

Regulation on nature restoration

Impact assessment (SWD(2022) 167, SWD(2022) 168 (summary)) accompanying a Commission proposal for a Regulation of the European Parliament and of the Council on nature restoration (COM(2022) 304)

This briefing provides an initial analysis of the strengths and weaknesses of the Commission's impact assessment (IA) accompanying the above-mentioned [proposal](#),¹ submitted on 22 June 2022 and referred to the European Parliament's Committee on the Environment, Public Health and Food Safety (ENVI). The initiative is included in both the Commission 2021 [work programme](#) and the [working document](#) of the European Parliament, the Council of the EU and the European Commission accompanying the [joint declaration](#) on EU legislative priorities for 2022.

With the adoption of the [communication](#) on the European Green Deal, the Commission committed to identifying what measures, including legislative ones, would help Member States improve and restore damaged ecosystems, including carbon-rich ecosystems, to a good ecological status. This consideration is reflected in the [EU biodiversity strategy for 2030](#). As per the key commitments assumed by 2030, legally binding EU nature restoration targets were to be proposed in 2021, subject to an impact assessment.² In its June 2021 [resolution](#) on the EU biodiversity strategy for 2030, Parliament highlighted the need to step up efforts to restore ecosystems. It strongly welcomed the Commission's commitment to draw up a legislative proposal as a crucial element of the [EU nature restoration plan](#), including on binding restoration targets. The EU's commitments on ecosystems protection and restoration reflect the high importance that nature protection and restoration have in the international agenda.³ The present proposal combines an overarching restoration objective for the long-term recovery of nature in the EU's land and sea areas, with binding restoration targets for specific ecosystems. These measures should cover at least 20 % of the EU's land and sea areas by 2030, and all ecosystems in need of restoration by 2050. Member States would be required to submit national restoration plans to the Commission for assessment, showing how they plan to deliver on the targets.

Problem definition

The IA summarises and explains the main findings of the [evaluation](#) of the EU biodiversity strategy to 2020 (IA, Annex IX), which was based on a publicly available supporting external [study](#) and was carried out in parallel with the preparation of this IA, rather than sequentially.⁴ In addition, the IA refers to recent EU-wide assessments of the state of biodiversity.⁵ The main findings of these assessments are well described in the IA, which focuses on the need for further action at EU level due to ongoing [biodiversity loss](#) and the degradation of ecosystems (IA, p. 13). The evaluation of the EU biodiversity strategy to 2020 has indicated that the voluntary target to restore by 2020 at least 15 % of degraded ecosystems has not been achieved due to the voluntary nature of the objective. Continuing biodiversity loss and ecosystem degradation is the **general problem**. Additionally, the IA identifies a **specific problem** – insufficient ecosystem restoration – even though ecosystems continue to degrade. The IA defines and explains the identified **problem drivers**: changes in land and sea use; over-exploitation of natural resources; climate change; pollution; invasive alien species. Already existing EU legislation ([Birds Directive](#), [Habitats Directive](#), [Water Framework Directive](#), [Marine Strategy Framework Directive](#), [Environmental Liability Directive](#), [Invasive Alien Species Regulation](#)), actions under the EU biodiversity strategy for 2030 and initiatives under the European



Green Deal address the problem drivers and will make a positive contribution to biodiversity to some extent. However, not all ecosystems affected by degradation are comprehensively covered by existing legislation (e.g. forests or agricultural ecosystems) and the planned actions and initiatives will not be sufficient to 'meet tangible verifiable restoration objectives' (IA, p. 31). The IA describes the following **specific policy drivers** (policy and legislative failures) in more detail: i) ineffective voluntary targets; ii) shortcomings and gaps in existing legislation to address restoration effectively,⁶ in particular the lack of specific, time-bound and measurable targets; iii) lack of a broad enough approach to address restoration comprehensively (no common EU methodology for assessing ecosystem condition for ecosystems – such as soils, some forests, grasslands and urban ecosystems – which are not covered by existing legislation).

