Natura 2000 at land and sea*. However, in practice, respondents interpreted this rather differently, with some providing data that built mainly on current and/or effectively planned expenditures (e.g. Belgium) and others providing estimates of what would ideally be spent if the resources were available (e.g. Cyprus, France, Germany, Hungary, Luxembourg, Malta, Sweden). Only Spain provided two estimates – one which reflected planned expenditures with the available resources and another estimate of what would ‘desirably’ be spent if the resources were available. Several MS had to make specific assumptions to separate the costs of Natura 2000 from those of national protected areas, and to avoid double counting for overlapping SCIs and SPAs and cross-border sites. Difficulties were encountered also to break down data into land use types.

Key methodological issues affecting the cost estimates by MS included:

- Approach taken to distinguish between the costs of N2K and national designations
- Variations in costs and the difficulties of extrapolation from sample sites
- The annualisation of capital costs (especially the time period over which expenditures were spread)
- Variations in land purchase costs, particularly affected by differences in assumed land purchase strategies as well as land prices
- Variations in recurrent land management costs, partly related to differences in the actions needed to achieve favourable conservation status
- Differences in approaches to estimating future costs, reflecting different plans for completion of the network

Most Member States indicated that their estimates are approximates and that there are significant assumptions and uncertainties affecting them. However, in most cases the respondents indicate that they provide reasonable estimates of the costs of delivering the network, based on the evidence available.

In summary, diverse national circumstances (sites type, land use, location, ecological status, pressures, labour and wage costs, management strategies), the level of current data, and different cost assessment approaches and methodologies explain differences in the cost estimates across Member States and reveal issues for future attention.

d. Issues for the future

The cost exercise has been a valuable process, providing useful data and representing a clear step forward compared to previous cost exercises. In particular, progress has been made in **extending the area coverage of the cost estimates, in providing real data for the new Member States** (where previous estimates were based on assumptions and extrapolations), **and in updating estimates to reflect latest understanding on the measures required to implement the network and the associated unit cost of these.** In addition, **more detailed data has been provided on the range of component costs – one-off management** (e.g. finalisation of sites), **investment** (e.g. land purchase and compensation), **recurrent management planning, and habitat management and monitoring.** It has, however, been a difficult exercise, as noted by the range of ‘challenges’ encountered and the different approaches followed by MS.

A more regular cost exercise could be valuable at country or regional level to help make greater use of funding opportunities and ensure that greater commitment and resources are devoted to such reporting. Additional guidance would also be valuable to help harmonise the approach (e.g. by helping clarify the meaning of Favourable Conservation Status, the annuity period for land purchase costs) and ensuring more transparency and comparability.

Importantly, this could be complemented by two new activities:

- A bottom up site questionnaire on costs of Natura sites, and arguably also including questions on funding and on benefits to help obtain information of use in different domains.
- A case study approach to look at the time line of costs. This could also be done in conjunction with an assessment of how the costs are met by funding, on the benefits arising from Natura 2000 and on how the understanding of such benefits has helped raise additional funds.

3. The Benefits of Investing in Natura 2000

The study explored with Member States what they saw as the key benefits of Natura 2000 – combining a qualitative overview, case examples as well as discussion around major studies carried out in and by the countries. It also looks at the methodological approaches to the calculation of benefits as well as at the level of awareness (see next section) and how this was generated.

a. Benefits types and overview of study results

In addition to their crucial role in maintaining Europe's biodiversity, Natura 2000 sites can also provide a range of benefits to societies and economies. These benefits are often referred to as **ecosystem services** and they refer to a number of tangible resources (e.g. water, sustainably produced crops and timber – “provisioning services”) and beneficial processes provided and/or maintained by well-functioning ecosystems (MA 2005) – e.g. regulating functions such as water, waste and air purification, carbon storage/climate control, natural hazards management. Benefits also include a range of “cultural services” such as recreation, tourism and cultural identity.

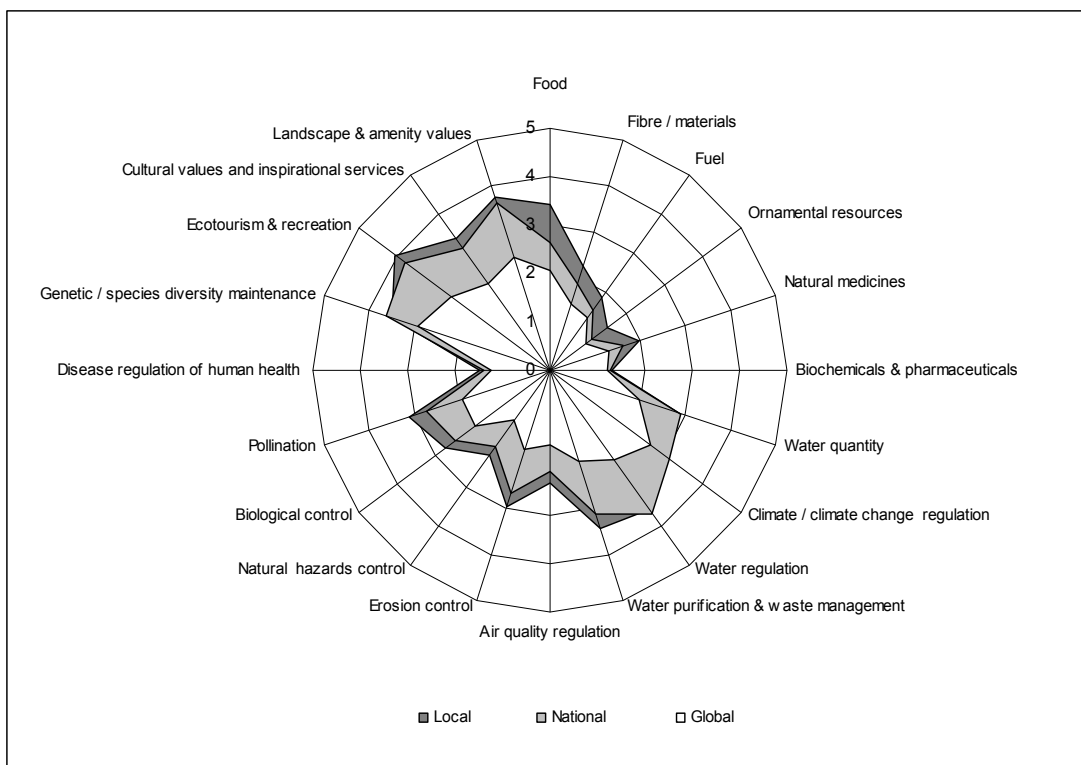
Even though our knowledge on the value of biodiversity, ecosystems and their service is steadily increasing, there is still an apparent **lack of quantitative / monetary and well-documented information on the socio-economic benefits associated with protected areas, including Natura 2000, in Europe**. According to the review carried out in the context of this study, existing information on the socio-economic significance of Natura 2000 is mainly related to benefits arising from direct and indirect employment supported by Natura 2000 sites. In addition, data is available on the socio-economic impacts of cultural ecosystem services, in particular tourism and recreation. However, there is a clear shortage of well-documented examples demonstrating and, in particular, quantifying the value of other ecosystem services relevant in the context of the network, such as sustainable production of certified products from Natura 2000 sites, role of Natura 2000 areas in purifying water and maintaining healthy populations of species (such as pollinators and natural enemies of pests). This has led to an under-appreciation of the value of Natura 2000 in the public, policy and political spheres.

