

# Common Framework for Biodiversity-Proofing of the EU Budget

## **Guidance for the European Maritime and Fisheries Fund**

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For the European Commission

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In collaboration with



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### **Table of Contents**

| Tabl     | e of Contents3   |
|----------|--|
| 1<br>the | Guidance on biodiversity proofing the European Maritime and Fisheries Fund during implementation cycle4  |
| 1.1      | Introduction to the fund4  |
| 1.2      | Opportunities for biodiversity proofing5   |
| 1.3      | Guidance for 'biodiversity proofing' the EMFF  |
| 1.4      | Checklist for biodiversity proofing the implementation cycle13   |
| 2        | References   |
| Tabl     | of Tables e 1-1: Potential impacts of fisheries and aquaculture on biodiversitye e 1-2 Check-list for biodiversity proofing the EMFF during the implementation cycle14 |
|          | of Figures re 1-1: Application of the common framework for biodiversity proofing to the EMFF8  |

## 1 Guidance on biodiversity proofing the European Maritime and Fisheries Fund during the implementation cycle

Note, this document should be read in conjunction with Medarova-Bergstrom *et al* (2014), which provides the rationale for the Common Framework together with generic guidance on key biodiversity proofing principles and the application of key proofing instruments. This is hereafter referred to as the Generic Guidance document.

The purpose of this guidance is to primarily help Managing Authorities and biodiversity experts to 1) maximise the possibilities presented by the European Maritime and Fisheries Fund (EMFF) for increasing spending on biodiversity priorities (especially regarding Green Infrastructure), into the project cycle, where it is relevant, and 2) to ensure that detrimental impacts on biodiversity are avoided and minimised as much as possible, and if residual impacts remain, offset requirements to achieve no-net-loss are identified.

#### 1.1 Introduction to the fund

The EMFF is the main funding instrument in support of the European Common Fisheries and Integrated Maritime Policies. Like the other European funds, the fisheries fund has recently undergone reform. However, unlike other European funds the adoption of the maritime and fisheries fund has been seriously delayed: the institutions only reached a political agreement on the fund on 28 January 2014. The EMFF Regulation was published in the EU Official Journal on 20 May 2014.

The fund will contribute to the objectives of the EU 2020 Strategy for smart, sustainable and inclusive growth, and to this end it has four general objectives:

- 1. Promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture;
- 2. Fostering the implementation of the Common Fisheries Policy (CFP);
- 3. Promoting a balanced and inclusive territorial development of fisheries and aquaculture areas;
- 4. Fostering the development and implementation of the Integrated Maritime Policy in a complementary manner to Cohesion Policy and the CFP.

Importantly, the Regulation also specifies that these objectives should be achieved without resulting in an increase in fishing capacity.

The EMFF is obviously particularly relevant to biodiversity, through its direct influence on the fisheries and aquaculture industries, and their direct influence on marine ecosystems and biodiversity. In previous programming periods the fisheries funds have had positive and negative impacts on biodiversity. In terms of positive effects, the EMFF contains such measures as investments in the protection and restoration of marine flora and fauna, improvements to the selectivity of fishing gear, and schemes to improve the environmental performance of aquaculture farms. More problematic are measures to expand aquaculture facilities and production, and measures that have the potential to maintain the overcapacity

of the EU fishing fleet (e.g. vessel modernisation), although the reform of the fund has introduced greater safeguards in this respect.

In the previous programming period, the overall contribution of the European Fisheries Fund programmes to the conservation of resources and the protection of the marine environment was low and available environmental measures were not sufficiently implemented to meet biodiversity commitments, or to maximise the environmental, social and economic benefits that may arise from conserving and restoring biodiversity and ecosystem services. It is therefore important that future EMFF funding is subject to biodiversity proofing in order to minimise detrimental biodiversity impacts and increase benefits.