The IA comprehensively examines the nature and scale of the problem, substantiating the findings with references to the evaluations of the EU biodiversity strategy to 2020 and existing legislation, publicly available studies and scientific reports, and stakeholder input. The problems and the problem drivers are discussed in detail, and it appears that the IA takes the comprehensively reported views of stakeholders on the problems into account (IA, pp. 37-38). The IA analyses who is affected by the problems (for instance farmers, foresters, landowners, fishermen, the water sector, the agri-food sector, the insurance sector and tourism), and how the problems would evolve, predicting that the poor condition of ecosystems risks to be aggravated further. In this context, the IA describes the evolution of the baseline for each main EU ecosystem type (IA, Annex VI).

Subsidiarity / proportionality

The proposal is based on Article 192(1) (Environment) of the Treaty on the Functioning of the European Union (TFEU). The IA includes a section on **subsidiarity** (IA, pp. 40-42), where it describes the legal basis and explains the necessity and the added value of EU action. However, the IA does not present a separate subsidiarity grid, as recommended by the [Task Force on subsidiarity, proportionality and 'doing less more efficiently'](#). Subsidiarity and proportionality are among the criteria used by the IA in the comparison of options to choose the preferred option, as required by the [Better Regulation Guidelines](#) (BRGs) (IA, pp. 110-112). The IA explains that 'intervention at EU level is justified in view of the scale and transboundary nature of biodiversity loss and ecosystem degradation, the impacts of environmental degradation on citizens across the Union as well as the risks to its economy'. Existing policy gaps for several ecosystems that are not yet comprehensively covered by EU legislation would have to be filled. The IA analyses **proportionality** for all policy options in detail and according to the IA none of the policy options goes beyond what is necessary to achieve the policy objectives. The deadline for the [subsidiarity check](#) by national parliaments was 23 September 2022. By that date, the Swedish Parliament submitted a [reasoned opinion](#) on non-compliance with the principles of subsidiarity and proportionality.

Objectives of the initiative

The **general objective**, which is in line with the EU biodiversity strategy for 2030 and the European Green Deal, is that 'the EU's biodiversity should be on the path to recovery and that all EU ecosystems should be restored' (IA, p. 42). The IA defines the following **specific objective**, which is linked to the problem drivers: to restore degraded ecosystems across the EU, in particular those that have the most potential to remove and store carbon and prevent and reduce the impact of natural disasters; and to restore the broad range of ecosystems in the EU to get back to the state of 'good condition',⁷ with restoration measures in place by 2050 and ecosystems on the path to recovery by 2030. The specific objective appears to be specific, measurable, relevant and time-bound (S.M.A.R.T. criteria). It is in line with the milestones dates set in the EU biodiversity strategy for 2030. However, on achievability, the specific objective does appear to partly not correspond to the general objective, which envisages that all EU ecosystems should be restored. The IA explains what is meant by a 'broad range of ecosystems': in practice it will not be possible to fully restore all ecosystems, in particular those heavily modified by humans or climate change (see also the Section on 'Assessment of impacts'). A 'broad range' corresponds to the main ecosystem types in the EU: wetlands, forests,

agro-ecosystems (including grassland and cropland), marine ecosystems, heathland, scrub, rocky and dune habitats, lakes, rivers and alluvial ecosystems, and urban ecosystems. These ecosystems would increasingly contribute to removing and storing carbon and preventing/reducing the impact of natural disasters. The IA presents **operational objectives**, which are reported in the same section as the general and specific objectives.

Overall, the IA provides a clear description of the objectives set in the proposal. The IA describes the stakeholders' views on the general and specific objectives comprehensively and appears to have taken them into account. For instance, the stakeholders' feedback on the stated need to improve ecosystem connectivity and to ensure that restored ecosystems and all others subject to the specific objective be maintained and do not further deteriorate, was incorporated in the proposal (see in the following section).

Range of options considered

The IA describes and analyses three different policy options in addition to the Baseline (Option 1).