There is, however, a relatively **swift shift in appreciation of the benefits of nature over the last few years** at least at a qualitative level. Figure 3 presents an overview of the perception of the benefits of different ecosystem services across the Member States. While it is only a qualitative synthesis, it offers some interesting insights.

The qualitative assessment indicates that benefits arising from Natura 2000 related ecosystem services were perceived as most significant at a local and national level, and global benefits, while less important relatively, were still seen as significant. Regulating and cultural services were identified as the most relevant ecosystem services provided by Natura 2000 sites, including the regulation of climate (e.g. mitigation of climate change), purification of water and maintenance of water flows, safeguarding natural pollinators,

preservation of landscape and amenity values, and support of tourism and recreation. In addition, the role of Natura 2000 in preserving genetic and species diversity was recognised to be of high importance (e.g. maintaining healthy populations of species beneficial to human wellbeing). On the other hand, the relevance of Natura 2000 sites in providing different goods, such as sustainably produced food, fibres, natural medicine and pharmaceutical products, was considered rather low. In addition, Natura 2000 areas were not believed playing a very significant role in regulating outbreaks of diseases (e.g. human health).

Figure 3: Estimated / perceived relevance of Natura 2000 in providing different ecosystem services at local, national and global level (on a scale of 1-5)



This qualitative picture is complemented by the quantitative and monetary insights presented by a range of case studies below.

b. Interesting cases

A sample of the cases studies on benefits across the Member States is presented below. These mainly focus on the results; though a general insight into methodological approaches has been provided. A detailed discussion on methodological approaches to estimate the socio-economic value of Natura 2000 will be presented in the main report of the project.

Benefits of Natura 2000 at national and / or regional level:

Example 1: Estimated gross benefits of Natura 2000 sites in the Netherlands

In 2006, the Dutch Institute for Environmental Studies (IVM) carried out an assessment of the benefits associated with Natura 2000 in the Netherlands. The main aim of the study was to provide a broad estimate of the gross benefits of Natura 2000 areas at the national level.

Method: The study was based on benefit transfer and extrapolation of a generic EUR / ha / year average value across the Natura 2000 network. Firstly, average EUR / ha / year values for different benefits provided by Natura 2000 areas were determined, based on existing information from literature. To follow this, a broad estimate of the total EUR / ha / year value of Natura 2000 sites was developed and then extrapolated across the whole area covered by Natura 2000 in the Netherlands. Note: The estimates of the overall benefits of the Natura 2000 were based on benefits transfer and extrapolation. Therefore, these values should be treated as indicative only.

Results: Benefits provided by Natura 2000 in the Netherlands were estimated to be around 4000 EUR / ha / year, calculated as an average of EUR / ha / year benefits from different key Natura 2000 ecosystems. Recreation and tourism as well as wider ecosystem functions were important components of this value. Non-use benefits were also important. The provisioning service of raw materials was of lesser importance in the Netherlands. The authors extrapolated the gross welfare benefits of all Natura 2000 areas in the Netherlands (1.1 million ha), deriving an estimate of around 4.5 billion EUR / year.

Source: Kuik, O., Brander, L. & Schaafsma, M. 2006. Globale Batenraming van Natura 2000 gebieden. 20 pp.

Example 2: Assessment of the net economic benefits of Natura 2000 sites in Scotland

In 2004, a study commissioned by the Scottish Executive Environment and Rural Affairs Department (SEERAD) was carried out to assess the net benefits associated with the designation of Natura 2000 sites.

Method: The estimates were developed based on information from seven representative case study areas, extrapolated over the total number of Natura 2000 sites in the area. The cost estimates includes direct costs (management and policy) and opportunity costs. The benefits arising from both use values (e.g. recreational use) and non-use values were measured using contingent valuation questionnaire surveys (stated preference methods). Finally, a cost benefit analysis was carried out to estimate the net benefits of Natura 2000 in Scotland.