The majority of measures within the EMFF are financed and programmed under shared management (including measures related to sustainable development of fisheries and aquaculture, marketing and processing, and control and enforcement), meaning that individual Member States distribute funds and manage expenditure, although there are a small number of measures that are financed and programmed by the Commission under direct management (e.g. scientific advice, Union control and enforcement, and technical assistance as well as some measures related to the Integrated Maritime Policy). Given that most measures are financed through shared management, Member State authorities have the power to make the most of the measures within the fund to generate benefits (both ecological and economic) from biodiversity and ecosystem services. The overall budget for 2014-2020 is € 6.5 billion (including market measures, Fisheries Partnership Agreements and contributions to regional fisheries management organisations).

#### 1.2 Opportunities for biodiversity proofing

#### 1.2.1 Minimising detrimental impacts

Table 1-1 summarises the major impacts that fisheries and aquaculture activities might have on biodiversity. Of these impacts, the most important relate to overexploitation of wild fish stocks (and the associated bycatch) and habitat degradation from bottom trawling (Tillin et al, 2006; EEA, 2010). These impacts are exacerbated by overcapacity of EU fishing fleets and are the biggest threats to marine biodiversity, and to the profitability and economic sustainability of European fishing operators. Previous fisheries funds have been known to contribute to these negative impacts, although they have also had positive impacts on biodiversity. Even certain measures designed with good intentions, such as social aims or even environmental aims (eg reducing the size of the fleet), have in practice resulted in perverse outcomes. Scrapping of fishing vessels and investments in fleet modernisation are good examples of this phenomenon. Despite aiming to reduce the size of the fleet, subsidies for vessel scrapping were commonly used to scrap inactive vessels, and reinvest in other vessels, which resulted in a net increase in the capacity to catch fish (European Court of Auditors, 2011). Equally subsidies for vessel modernisation were commonly used to increase engine efficiency and thereby increase fishing capacity (European Court of Auditors, 2011).

The reform of the EMFF has introduced much more stringent safeguards to try to ensure that the perverse outcomes that resulted under the previous funding period do not repeat

themselves. Nevertheless, when funds are being distributed and managed particular attention should be given to checking whether the proposed programme and projects may lead to impacts as summarised in Table 1-1. Where such impacts may be likely and significant, then measures should be identified, implemented, monitored and reported on that avoid and reduce impacts to acceptable levels. If this is not possible, then remaining residual impacts (after feasible rehabilitation) should be quantified, so that post-proofing measures taken to offset these impacts, for example through habitat restoration measures. Such measures should be in accordance with the EU's no net loss strategy, which is currently being developed.

Table 1-1: Potential impacts of fisheries and aquaculture on biodiversity

Source. Fisheries: (Tillin et al, 2006), (EEA, 2010), Aquaculture (EEA, no date)

| Impact<br>source /<br>impact type | Intentional exploitation and accidental mortality  | Direct habitat<br>loss<br>(footprints)  | Within habitat degradation (eg from management change)                       | Disturbance <sup>*a</sup>                           | Pollution<br>(external)  | Invasive alien species  |
|-----------------------------------|--|---|--|---|--|---|
| Fisheries                         | Major factor affecting many marine fish populations, and bycatch of fish and other marine species can be significant, including ghost fishing from lost or abandoned fishing gear                          | Minimal   | Bottom<br>trawling and<br>dredging<br>causes major<br>habitat<br>degradation | Possible<br>impacts on<br>some sensitive<br>species | Fuel spills, waste-<br>water, sewage<br>and anti-fouling<br>paint; marine<br>litter including<br>lost or<br>abandoned<br>fishing gear  | Can spread IAS  |
| Aquaculture                       | Indirect impact on wild stocks through their use in fish feed; and overexploitation driven by use of wild seed to stock aquaculture ponds; exchange of diseases and parasites between wild and farmed fish | Minimal,<br>unless inland<br>fish lakes and<br>ponds are<br>converted to<br>intensive fish<br>farms |  | Possible<br>impacts on<br>some sensitive<br>species | Discharges of<br>organic matter,<br>phosphorus and<br>nitrogen,<br>disinfectants,<br>antifoulants,<br>flesh colorants<br>and medicines | Risk to genetic integrity of wild stocks from escapee, plus reduced fecundity in wild stocks, and outcompeting wild populations for food and breeding areas |