The IA defines **Option 1 (Baseline)** in a separate annex (IA, Annex VII, pp. 176-191). It presumes that the Member States would implement the European Green Deal, the EU biodiversity strategy for 2030 (including voluntary protection and restoration targets; financing commitments for biodiversity⁸), but not any legally binding restoration targets. The baseline presumes the implementation of already existing EU legislation and national policies relevant to restoration (IA, Annexes VII and XI). Due to the diversity in ecosystem types, the IA follows an ecosystem-specific approach, providing detailed baseline information on each ecosystem and on how it will evolve, and offers comprehensive summaries of this information (IA, Annex VI).

Option 2 would put in place a clearly defined **legally binding overarching EU target** to restore ecosystems. By 2050, ecosystems in the EU are restored to and maintained in 'good condition', complemented by legally binding milestones, envisaging that 'by 2030, 20 %, and by 2040, 60 % of ecosystems in the EU are restored to and maintained in good condition'. Member States would be required to draw up national restoration plans (NRPs). Option 2 would include the requirement of non-deterioration of ecosystems (described in Annex X) to ensure that restored ecosystems are not subsequently destroyed or damaged. For ecosystems on whose condition there is no information available through existing monitoring and reporting mechanisms (e.g. agro-ecosystems or forest habitats not listed in Annex I of the Habitats Directive), additional EU-wide methodologies and monitoring mechanisms would be developed (see Section on 'implementation framework' below). The Member States should then be able to determine which of those ecosystems need to be restored, and the Commission could provide guidance on which ecosystems to prioritise.

Option 3 would set **legally binding ecosystem-specific targets** for a number of ecosystems, habitats, or (groups) of species that should be restored by 2050: wetlands; forests; agro-ecosystems and grasslands; heathland and scrub, rocky and dune habitats; rivers, lakes and alluvial habitats; marine; urban ecosystems; and pollinators as a specific species group. The **specific targets considered for each of the ecosystems** are described in **Annex V** (IA, pp. 171-174). The rate of restoration (30 % by 2030, 60 % by 2040, and 100 % by 2050) is comprehensively explained in the IA. It was chosen because it allegedly provides a better overall benefit-cost ratio (alternative scenario A would be 15 % by 2030, 40 % by 2040, and 100 % by 2050). As in Option 2, Member States would draw up NRPs to reach these targets at national level. The option would also include the requirement of non-deterioration of ecosystems. This option would use a two-step approach (IA, p. 55). In step 1 (initial adoption of the legislation), targets would be set for ecosystems, habitats or groups of species for which data, baselines and monitoring mechanisms are already available. For ecosystems, habitats or species for which data and monitoring mechanisms are not yet available or not sufficiently developed, Member States would be required to achieve a positive trend of certain key biodiversity indicators (e.g. for forest ecosystems: deadwood, age structure, tree cover density). Step 2 would introduce additional targets for those ecosystems, habitats or groups of species based on an EU-wide methodology for assessing their condition (see below). The targets established in

step 2 would gradually increase the coverage of the EU's ecosystems. Step 2 targets would be established by revising the legislation adopted in step 1.

Option 4 (preferred option) would combine the **legally binding ecosystem-specific targets** of Option 3 with an **overarching objective** 'to contribute to the continuous, long term and sustained recovery of biodiverse and resilient nature across EU land and sea areas through the restoration of ecosystems and to contribute to the EU's overarching objectives concerning climate change mitigation and adaptation, and to contribute to meeting the EU's international commitments; and that the restoration measures together shall cover, by 2030, at least 20 % of the Union's land and sea areas⁹ and, by 2050, all ecosystems in need of restoration' (IA, p. 61). The IA explains that with the preferred option, the overarching objective would be applicable at EU level, but not directly enforceable as such; the legally binding ecosystem-specific targets would be enforceable. With Option 4, a significant number of areas could be restored in step 1 with measurable results by 2030, 2040 and 2050. In step 2, targets would be established on the basis of an EU-wide methodology for a broader range of ecosystems such as forests and agro-ecosystems. The IA proposes an **implementation framework** (for Options 2, 3 and 4) and enabling measures (IA, pp. 64-69):

1) **National restoration plans (NRPs)**: The NRPs would include several components, including: a quantification of the area to be restored to reach the restoration targets, based on the latest scientific evidence; plans for specific restoration measures (for instance, identifying areas with the most benefits for carbon capture and storage); a detailed financing plan, where financing from EU funds would be combined with public/private financing; monitoring on progress to reach the targets; public participation (how stakeholders would participate in the preparation of the NRPs); reporting on progress; and a description of the ecosystems' condition. The NRPs would be submitted to the Commission for assessment, the Commission would address observations to the Member States and could ask for additional information and, where appropriate, the Member States would revise their proposed plan before adoption.