Note: The benefits from regulating services (e.g. water purification, regulation of human health) and cultural ecosystem services other than recreation (e.g. education, research) were not specifically values in the study. Although, part of these values are integrated into the use and non-use value estimates. Furthermore, the estimates of the overall costs and benefits of the Natura 2000 were based on extrapolation. Therefore, the authors of the study recommend these values to be treated as indicative only.

Results: The protection of all 300 Natura 200 sites throughout Scotland was estimated to have an overall benefit cost ratio of around 7 over a 25-year period. This means that overall national welfare benefits are seven times greater than the national costs and represent good value for money. However, about 99 per cent of these benefits (£210 million per year) relate to non-use values. Around 51 per cent accrues as non-use value to the Scottish general public and 48 percent accrues as non-use value to visitors to Scotland. Around £1.5 million (1 per cent) of the benefits relate to use values (e.g. walking and angling etc). Consequently, most of the benefits seem to arise from non-use values.

Source: Environment Group Research Report. 2004. An Economic Assessment of the Costs and Benefits of Natura 2000 Sites in Scotland (Research Report 2004/05). 75 pp.

Example 3: Global economic costs of the Natura 2000 Network in Spain

In 2008, an evaluation was carried out to assess the costs of Natura 2000 in Spain in order to determine the overall economic effects of the network (i.e. impacts on GDP) at national and regional level.

Method: The cost estimate referred to direct costs (e.g. management costs), opportunity costs and indirect effects (i.e. the economic impact caused by Natura 2000 in a territory measured as variations in GDP, productivity or employment rates).

Note: The overall aim of the study was not to determine the benefits provided by the network. The assessment was therefore not based on a cost-benefits analysis, and did not take into account welfare benefits arising from a number of relevant ecosystem services, such as regulating and cultural services. Nevertheless, the analysis revealed that the economic impact caused by Natura 2000 is not negative, but positive. Thus, the results are presented below.

Results: The implementation of Natura 2000 network was considered to have positive impacts on GDP in Spain, with an estimated increase in GDP between 0.1 - 0.26 per cent at national level. In general, it was estimated that the network would generate an additional 12,792 jobs to the country. At the regional level, Andalucía, Aragón and the Canarias islands were supposed to benefit the most from Natura 2000 with a 0.26 - 0.44 per cent increase in their GDP and between 1346 - 5957 additional jobs created.

Source: Fernández, M., Moreno, V., Picazo, I., Torres, A. & Martínez, B. 2008. *Valoración de los costes indirectos de gestión de la Red Natura 2000 en España*. Dirección General de Medio Natural y Política Forestal, Ministerio de Medio Ambiente y Medio Rural y Marino. Madrid. Unpublished

Example 4: Estimated net benefits of managing Natura 2000 in France

As part of a wider economic and institutional assessment of Natura 2000 in France, several studies were carried out to determine the benefits arising from Natura 2000 across a range of sites. The objective of the assessment was to estimate the net benefits related to the management of Natura 2000. In the framework of this project, in 2008 a study was carried out to determine cost and benefits of the Natura 2000 site 'Pleine de la Crau', which is exemplarily presented below.

Method: The study was based on estimating the net value of benefits linked to certain key management activities at Natura 2000 sites. The cost estimates included direct, indirect and opportunity costs of the selected activities and/or related programmes. Benefits and their monetary values were determined via a willingness to pay assessment. Finally, a cost-benefit analysis was carried to determine the net benefits of the management activities.

Results: The calculated overall benefits amounted to €182/ha/year, and net benefits to €142ha/year, i.e. the benefits were estimated to be around seven times higher than the costs associated with the Natura 2000 site.

Source: Maresca B., Poquet G., Ranvier M. (Credoc) Evolution Economique et Institutionnelle du Programme Natura 2000 en France. Collection de Rapports N°251

Hernandez S. and Sainteny G. 2008. Evaluation économique et institutionnelle du programme Natura 2000: étude de cas sur la plaine de la Crau. Lettre de la direction des études économiques et de l'évaluation environnementale. Hors Série N°08 – Juillet 2008.

Example 5: The benefits supported by floodplain ecosystems in the lower Danube basin, Romania

Many of the typical habitats of the Lower Danube are protected under the Ramsar Convention for the protection of wetlands of international importance as well as under the EU Birds and Habitat Directives. The Lower Danube Green Corridor (LDGC) is an ambitious wetland protection and restoration project facilitated by WWF. It encompasses 11,574 km² of natural areas from the Iron Gates on the border of Serbia and Romania to the Danube Delta in Romania and Ukraine. The project aims to restore a floodplain area of 2,236 km² when fully implemented, to moderate floods, restore biodiversity, improve water quality, and increase possibilities for better livelihoods. In the framework

of this project, the WWF Danube-Carpathian Programme has carried out a climate change adaptation case study which looks into floodplain restoration along the lower Danube.

Method: The study calculated an average EUR / ha / year value across the area covered by the project, building on average EUR / ha / year values from existing economic valuation studies for different benefits provided. In addition, the study also looked into quantitative values, building on research that has been carried out on flood retention capacity of case study areas.

Note: The project did not specifically focus on flood protection benefits provided by protected areas such as Natura 2000 sites, but rather on restoration measures carried out in a wider wetland ecosystem. Nevertheless, parts of the project area are protected under the Birds and Habitats Directive, and thus the study was considered relevant to be presented.

Results: If the LDGC agreement to restore a total area of 2,236 km² is fully implemented and moreover the restoration of floodplains and former side channels along the entire Danube is included, potential flood control benefits would amount to nearly 2,100 million m³ in flood retention capacity and would lower Danube extreme flood peaks by 40 cm. In addition, based on highly differing economic values for several ecosystem services, an average value was calculated to be around EUR500 per ha/year for provision of ecosystem services for fisheries, forestry, animal fodder, nutrient retention and recreation through floodplain restoration.