#### 1.2.2 Maximising beneficial impacts on biodiversity

Under previous fisheries funds, limited resources have traditionally been allocated to support projects that are designed to have positive effects on marine biodiversity (eg projects to protect and develop aquatic flora and fauna) (Ernst & Young, 2011). This approach has meant that Member States have missed good opportunities to derive many benefits from spending on biodiversity. These benefits might include:

- more productive fisheries through the restoration and protection of their nursery grounds;
- increased tourist revenue on beaches and coastal resorts as a result of projects to fish for marine litter, or restore and protect habitats and species; and
- increased flood protection from the restoration of saltmarsh habitats, etc.

The new EMFF Regulation contains a series of measures that can be considered as beneficial for biodiversity. These include:

• Article 34: Permanent cessation of fishing activities;

- Article 36: Support to systems of allocation of fishing opportunities;
- Article 37: Support for the design and implementation of conservation measures;
- Article 38: Limiting the impact of fishing on the marine environment and adapting fishing to the protection of species;
- Article 39: Innovation linked to the conservation of marine biological resources;
- Article 40: Protection and restoration of marine biodiversity and ecosystems and compensation regimes in the framework of sustainable fishing activities;
- Article 44: Inland Fishing and inland aquatic fauna and flora;
- Article 53: Conversion of aquaculture to eco-management and audit schemes and organic aquaculture;
- Article 54: Aquaculture providing environmental services;
- Article 76: Control and enforcement;
- Article 77: Data collection;
- Article 79b. 1b Promotion of the protection of marine environment, and the sustainable use of marine and coastal resources.

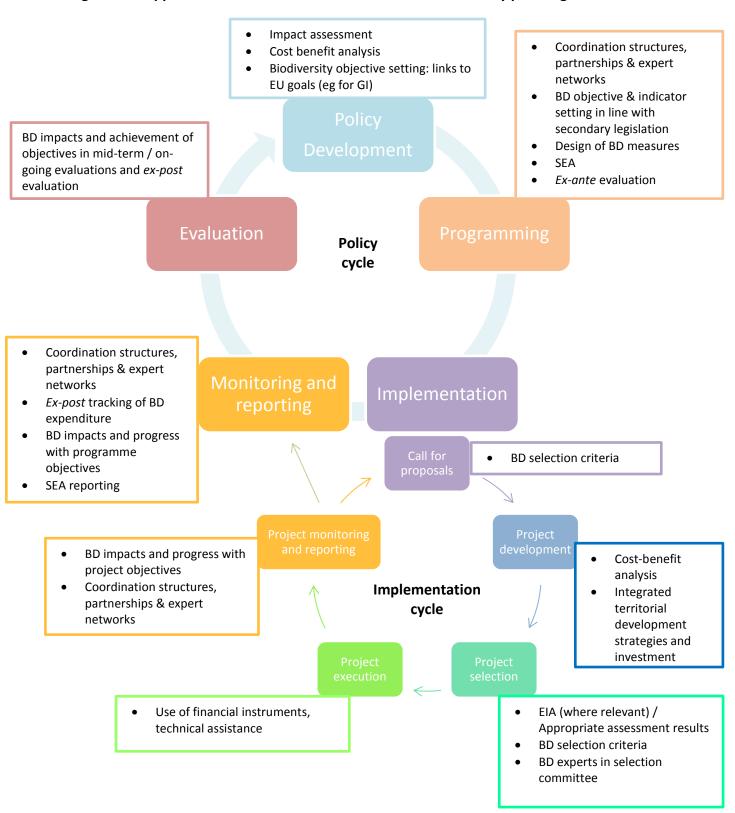
These measures consist of opportunities for providing benefits to biodiversity, but they will frequently result in social and economic benefits too, particularly if projects are designed with these 'win-win' opportunities in mind. Similarly, other measures that are perhaps not as explicitly relevant to biodiversity may also be designed to provide positive results for biodiversity and ecosystem services.