2) **Periodic review**: Member States would be required to review the NRPs after 10 years or sooner and, where necessary, revise them. Additionally, the Commission would assess implementation on a periodic basis to review progress on restoration measures put into place, progress towards achieving the targets and, where relevant, whether the Member States are on the path to achieving a good condition of their ecosystems.

3) **Guidelines and further specifications**: Ensuring effective implementation might require developing implementing acts, delegated acts and/or guidelines on restoration or ecosystem management practices.

4) **EU-wide methodology**: The Commission and the Member States – building on already existing data and methods¹⁰ – would develop an EU-wide methodology to assess the condition of ecosystems for which information is currently not sufficiently available and/or no agreed definition of 'good condition' exists (for instance, agro-ecosystems and forests not covered by Annex I of the Habitats Directive). It would determine the methods for setting indicators, baselines and thresholds for further restoration targets that would be established in step 2.

5) **Cross linkages with the revision of the Regulation on land use, land-use change and forestry (LULUCF)**: The IA explains that 'the main cross-linkage that was developed was on monitoring and reporting, in particular a more integrated system to ensure that measures on climate mitigation and nature restoration would now be mutually reinforcing and would not undermine each other' (IA, p. 68).

As required by the BRGs, the IA presents a sufficiently broad and realistic range of policy options. An intervention logic shows how the options address the problem and meet the objectives (IA, p. 48). The retained policy measures are linked to the specific objective and the problem drivers. The IA provides information about discarded options (listed and described in Annex V and VI), for instance, the option of revising existing EU legislation; according to the IA, the revision of several pieces of legislation would not provide sufficient coherence and timeliness to deliver the objectives of this proposal. The IA refers to the stakeholder views in the context of the definition of the policy options and explains how they have been taken into account in a transparent way (for instance, views on overarching and specific targets, binding versus voluntary/aspirational measures, synergies with existing legislation).

Assessment of impacts

The IA analyses the main environmental, social (for instance, aesthetic and recreational values, well-being) and economic impacts of the policy options in a qualitative and quantitative manner. Option 1 (Baseline) is not expected to bring significant changes in the condition of ecosystems, which in the period to 2030 would only slightly improve because of the voluntary nature of the targets in the EU biodiversity strategy for 2030. Option 2 would bring only moderate positive outcomes for the ecosystems and biodiversity; the condition of the main ecosystem types would likely improve across the EU 'albeit in an uneven manner' (IA, p. 79). With Option 2, there would be moderate net ecosystem service¹¹ benefits in the short-term, but lower net benefits in the 2040-2050 period. Various ecosystems would not be prioritised for restoration by the Member States (for instance, because they may be more costly to restore than others) and would therefore degrade further. The **administrative costs** (surveys of ecosystems, development of national restoration plans, administration and monitoring of ecosystems chosen for restoration, reporting on progress against the ecosystem-specific targets) for Option 2 are estimated at €13 965 790 884 (Options 3 and 4: €13 972 370 884) for the period from 2022 to 2050. For Option 3, the IA provides a detailed analysis of **costs** (maintenance costs, restoration costs, costs for enabling measures) and **benefits** (carbon removal and storage, other ecosystem services) for each ecosystem type selected for step 1 (IA, Annex VI). However, the IA states that the same level of data was not available for all ecosystems to quantitatively estimate the costs and benefits. Therefore for some ecosystem types/species 'a mixture of qualitative and quantitative estimates were used' (IA, p. 96). For each of the analysed ecosystems, the IA estimated the benefits that would outweigh the costs (IA, p. 96).