Source: Ebert S., Hulea O. and David Strobel 2009. Floodplain restoration along the lower Danube: A climate change adaptation case study. *Climate and Development* 1 (2009) 212–219. Earthscan

Benefits arising from a bundle of ecosystem services supported by individual Natura 2000 sites:

Example 6: A range of ecosystem services provided by the Natura 2000 area “Pico da Vara / Ribeira do Guilherme” (Azores, Portugal)

In 2009, a team of researchers from the Royal Society for the Protection of Birds (RSPB) carried out a study to assess the socio-economic benefits provided by the Natura 2000 area “Pico da Vara / Ribeira do Guilherme” at Azores, Portugal. The study aimed at identifying the full range of ecosystem services provided by a Natura 2000 site and, where possible, quantifying and/or monetising the value of these services. In addition, broader socio-economic values linked with the overall “existence” of the sites (e.g. employment) were taken into consideration.

Method: The study was based on the approach adopted in “The Toolkit for assessing socio-economic benefits of Natura 2000” developed by Kettunen et al. (2009)⁶. It provides guidance on an overall rapid assessment of possible benefits as well as on valuation methods for a more thorough analysis of Natura 2000 benefits at a site level. The identification of ecosystem services and related benefits was based on the classification by the Millennium Ecosystem Assessment (2005). Due to the risks of double counting and variety of different estimates, it has not been possible to “sum up” the values of individual ecosystem services to form an estimate for the overall value of the site.

Results:

- **Water provisioning:** amount of water used by the surrounding communities, originating from the Natura 2000 area is 1,408,273 m³/year, worth EUR 600,000 / year. This estimate based on existing price of drinking water, excluding water used by agriculture, i.e. likely to be an underestimate of the total value.
- **Flood & landslide protection:** Estimate of the magnitude of avoided costs - 29 deaths and around €20,000,000 in damages in the areas in 1997 due to landslides & floods.
- **Carbon storage:** carbon stored in the Natura 2000 areas estimated at around 465,000 tC, plus 223,667,84 tC/year sequestered in the peat area

⁶ Kettunen, M., Bassi, S., Gantioler, S. & ten Brink, P. 2009. Assessing Socio-economic Benefits of Natura 2000 – a Toolkit for Practitioners (September 2009 Edition). Output of the European Commission project Financing Natura 2000: Cost estimate and benefits of Natura 2000 (Contract No.: 070307/2007/484403/MAR/B2). Institute for European Environmental Policy (IEEP), Brussels, Belgium. 191 pp. + Annexes.

- Ecotourism: value of ecotourism in the Nordeste council area: EUR 60,000 (travel cost method) / EUR 16,500 (tourism expenditure)
- Education: 10 school groups / year, around 10 university visitors / year, a total of 10 scientific papers since 1968
- Landscape & amenity value: In the Povoação community, WTP EUR 500 - 800 / person, total WTP estimate EUR 3,000,000 for the Povoação region
- Job creation: LIFE Priolo Project created around 21.6 direct full time jobs / year. Expenditure of park & its staff and volunteers: 350 000 EUR / year, supporting 4 indirect fulltime jobs / year

Source: Cruz, A de la, Benedicto, J., 2009. Assessing Socio-economic Benefits of Natura 2000 – a Case Study on the ecosystem service provided by SPA Pico da Vara / Ribeira do Guilherme. Output of the project Financing Natura 2000: Cost estimate and benefits of Natura 2000. 43pp.

Example 7: Income streams created by tourism at national parks and recreational areas in Finland

In 2009, the Metsähallitus Natural Heritage Services and the Finnish Forest Institute (Metla) carried out a national level assessment on the economic impacts of nature tourism and nature-related recreation activities on local economies. The study consisted of the key government owned nature areas, including 35 national parks and 10 other recreation areas.

Method: The assessment was based on / adopted from the MGM2 model used in the U.S. The model combines information on the number of and spending by visitors to nature areas and assesses the impacts of the total spending on local economies (i.e. the revenue and jobs created based on the multiplier effect). The assessment was based on data of visitor rates and spending collected in 2005-2009.

Results: Total annual revenue linked with the visitor spending in national parks was 70.1 million EUR and supported local employment by creating 893 person-years. Total annual revenue linked with the visitor spending at other important recreation areas was 16.9 million EUR and supported local employment by creating 217 person-years. In general, 1 EUR public investment provided 20 EUR return.

Source: Metsähallitus. 2009. Kansallispuistojen ja retkeilyalueiden kävijöiden rahankäytön paikallistaloudelliset vaikutukset (Report 3017/52/2009) 16 pp.

Example 8: Estimated benefits arising from the Burren National Park in Ireland

In 2009, the cultural value and benefits arising from tourism at the Burren National Park, Ireland were estimated. The national park is located on the largest area of limestone in Britain and Ireland and it is unique for its rich natural and cultural heritage.

Method: Different survey methodologies (e.g. willingness to pay surveys and predictive surveying) were used to estimate the cultural value of the national park. In addition, the revenues created by domestic tourism in the park area were analysed.

Results: According to the study, the aggregate benefits provided by the park's limestone pavements and the orchid rich grasslands were of €842 and €4,420 / ha / year respectively (lower bound and average survey based value). In addition, the total revenue (e.g. multiplied effects) from domestic tourists was estimated to be about €71.47 / hectare / year. Based on these values the total benefits associated with the Burren National Park were estimated to be 2.6 million EUR for the limestone pavements and 12.9 million EUR for the orchid grasslands. All and all, the total rate of return on government support to the park was estimated to be around 353 – 383%, (without or with tourism).