#### 1.3 Guidance for 'biodiversity proofing' the EMFF

**Note:** Key proofing tools for which guidance is provided in the Generic Guidance are highlighted in bold and italic type.

'Biodiversity proofing' offers an opportunity to enhance the ability for all EU funds, including the EMFF, to contribute to the achievement of the EU's biodiversity target. It also provides an opportunity to ensure sustainable growth in the maritime sector. It aims to ensure that potential adverse impacts on biodiversity are considered, identified, quantified and communicated, and that appropriate actions are taken to avoid and minimise them, and that opportunities for activities to benefit biodiversity are identified and taken forward. A Common Framework for biodiversity proofing EU funds has been developed under the Generic Guidance (Medarova-Bergstrom *et al* 2014), and **Figure 1-1** presents how this framework can be applied to the EMFF. It represents the policy and implementation cycle for the EMFF, and indicates the different tools for biodiversity proofing that may be used at different stages of the policy and implementation cycles.

Figure 1-1: Application of the common framework for biodiversity proofing to the EMFF



#### 1.3.1 Programming

The programming stage of the policy cycle is a particularly important time in terms of considering beneficial funding for biodiversity, given that at this stage Member States decide whether or not to fund these measures and how much funding to allocate. Given that Member States have already started drafting their operational programmes, coordinating *ex-ante* assessments and preparing SEA's, this guidance focuses primarily on the implementation cycle. Nevertheless, operational programmes may be amended over the course of the funding period, for the following reasons: changes in the description of individual measures, including or withdrawing measures, changes in eligibility conditions or changes in financing (eg transferring funds between Union priorities).

In light of this possibility, biodiversity proofing in the programming (or re-programming) stage should focus on:

- Selecting the measures that are beneficial for biodiversity for inclusion (see those listed in section 1.2), and allocating sufficient funds to support such activities and operations.
- Setting biodiversity objectives, targets, and indicators.
- Establishing selection criteria for fisheries areas and local development strategies
  that factor in biodiversity in addition to social and economic considerations. For
  example targeting investments to areas of high biodiversity value, or areas in greater
  need of biodiversity protection and restoration.

#### 1.3.2 Calls for proposals

In the previous programming periods, negative impacts on biodiversity have tended to be driven by inadequate policy design or policy interpretation. The EMFF Regulation has been strengthened to include more stringent safeguards, and it is highly important that Managing Authorities implement these fully and enforce them during project selection. For example, any operators that have committed serious infringements of the CFP rules should not be eligible for support. A general condition is that no support under the fund should result in an increase in fishing capacity. Another more specific example is Article 34 on the permanent cessation of fishing activities through vessel scrapping, which contains numerous conditions, including that owners of vessels are registered as active and have carried out fishing activities at least 90 days per year during the previous two calendar years, and that they shall effectively cease all fishing activities. Such conditions should be clearly implemented in the call for project proposals, so that potential applicants are fully aware of the eligibility requirements. Indeed, application forms should require this sort of information to be submitted, and collated data should be properly stored and, more importantly, used to determine whether the project or applicant meets the eligibility criteria.

Over and beyond these legal requirements, it could be helpful to stress in the call for proposals both the potential pitfalls and negative impacts that certain projects may have, and the beneficial results that other projects may obtain for biodiversity, ecosystem

services, and the socio-economic benefits that can be derived from them. The call for funding applications should highlight the biodiversity hazards of particular projects, and direct applicants to sources of biodiversity-related advice, training and best practice guidance, so that project development may progress in an ecologically-conscious manner. To increase uptake of biodiversity-enhancing measures, publicity and advertising schemes could be employed to raise awareness of the available funds and conditions. Best practice examples can be identified and used to demonstrate opportunities to potential beneficiaries and thereby encourage applications. FARNET has gathered a wealth of good practice examples for EFF Axis 4 projects which is an invaluable source. It would be possible to replicate this for other projects outside of community-led local developments. The national networks for local action groups should be one vehicle for this process. Advice and training should be available to guide beneficiaries through the application process, and this could have a biodiversity focus, highlighting needs, opportunities and innovative approaches during project development. The call for proposals could also reflect higher level programme objectives (which should reflect EU priority objectives), including those related to biodiversity. This may help to ensure biodiversity-beneficial investment.