The IA envisages that the **preferred Option 4** is likely to entail higher environmental and social impacts than Option 3, while administrative costs would be the same. The IA provides a detailed analysis of the **costs and benefits** associated with the preferred option. The total costs are estimated to be at least €154 billion up to 2070.¹² This includes restoration and maintenance costs of around €140 billion for peatlands, marshlands, forests, heathland and scrub, grasslands, rivers, lakes and alluvial habitats, and coastal wetlands. According to the IA, restoration and maintenance costs for marine and urban ecosystems as well as pollinators are not included due to uncertainties and data gaps (this also applies for the benefits, see below). **Administrative costs** are estimated at around €14 billion for the period from 2022 to 2050 (the same as for Option 3). The total benefits (for instance carbon removal and storage and preventing/reducing the impact of natural disasters) for the preferred option are estimated at around €1 860 billion. The IA explains that the costs and benefits analysis is based on a 90 % restoration target by 2050. Although the EU should aim to restore all degraded ecosystems by 2050, complete implementation is unfeasible (see also Section on 'Objectives of the initiative'), due to certain sites being inaccessible and to the presence of insurmountable technical barriers to restoration and external pressures (e.g. pollution). The IA states that 'the analysis for the impact assessment assumed that restoring 90 % of degraded ecosystems could be regarded as a realistic level of full implementation' (IA, p. 103). Additionally, the IA presents a description of the expected distribution of costs and benefits between the Member States (IA, p. 105) and transboundary issues (such as cooperation and joint management in areas near to or at the border).

When it comes to comparing the policy options, the IA considers their effectiveness, efficiency, coherence, subsidiarity and proportionality in line with the BRGs. In an effort to facilitate the comparison of options and the identification of the rationale behind the selection of the preferred option, the IA presents all options in summary tables showing how the options score (from (0) neutral to (4) very positive) under the main comparison criteria. When assessing **effectiveness**, the IA explains that Option 4 is expected to be the most effective option for achieving the specific objective, since 'the addition of the overarching objective explicitly in the legal text makes the ecosystem-specific targets even more achievable' (IA, p. 109). In terms of **coherence**, Options 3 and 4 are seen as coherent (Option 2 being slightly coherent and Option 1 neutral), because synergies would be envisaged between the ecosystem-specific targets and aspects (for instance, monitoring)

of existing and upcoming legislation. According to the IA, Options 3 and 4 are the most **efficient** options, with Option 4 being slightly more efficient due to higher environmental and socio-economic benefits as a result of the overarching objective. Regarding **subsidiarity**, Option 1 scores neutral, while Option 2 leaves the most flexibility to Member States about how they would reach the overarching target set by the EU. Options 3 and 4 score positive, although the flexibility for Member States would be more limited than under Option 2. Both options would require from Member States to restore a certain percentage of their ecosystems within concrete timeframes. In the assessment for **proportionality**, Options 2, 3 and 4 score positive (Option 1: neutral). Option 4 is seen as the most proportionate, as it further ensures the achievability of the overarching objective without adding specific reporting obligations.

SMEs/ Competitiveness

According to the IA, the preferred option will generate, especially in the longer term, positive impacts on businesses that directly depend on healthy ecosystems (less frequent floods and droughts, better water quality and quantity, conservation of pollinators). SMEs that are involved in restoration activities would benefit, as would tourism. Farmers, foresters and fishermen are expected to incur costs related to changes in land management (e.g., agricultural land would be affected by freshwater barrier removals) and reduced fishing (IA, Annex III, pp. 141-143 and 153-158). The IA provides a general but not SME-specific overview of the EU-level financing options (IA, Annex XII), such as compensation of transitioning costs. However, the IA does not quantify the costs and benefits of the policy options for SMEs, nor does it discuss **competitiveness** in sufficient detail.

Simplification and other regulatory implications

The IA includes estimates the administrative burden the proposal would place on businesses and EU citizens, in light of the new 'one-in,-one-out' approach applicable to initiatives included in the 2022 Commission work programme. The administrative costs under the preferred option, estimated by the IA to stand at around €14 billion for the period from 2022 to 2050, would mainly be for the EU- and national-level administrations. Cost savings are not substantially quantified. According to the IA, the proposal would create synergies with and complement already existing and upcoming rules (for instance, provisions on monitoring that would be introduced through the revision of the LULUCF Regulation). It would be consistent with the relevant Union policies: the European Green Deal, the EU biodiversity strategy for 2030 and the common agricultural policy (CAP).