Source: Rensburg T. V., Kelley H., Yadav L. (2009) Farming for Conservation of the Upland Landscape and Biodiversity in the Burren, Working Paper No. 153. NUIG. Report prepared for the BurrenLIFE Project.

Example 9: Estimated additional value of Natura 2000 in Spain

As regards the added value of Natura 2000, an assessment was carried out in 2005 to estimate the benefits linked with the implementation of Natura 2000 in Galicia (Spain). The study revealed that the Galicians were willing to pay 113 EUR / family / year to increase the coverage of protected areas in the region from 36.000 ha to 280.000 ha, resulting in an estimated 15 per cent increase in the level of protection.

Source: Prada Blanco et al. 2005. Beneficios y costes sociales en la conservación de la RED NATURA 2000. Fundación Caixa Galicia. 268 pp.

The above case studies all relate to terrestrial sites as far less information is available on marine protected areas. The benefits of these are increasingly recognised across the globe, notably for the potential to help restore fish stocks (see Chapter 8 of TEEB 2009 and 2010 forthcoming⁷), though work in this area has been sparser in Europe. One study that offers interesting insights is that of the Marine Conservation Zone (MCZ) provisions in the UK Marine and Coastal Access Bill. This estimated the benefits resulting from designation of between £10.2 billion and £23.5 billion in present value terms, applying a 3.5% discount rate⁸. The share of potential benefits from MPAs within the MCZ was, however, not calculated explicitly.

The level of benefits of a site will depend on the quality and quantity of the biodiversity, the services that the ecosystems provide, and who benefits from these services. Wealthier individuals tend to have a higher willingness to pay (WTP) whether for recreation or to pay for species protection or access to sites. The value of water purification and provision depends inter alia on how many people benefit from these services in neighbouring cities or towns. The value of a protected area for flood protection depends on the level of risk, how the protected site can mitigate it, and what the economic and other assets at risk are. The value of carbon sequestration and storage on the other hand relates mainly to the physical processes of the site and the value of carbon. Some of the values will be “real money” (e.g. tourism receipts, avoided cost of flood impacts, avoided costs of water pre-treatment or provisioning service gains by pollination), some have the “potential to be real” (e.g. carbon storage, which becomes real to the extent that a market is set up to reward the benefits), and other remain “welfare benefits” that reflect social (perceptions of) benefits (e.g. cultural identity, and non-paid recreation).

c. Interpreting the results

There is a growing interest in understanding the value of nature in general, the value of Natura 2000 in particular, and in an increased evidence base and range of toolkits to help identify values (e.g. Natura 2000 benefits valuation toolkit⁶). While progress is accelerating, there remains a major challenge in assessing, communicating and taking into account the value of nature. The value of the flow of services coming from protected areas also needs to be seen in the context of the intrinsic value of Natura 2000 sites, and also in the context of their roles in offering insurance and resilience to climatic and other pressures.

⁷ TEEB – The Economics of Ecosystems and Biodiversity for National and International Policy Makers (2009); Chapter 8 www.teebweb.org

⁸ Hussain S.S., Winrow-Giffin A., Moran D., Robinson L. A., Fofana A., Paramor Odette A.L. and Frid C. L..J. (2009). An ex ante ecological economic assessment of the benefits arising from marine protected areas designation in the UK. Ecological Economics Volume 69, Issue 4, 15 February 2010, Pages 828-838

It will be important to develop the understanding of which ecosystems at which sites, with whose help, offer what services to which communities (local, regional, national and global), over what timescale, and how protected sites can be engines of growth, sources of cost effective solutions, or of community identity. The numbers will be invaluable in clarifying issues of who may get rewarded how much for helping maintain or offer the services (e.g., payment for ecosystem services to reward farmers or foresters).

Interviews in the framework of the study have shown that administrations in most Member States have not yet developed overall methodologies with regard to the valuation of the socio-economic benefits associated with the Natura 2000 network. The UK, Spain, Latvia, the Netherlands and France provide some approaches (see examples above), while a few countries are in the planning process of a methodology development. The majority of countries indicate that there are no plans regarding the development of a methodology to assess the socio-economic benefits of Natura 2000 sites, though countries (e.g. Finland, Sweden and the Netherlands) are increasingly interested. We are not yet a “tipping point” as regards taking the value of nature into account in policy processes, but moving towards this.

d. Responding to the value of nature – a case of greater investment/funding

The benefits of protection, of conservation are often greater than the costs, in places several times larger (see examples above), and even then not all the ecosystem services are counted. The sites offer to be a motor for the local economy and pole of attraction to the outside community. **There is a case for increasing the level of investment and making greater use of the funding opportunities that are available via the EU funds and also national funds and innovative funding sources** (see section on financing). In some areas, the motivation may be to encourage tourism and recreation, for others site flood protection, protection against soil erosion, in yet others air pollution control, and in all there is a potential for carbon storage/sequestration benefits to be an (economic) argument for funding the management of sites so that they can reach their ecological potential.

There are a range of reasons that a greater awareness is needed:

- Ensuring that the right investment decisions are made – as in some cases working with nature can be less expensive than man-made solutions (e.g. carbon storage, flood control, pollination and water purification and provision)
- Ensuring that public goods are taken properly into account in public policy – by looking at the wide set of ecosystem values to a wider set of stakeholders.
- Having better information to make the case for funding – e.g. to help realise the potential for use of Cohesion Policy funds
- Having information to support the design and use of different instruments – notably PES schemes, but also to communicate the value of Natura 2000 designation itself.