Furthermore, at this stage of the implementation cycle *biodiversity-related selection criteria* adopted by the monitoring committee and an accompanying project scoring system could be established to screen applications. Such criteria could prioritise those projects for funding that include actions higher up the mitigation hierarchy (ie prioritise projects that avoid negative impacts over those which mitigate them). For example, in Malta the selection criteria for the EFF measure on investments on board fishing vessels and selectivity were amended to give preference to projects that would increase mesh sizes, improve selectivity of gear, or reduce vessels' engine sizes (Maltese Ministry for Sustainable Development, the Environment and Climate Change, 2012). These criteria should be clearly communicated in the call for proposals for potential beneficiaries so that they are factored into the project design and application.

#### 1.3.3 Project development

It is important to recognise in the context of the EMFF, when trying to avoid and reduce the types of impacts described in Table 1-1: Potential impacts of fisheries and aquaculture on biodiversity, that projects are generally of a small size, and as a result proofing tools need to be proportionate to the scale and risks of the project. The only type of EMFF investment that requires an *Environmental Impact Assessment* (EIA), under the EIA Directive, is for large aquaculture projects. Such projects should therefore take into account the dedicated EU 'Guidance on Integrating Climate Change and Biodiversity into Environmental Impact Assessment' and other sources of guidance and information described in Chapter 4 of the Generic Guidance.

In the absence of EIA, Managing Authorities could require potential beneficiaries to conduct a more proportionate environmental assessment. The potential impacts of a project may not be directly related to the size of the project in financial terms, but are more likely to relate to the specific nature of the actions and activities involved, and the specific environmental context. This makes it difficult to develop a rule to determine which projects

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<sup>&</sup>lt;sup>1</sup> https://webgate.ec.europa.eu/fpfis/cms/farnet/tools/good-practices

should require an assessment or not, and the proportionality of such an assessment. As a minimum it would be appropriate to require applicants to specify in their applications any potential environmental impacts (positive or negative) or risks to biodiversity that might arise from the proposed project. The application process could require, in the face of potentially negative impacts, elaboration on avoidance or mitigation measures.

The concept of assessing the biodiversity impacts links closely to **cost-benefit analysis**. CBA is not a legal requirement dictated in the EMFF Regulation, but it has been used by Member States for project development in the EFF. An option for smaller projects is not to request a full CBA, but rather to require a short qualitative assessment about biodiversity benefits, costs and impacts in the project application forms. The UK Marine Management Organisation's guidance for applicants<sup>2</sup> provides an example of how a basic CBA might be specified.

The development of *integrated territorial development strategies* also offers definite opportunities in terms of biodiversity proofing. As biodiversity investments form the basis for a wide range of socio-economic benefits, they can be a critical asset for territorial development if protected and managed effectively. As a key condition to succeed in developing the territory in a sustainable manner, policy-makers have to take into account biodiversity, ecosystem services and Blue Infrastructure in integrated territorial development strategies, especially through the coordination of the various programmes. To assist in this endeavour FARNET has produced a guide to 'Green Growth in Europe's Fisheries Areas<sup>3</sup>' which demonstrates, through both theoretical and practical examples, how FLAGs can contribute to attractive and profitable fisheries areas while applying some key principles that will help ensure environmentally sustainable development (FARNET, 2013). Indeed, there are numerous examples of territorial development projects funded under the Axis 4 of the EFF that have contributed towards improving biodiversity, and which can serve as an inspiration (see the FARNET magazine<sup>4</sup> and website<sup>5</sup> for more details).