Monitoring and evaluation

The IA presents the monitoring and evaluation plans in a comprehensive manner. Special attention will be given to coherence with other monitoring and reporting requirements in regard to ecosystems restoration. One example of this desired coherence is the proposed LULUCF revision, which would 'enable, in the longer term, better cross-referencing between land-based climate change mitigation and ecological condition' (IA, p. 118). As regards monitoring and evaluation in relation to the proposed ecosystem-specific restoration targets, Member States would have to regularly review their own restoration objectives and measures and evaluate the progress they have made. The NRPs would be evaluated at EU level 'to ensure the sufficiency and coherence of the objectives and measures to achieve the ecosystem-specific targets set in legislation' (IA, p. 118). To keep track of the condition of the ecosystems, Member States would need to monitor the outcomes of their restoration projects or programmes. In addition, an EU-wide methodology for ecosystem condition assessment is planned to be developed in cooperation with Member States in the coming years; preparatory work in this regard has already started. The proposed regulation would be evaluated by 31 December 2035.

Stakeholder consultation

In accordance with the BRGs, the IA describes the stakeholder consultation activities of the Commission in a separate annex (IA, Annex II) and provides a list of the stakeholder groups

consulted (IA, p. 262). The consultation on the [inception impact assessment](#) received 132 responses between 4 November and 2 December 2020. The Commission launched an open [public consultation](#) (OPC) from 12 January to 5 April 2021, meeting the 12-week requirement under the BRGs. It was published as a part of a joint open public consultation (OPC) on three policy initiatives related to biodiversity (evaluation of the EU biodiversity strategy to 2020; review of the application of the Invasive Alien Species Regulation; development of binding EU nature restoration targets). The IA states that 'the aim was to avoid a proliferation of consultations and stakeholder fatigue, and to ask related questions together and once' (IA, p. 264). A total of 111 842 responses were received. The IA explains that 93.5 % of these responses, received from EU citizens and EU-based organisations, were mobilised by the [#RestoreNature](#) campaign, led by several non-governmental organisations (NGOs). Almost 90 % of the remaining responses (7 371) had their geographical focus in Poland (6 621 responses), and around 55 % of the respondents selected forestry as their area of activity. The IA provides detailed information about the third part of the OPC related to the IA, containing eight questions on the development of binding EU nature restoration targets. It presents a breakdown by stakeholder group (such as EU citizens, public authorities, companies/business organisations, NGOs, consumer organisations). Additionally, five stakeholder consultation workshops were organised between November 2020 and September 2021. Overall, the IA describes the varying views of stakeholder groups on the problems, the problem drivers, the objectives and options as well as on subsidiarity and proportionality in a detailed and comprehensive manner.

Supporting data and analytical methods used

To prepare the IA, the Commission used a number of sources, such as the evaluation of the EU biodiversity strategy to 2020; the external supporting study (Trinomics B.V. et al., 'Supporting the evaluation of the EU biodiversity strategy to 2020 and Follow-up' – referenced but without a hyperlink); stakeholder consultations; Commission in-house expertise (including the Joint Research Centre) and European Environmental Agency expertise; and other reports and [studies](#). The data sources are duly referenced and generally linked. The IA describes the analytical methods in a separate annex (IA, Annex IV, pp. 159-170). For instance, for the baseline assessment, assumptions were made for each type of ecosystem based on their future development, including the use of modelling trends towards 2030 in line with the [EU Ecosystem Assessment](#). The IA provides both a qualitative and a quantitative assessment, and openly explains limitations and uncertainties in the analysis, for example, the technical, temporal and financial risks that would potentially limit the benefits of ecosystem restoration (IA, pp. 165-166).