4. Awareness of the benefits of Natura 2000

a. Current levels of awareness

Members States agreed on the importance of the public, landowners and policy-makers being made aware of the benefits associated with the Natura 2000 network in order to secure adequate funding for the network's completion and management. Current awareness of the benefits of the network outside officials directly involved in the network is deemed to be very low and in general, the network is often seen as a burden to economic development and creating opportunity costs. However, in a number of cases where the public has greater access to natural areas, there tends to be an intuitive understanding of the benefits provided by nature, even if people do not necessarily associate these with Natura 2000.

The perception of the value of the network has been greatly affected by the manner in which the authorities approach the issues of designation and management. In the majority of cases the authorities did not present designation as an opportunity (e.g. for increased payments or tourism) and in some cases over-restrictive interpretation of the Directive also reinforced the perception of the network being a burden on development. There have been examples, however, where MS have reversed negative perceptions through adequate compensation and sensitive engagement of landowners and also demonstrated the possibilities of commercial activities on a protected area (e.g. Kosterhavet Marine Protected Area near Stromstad in Sweden).

b. Current activities

Member States have employed a range of measures to improve awareness ranging from high-level campaigns about nature to targeted leaflets for landowners. Examples that have worked include the engagement of mayors and local leaders, training courses that assist farmers in meeting the obligations for Natura payments, and the re-introduction of charismatic species which have boosted tourism and the national consciousness.

NGOs have in general trialled more hands-on approaches to awareness raising, such as developing projects to demonstrate the potential of Natura designation to bring in extra income. They have also developed programmes to integrate nature conservation directly into the education system and high profile campaigns alongside celebrities to stop the hunting of protected species.

c. Key factors to successful communication

A number of key factors to develop positive impressions on the network emerged, including:

- Early engagement and civil involvement: it was clearly demonstrated that early engagement with landowners and the building of mutual trust greatly improves perceptions of Natura 2000
- Prompt and appropriate payment: attitudes towards designation have changed once landowners have learnt how to secure payment, providing measures are not over onerous

- Consistent and appropriate implementation: it is important that Natura 2000 measures are not overly zealous and do not contradict existing legislation
- Delivering local successes: demonstrations of how Natura can provide benefits to the community help to alter perceptions
- Education and skills: incorporation of nature conservation into the education system can provide more long-lasting changes to perceptions of protected areas
- Choosing the appropriate scale for communication: the size of country can impact the success of a programme, as smaller scale projects can be tailored for the local situation
- Engagement of other government departments: the benefits associated with Natura need to be better understood by the Agriculture and Finance Departments to ensure their continued implementation

As regards awareness of the value of Natura 2000, major steps forward are made where clear and robust assessments have been carried out that are either high profile benefits studies (e.g., Scotland assessment in Example 2) or have high practical functions (e.g. where linked to flood control and investment decisions, such as in Example 5). Similarly, investment in developing a robust mapping of natural capital, including ecosystem services from key natural assets (as has been done in Wales and Flanders for example), also helps to increase awareness, for both academic and institutional (e.g. local, regional or national governments) and creates an improved evidence base for policy making.

5. Financing Natura 2000 – actual and options

a. Existing opportunities: uptake and lessons learned

During the ongoing 2007-2013 budgetary period the implementation of Natura 2000 is supported by altogether seven different Community funding instruments, including the European Agricultural Fund for Rural Development (EAFRD), European Fisheries Fund (EFF), Structural and Cohesion funds, EU Fund for Environment (LIFE+) and the 7th Framework Programme for Research and Development (FP7).

This current EU approach for financing Natura 2000 is called “**the integrated funding model**” and its aim has been to further embed the implementation of the EU’s biodiversity goals, and Natura 2000 in particular, into all relevant EU policy sectors. For example, it is hoped the integration of Natura 2000 financing needs into the wider policy context would help to link the management of sites with the broader management of land and natural resources. In addition, as the majority of these EU funds are managed at the national level this, in principle, should allow for the reflection of national specificities and conservation priorities in the financial allocations.

There have been several positive examples of the use of the integrated EU financing model for biodiversity. Naturally, the LIFE+ has continued to form an important source of funding for Natura 2000 across the Community. Furthermore, several new Member States have been rather active in financing biodiversity conservation from the Structural Funds, in particular ERDF. A number of Member States have spent a high proportion of their EAFRD budget on the agri-environment (AE) measure and within this a significant share on biodiversity.

However, regardless of several pioneering examples and successes, **the uptake of Community funding possibilities for Natura 2000 in the Member States has not been as successful as hoped**. For example, agri-environment measures and dedicated payments for Natura 2000 in the context of EAFRD still remain a low priority in several Member States. Also, the use of ERDF for biodiversity in the old Member States has been rather limited. There are also clear indications that the possibility of providing financing for Natura 2000 in the context of the EFF has not been taken up at national level. In general, this reveals that there still are significant difficulties to ensure that the management of Natura 2000 is considered as a high priority in the Member States.

Furthermore, it has also become apparent that a number of Member States have had problems with effectively “**absorbing**” **available EU funds for biodiversity at the national, regional and local level**. For example, the lack of capacity to effectively mobilise and use the funds obtained, e.g. stakeholders’ limited capacity and resources to apply for EU funding, is known to be an issue in many new Member States in particular. Furthermore, the administrative burden associated with many of the EU funds has sometimes made them inaccessible or unappealing for stakeholders. There have also been problems related to insufficient resources within the governments to ensure both the design and effective delivery of biodiversity financing schemes. This indicates that the administrative procedures and co-funding requirement associated with the EU financial framework could also have hindered the effective use of Community funds for Natura 2000.

b. Innovative tools for the future

In addition to the support from the existing Community funds, there are also a number of new and more **innovative ways to support financing of Natura 2000 areas**. For example, different kinds of partnerships can be established to increase the involvement of the private sector, such as local and regional entrepreneurs, in the management of Natura 2000 areas. Furthermore, different instruments (e.g. fiscal transfers) can be used at the Member State level to address the differences in the distribution of Natura 2000 related responsibilities at regional level.