#### 1.3.4 Project selection

It is important that the outcomes of an EIA or other assessments (including CBA) should be carefully considered. As emphasised above, Managing Authorities should aim to ensure that the assessments are carried out in an appropriate manner, requesting updates and additional information if required.

It is also important to ensure that any **biodiversity-related selection criteria** - as outlined in section **Error! Reference source not found.** above - are given an appropriate weight in the evaluation, to ensure that the most appropriate projects are funded. As explained above, the criteria for selecting projects could prioritise projects that will have positive outcomes for biodiversity, and thereby encourage beneficiaries to approach project development in a

<sup>&</sup>lt;sup>2</sup> <a href="http://www.marinemanagement.org.uk/fisheries/funding/forms/eff/ax2-pia001\_guidance.pdf">http://www.marinemanagement.org.uk/fisheries/funding/forms/eff/ax2-pia001\_guidance.pdf</a>

https://webgate.ec.europa.eu/fpfis/cms/farnet/files/documents/FARNET Green Growth in Europe Fisheries Areas-6 EN 0.pdf

<sup>&</sup>lt;sup>4</sup> FARNET (2012) FARNET magazine. The environment as a driver of development in Europe's fisheries areas. https://webgate.ec.europa.eu/fpfis/cms/farnet/files/documents/FARNET Magazine 06 EN 0.pdf

<sup>&</sup>lt;sup>5</sup> Axis 4 Project examples: <a href="https://webgate.ec.europa.eu/fpfis/cms/farnet/project-examples-environment-culture-society">https://webgate.ec.europa.eu/fpfis/cms/farnet/project-examples-environment-culture-society</a>

biodiversity-conscious manner. Such criteria would be used to determine whether adverse effects have been identified, and if that is the case, to ensure that actions be proposed to avoid, mitigate or compensate for such impacts in accordance with the mitigation hierarchy. With respect to community-led local development, these principles can be applied to the selection of FLAGs, the approval of strategies and the allocation of funding. For example, Member States could specify that for a FLAG to be chosen it must demonstrate knowledge of challenges facing the local marine environment and opportunities for positive change and win-wins. Equally, funding may be allocated based on the strengths of the local development strategies submitted, prioritising those that set out how they will ensure a more sustainable future for the fishing community.

Finally, consideration of biodiversity issues, especially those relating to ecological and other technical / scientific issues - such as in the appropriateness of EIA, fulfilling project selection criteria, assessing sufficient measures for monitoring and evaluation - should be carried out by suitably qualified and experienced *biodiversity experts*. Staff involved in project selection should also be given basic training in the importance of biodiversity protection and restoration, or should be supported, particularly for larger projects (or projects expected to have larger impacts), by biodiversity experts. For example, in England, project selection for the EFF was organised by the Marine Management Organisation so that for the majority of projects, those that are considered lower risk or lower cost, there was an ongoing selection procedure whereby the Managing Authority signed-off applications following review from their internal team<sup>6</sup>. Applications for more complex and higher cost projects were subject to a decision by a selection panel. Meetings of the selection panel were held annually, and the panel was designed to provide a cross-representation of knowledge and experience to the different funding axes. Among other things, membership was based on an understanding of sustainable development and management of the marine and fisheries environment.

#### 1.3.5 Project execution

For a significant number of projects supported under the EMFF, project execution will entail relatively simple operations, such as the purchase and fitting of new equipment. There are, however, also investments that entail more process and a greater suite of actions, or in the case of the community-led local development strategies, a series of projects. Nevertheless, at this point of the implementation cycle there is a limit to what may be done to increase or limit actions related to biodiversity. One exception to this is the use of technical assistance which can support biodiversity proofing of projects along the whole implementation cycle. At the national level, Managing Authorities can try to ensure that the national and regional institutions providing technical assistance on the implementation of fisheries projects are also able to provide guidance on biodiversity related issues.