Follow-up to the opinion of the Commission Regulatory Scrutiny Board

The RSB initially issued a negative opinion on a draft version of the IA on 16 July 2021, where it identified significant shortcomings (problem definition, options, views of stakeholders). Following the submission of a revised IA report on 1 October 2021, the RSB issued a [positive opinion with reservations](#) on 28 October 2021, noting the additional explanations included in the revised report and pointing out the significant shortcomings that remained unaddressed: i) the report was not sufficiently clear on the justification, functioning and performance of some options; ii) the report was not sufficiently specific on some costs and benefits estimates and underlying assumptions. The IA explains how the RSB comments have been addressed. It appears that the RSB's recommendations for improvements were taken into account in the revised version of the IA.

Coherence between the Commission's legislative proposal and IA

The explanatory memorandum of the proposal specifies that 'the proposal deviates slightly from option 4 as some potential targets for soil will be covered at a later stage in separate legislation, as announced in the [EU soil strategy](#)' (p. 11).

The IA examines the problem's nature and scale comprehensively. It offers a broad and realistic range of policy options and presents the stakeholders' views on the options transparently. It gives a qualitative and quantitative assessment of the economic, social and environmental impacts, referring to the evaluation of the EU biodiversity strategy to 2020 that ran in parallel to the IA, as well as an external support study, stakeholder consultations and various duly referenced data sources. It is open about limitations and uncertainties, such as risks that could potentially limit the benefits of ecosystem restoration. It states that for some ecosystems there was insufficient data to allow a quantitative estimation of costs and benefits. The IA does not quantify the costs and benefits of the policy options for SMEs, and does not discuss competitiveness substantially.

ENDNOTES

- ¹ See V. Halleux, [EU nature restoration regulation: Setting binding targets for healthy ecosystems](#), EPRS, European Parliament, October 2022.
- ² See Communication EU Biodiversity Strategy for 2030, [COM\(2020\) 380](#), European Commission, p. 14.
- ³ [UN Convention on Biological Diversity](#), [UN Convention to Combat Desertification \(UNCCD\)](#), [2030 Agenda for sustainable development](#), [UN Decade on Ecosystem Restoration](#), [UN Framework Convention on Climate Change](#).
- ⁴ In its [resolution](#) of 7 July 2022 on better regulation, the Parliament voices its serious concern about the increasing trend of evaluations and IAs being carried out in parallel, although evaluation results should feed into any revision of legislation.
- ⁵ [The European environment – state and outlook 2020](#), [The State of Nature in the EU](#), [EU Ecosystem Assessment 2021](#).
- ⁶ See fitness checks of the Water Framework Directive ([COM\(2019\) 439](#)), the Birds and Habitats Directives ([COM\(2016\) 472](#)), and the Commission report on the implementation of the Marine Strategy Framework Directive ([COM\(2020\) 259](#)).
- ⁷ 'Good condition means a state where the key characteristics of an ecosystem, namely physical, chemical, compositional, structural and functional state, and landscape and seascape characteristics, reflect a high level of ecological integrity, stability and resilience necessary to ensure the long-term maintenance of an ecosystem' (IA, p. 4).
- ⁸ See IA, Annex XII: Financing options at EU level, pp. 244-260.
- ⁹ See estimates of the areas (terrestrial and marine) that would be covered by restoration measures by 2030, IA, p. 62.
- ¹⁰ E.g. data and methods for ecosystems covered by the Birds and Habitats Directives, the Water Framework Directive, the Marine Strategy Framework Directive, the work of the Mapping and Assessment of Ecosystems and their services ([MAES](#)), the proposal of the revision of the Regulation on environmental and economic accounts, and standards such as the UN System of environmental economic accounting ([UNSEEA](#)) and the Society for ecological restoration ([SER](#)).
- ¹¹ Such as food provision, water purification, raw materials, genetic and medicinal resources, air quality and climate regulation, moderation of extreme events, regulation of water flows, erosion prevention, maintenance of soil fertility, pollination, opportunities for recreation and tourism.
- ¹² Maintenance costs extend to 2070.

This briefing, prepared for the Committee on the Environment, Public Health and Food Safety (ENVI), analyses whether the principal criteria laid down in the Commission's Better Regulation Guidelines, as well as additional factors identified by the Parliament in its Impact Assessment Handbook, appear to be met by the IA. It does not attempt to deal with the substance of the proposal.

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