As highlighted in Chapter 3 above, ecosystems safeguarded by Natura 2000 play an important role in providing and maintaining a range of ecosystem services both at site level and in the wider environment. The maintenance of these Natura 2000 related ecosystem services can also form a basis for establishing less traditional financing arrangements for Natura 2000 sites. For example, the capacity of Natura 2000 sites in storing and sequestering carbon, mitigating flooding or maintaining water quality can be used a basis for establishing payments for ecosystems services (PES) as a means to support the management of Natura 2000 sites.

c. Needs and potential for future funding – options and needs

The loss of biodiversity and related ecosystem services continues, with significant implications at the EU level. It is clear that this biodiversity challenge cannot be addressed by Member States alone but continued Community actions are needed to reach the agreed EU goals. Therefore, it seems only justified to ensure that **an adequate amount of Community resources is dedicated to support the conservation of biodiversity and Natura 2000 in the EU in the future**.

The available information on the existing levels of financing indicates that the current level of support to Natura 2000 still leaves a lot to be desired for. The lessons learned from the 2007-2013 period so far seem to indicate that further and more targeted efforts are needed to prioritise the integration of biodiversity issues into national funding priorities in the future.

In order to improve the integration of Natura 2000 into the EU funds, these requirements could be made more directional and explicit, e.g. earmarking a proportion of financing for biodiversity and Natura 2000 within different EU funds could be considered. Furthermore, securing adequate funding for all Natura 2000 management activities and ensuring better coordination between different EU funds could be facilitated by establishing dedicated operational programmes for Natura 2000 at national level. In addition, innovative instruments, such as PES schemes, fiscal transfers and cooperation with the private sector, could be used to complement the financing of Natura 2000 and related ecosystem services at local, national or even at the EU level. Finally, the EU budget cannot, and was never foreseen to, cover all Natura 2000 financing needs. Therefore national funding will continue to be as an essential element needed alongside Community support for Natura 2000.

6. Questions to debate in the working round tables of the conference

The working round tables envisaged for Day 1 and Day 2 of the conference (see agenda in Annex II) aim to interactively involve participants of the conference in the consultation process towards a **new Financing Natura 2000 Communication**. They build on the approach of AmericaSpeaks/Global Voices' "21st Century Town Meetings ©" and the workshop on "A network of knowledge on biodiversity" carried out on 6th May 2009. However, it has been further adapted to the objectives and requirements of the conference. In the Townhall Meeting method, small groups of a maximum of 10 people discuss issues independently of the other groups.

The working round tables will address the following main topics:

A. Question for the roundtable sessions on "Current financing options -Opportunities, strengths, weaknesses and needs" Focusing on: financing under the CAP, Regional Policy, CFP, LIFE and the Research Framework

- I. What is already possible with the existing EU funding instruments?
- II. How successful has integration of Natura 2000 into different EU instruments been?
- III. What are the lessons learned regarding uptake of existing opportunities?
- IV. What can usefully be done to make greater use of the current EU opportunities to help finance Natura 2000?

B. Question for the roundtable session on "Financing Natura 2000 - Future options for EU funding instruments"

- I. What are the ways of improving integration?
- II. In what areas could an enhanced LIFE fund or a dedicated Natura 2000 funding be needed?
- III. What innovative instruments could be used to help funding Natura 2000?
- IV. Would a programmatic approach (e.g. operational programme for Natura 2000) provide a stronger basis for success and if so, what elements might it contain?
- V. How to ensure that future efforts supporting the conservation / restoration of broader ecosystems and their services (e.g. financing targeted to these activities) best support the implementation of Natura 2000?

Annex I

Natura 2000 Cost Estimates in million EUR, by Member State

	One off costs (annualised, €M)			Recurrent costs (annual, €M)			Grand Total (annual, €M)	
	Management	Land purchase	Infrastructure	Sub-total	Management planning	Habitat management and monitoring		Subtotal
Austria	2.9	3.5	8.3	14.6	3.0	38.4	41.4	56.0
Belgium	15.2	18.9	16.0	50.2	5.2	20.2	25.4	75.6
Bulgaria	34.0	22.8	0.5	57.3	67.2	30.3	97.5	154.8
Cyprus	0.6	125.0	10.4	135.9	18.3	46.3	64.7	200.6
Czech Rep	21.6	-	3.6	25.3	4.8	53.9	58.7	84.0
Denmark	-	-	-	22.6	-	-	17.9	40.4
Estonia	1.9	8.6	18.2	28.8	0.8	25.0	25.8	54.6
France	15.3	0.3	4.5	20.0	40.5	413.3	453.8	473.8
Germany	-	-	-	160.0	117.0	343.0	460.0	620.0
Greece	12.1	5.4	13.4	30.9	6.7	59.6	66.3	97.1
Hungary	3.8	20.0	27.2	51.0	17.7	111.2	128.9	179.9
Ireland	6.5	19.7	11.7	37.9	0.6	146.7	147.3	185.2
Italy	3.1	18.1	10.6	31.8	24.3	125.4	149.7	181.5
Latvia	0.8	26.2	48.1	75.1	2.1	11.2	13.3	88.4
Lithuania	2.2	-	1.9	4.1	2.8	21.0	23.9	28.0
Luxembourg	0.3	3.3	19.8	23.4	7.5	7.4	14.9	38.3
Malta	3.1	-	5.7	8.8	0.9	10.8	11.7	20.5
Netherlands	5.4	-	200.0	205.4	-	110.0	110.0	315.4
Poland	4.9	-	-	4.9	9.9	100.4	110.2	115.2
Portugal	4.4	3.4	20.0	27.8	12.4	100.3	112.8	140.6
Slovakia	3.7	8.8	1.8	14.3	0.9	15.7	16.6	30.9
Slovenia	1.1	1.4	7.0	9.4	1.3	1.3	2.6	12.0
Spain	97.0	49.2	372.4	518.7	332.8	705.5	1,038.3	1,556.9
Sweden	7.2	81.1	7.0	95.3	6.4	98.2	104.6	199.9
UK	7.2	0.7	4.6	12.5	18.4	107.4	125.8	138.3
Total (25)	254.3	416.4	812.6	1,666.0	701.7	2,702.6	3,422.2	5,088.1

As the project is still ongoing the results presented within this report may still be subject to change.

Annex II

Conference Programme

DAY 1 – Thursday 15TH JULY

Introduction	
09:00	Welcome
09:10	Investing in Europe's Green Infrastructure – Natura 2000 <i>Ladislav Miko, Director B Nature</i>
PLENARY SESSION: Chair	
The financial resources required to implement the N2K network Matt Rayment	
09:30	The financial resources required to implement the N2K network <i>Matt Rayment (GHK)</i> <i>What are the costs associated with managing the Natura 2000 network</i>
10:00	Panel discussion on what the difference is between current expenditure, actual costs and costs needed to have a complete network with a favourable conservation status Participants: <i>Dalia Čebatiūnaitė (State Service for Protected Areas, Lithuania)</i> <i>Peter Torkler (WWF, Germany)</i> <i>Ludo Holsbeek (Flemish Government, Belgium)</i> <i>Rafael Hidalgo (Ministry of Environment and Rural and Marine Affairs, Spain)</i>
10:30	Questions and answers
11:15 - Break	
PLENARY SESSION: Chair	
The benefits of investing in Natura 2000 Patrick ten Brink	
11:30	Socio-Economic benefits associated with Natura 2000 <i>Patrick ten Brink (IEEP)</i> <i>Why is it important to invest in Natura 2000?</i> <i>What are the benefits we can obtain?</i>
12:00	Three cases studies exploring the benefits of Natura 2000; where costs are offset by benefits; who enjoys the benefits and who pays the costs Socio-economics of farming for conservation in the Burren (Ireland) <i>Brendan Dunford (HNV Services)</i> The lower Danube basin and its floodplain functions (Romania) <i>Orieta Hulea (WWF-DCP)</i> An economic and institutional evaluation of the Natura 2000 programme in France <i>Anne Dujin (CREDOC)</i>
12:30	Questions and answers
13:15 - Lunch	
PLENARY SESSION: Chair	
Financing Natura 2000 – Current Opportunities David Baldock	
14:15	Introducing EU funding instruments: <i>The EU framework for funding Natura 2000 – An insight from different EC services</i> Financing under the CAP - Krzysztof Sulima (DG Agri) Financing under Regional Policy - Agnes Kelemen (DG Regio) Financing under the CFP - Leticia Martinez Aguilar (DG Mare) Financing under Life - Joaquim CAPITÃO (DG Env -Life unit)

15:00 Questions and answers

WORKING ROUND TABLES: Financing Natura 2000

15:30 **Introduction to the working round tables - Financing Natura 2000**
Sonja Gantioler (IEEP)
All participants will be divided into parallel working groups with facilitators to discuss a series of key questions to enhance active participation in the discussions.

15:40 - Break

WORKING ROUND TABLES: Financing Natura 2000 – Current Opportunities

16:00 **Current EU funding options - Opportunities, strengths, weaknesses and needs**
Financing under the CAP, Regional Policy, CFP, LIFE and the Research Framework
What is already possible with the existing funding instruments?
How successful has the integration of Natura 2000 funding into other programmes been?
What lessons are there on the uptake of opportunities?
What can be done to make greater use of the current opportunities?

17:30 - Close

DAY 2 – FRIDAY 16TH JULY

WORKING ROUND TABLES: Financing Natura 2000 – Current Opportunities

09:00 **Working round tables – Current Opportunities (continued)**
Discussion picking up from Day 1

10:00 **Feedback from working round tables & discussion**
Sonja Gantioler (IEEP) + Facilitators

10:45 - Break

PLENARY SESSION: Chair
Financing Natura 2000 – Addressing the investment needs of the network Marianne Kettunen

11:00 **Innovative and alternative financing mechanisms**
What innovative solutions for financing Natura 2000?
Marianne Kettunen (IEEP)

Fiscal transfers to compensate Natura 2000 opportunity costs in Portugal
Pedro Clemente (CENSE)

Supporting Business for Biodiversity – Public-private partnerships for financing Natura 2000 in Poland, Hungary and
Mark Day (RSBP) and Zenon Tederko (BirdLife Poland)

11:30 **Questions and Answers**

12:30 - Lunch

WORKING ROUND TABLES: Financing Natura 2000 - Future options for EU funding instruments

13:30 **Future financing options**

What are the ways of improving the integration of biodiversity priorities into other EU funds?
In what respects could an enhanced LIFE fund or dedicated Natura 2000 funding instrument be needed?
What innovative instruments could be used to help fund Natura 2000 in future?
Would a programmatic approach (e.g. operational programme for Natura 2000) provide a stronger basis for success, and if so, what elements might it contain?

15:30 - Break

15:45 **Feedback from working round tables & discussion**

Patrick ten Brink (IEEP) + Facilitators

16:45 **Closing remarks**

Stefan Leiner, Head of Unit B3 Natura 2000

17:00 - Close