#### 1.3.6 Monitoring and reporting

A highly important opportunity for biodiversity proofing is during the monitoring and evaluation of the policy cycle. During the policy cycle, the mandatory mid-term and *ex-post* evaluations are key tools to determining whether and to what extent the programme has included biodiversity-related expenditure, and whether it has resulted in positive outcomes

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<sup>&</sup>lt;sup>6</sup> See <a href="http://www.marinemanagement.org.uk/fisheries/funding/documents/eff-selection\_terms.pdf">http://www.marinemanagement.org.uk/fisheries/funding/documents/eff-selection\_terms.pdf</a> for more details.

for biodiversity in accordance with agreed *objectives*. Within the annual reporting procedures, Managing Authorities could aim to ensure that Monitoring Committees include a degree of *biodiversity expertise*, given their role in monitoring the quality of programme implementation.

The system for monitoring and reporting projects is established in the programming stage, with operational programmes establishing links between common indicators and milestones and targets (see Chapter 4 of the Generic Guidance). This limits the opportunities for biodiversity proofing in the implementation cycle. Nevertheless, it is important to assess progress made in achieving the targets of the project and to periodically review the reported data to ensure continuing effectiveness. This should enable early intervention, such as mobilising technical assistance, if a project is not on track. Managing Authorities could pay particular attention to measures that have had negative impacts on biodiversity in the past (eg vessel modernisation and the scrapping of fishing vessels which have both led to increases in fishing capacity in previous financial periods). Indeed, during the monitoring, reporting and evaluation of the programme as a whole, it will be important to assess whether the safeguards for potentially detrimental measures (as for example identified in an EIA) are being adhered to and are effective in avoiding and mitigating any negative impacts. For aquaculture projects where an EIA is necessary, biodiversity impacts and the effectiveness of mitigation measures should also be monitored closely. The FAO has produced guidelines on EIA and monitoring in aquaculture<sup>7</sup>, which stresses the need to implement monitoring requirements and to properly analyse, report and feedback outcomes of farm level and wider environmental monitoring into the management of individual farms and the sector more generally.

#### 1.4 Checklist for biodiversity proofing the implementation cycle

The checklist in Table 1-2 below is proposed for use by the Managing Authorities to assist with biodiversity proofing primarily within the implementation cycle. More detailed and context-specific lists may need to be developed by authorities in consultation with other stakeholders to inform the design process along the way. The checklist does not aim to identify legal obligations but to highlight key considerations in biodiversity proofing.

<sup>&</sup>lt;sup>7</sup> FAO (2009) Environmental impact assessment and monitoring in aquaculture. FAO Fisheries and Aquaculture Technical Paper.No. 527. Rome, FAO. 2009. 57p. <a href="http://www.fao.org/docrep/012/i0970e/i0970e00.htm">http://www.fao.org/docrep/012/i0970e/i0970e00.htm</a>

#### Table 1-2 Check-list for biodiversity proofing the EMFF during the implementation cycle

Legal requirements (ie included in the Funding Regulation, or other EU legislation) are highlighted in bold text.

| 1) Generic requirements and principles  |  |
|---|--|
| Have you ensured in all steps in the implementation cycle that:   |  |
| <ul> <li>Selected projects and investments are in accordance with the EU acquis, including most<br/>notably the Common Fisheries Policy, the Marine Strategy Framework Directive, and the<br/>Birds and the Habitats Directives?</li> </ul> |  |
| <ul> <li>You have considered how the operational programme and selected projects can<br/>contribute to achieving the EU's headline biodiversity target, and other targets and actions<br/>in the Biodiversity Strategy?</li> </ul>          |  |
| Measures to avoid, reduce, rehabilitate and offset impacts are taken in accordance with the mitigation actions where appropriate  |  |
| <ul> <li>Consideration of biodiversity issues, especially those relating to ecological and other<br/>technical / scientific issues are carried out by suitably qualified and experienced<br/>biodiversity experts.</li> </ul>               |  |

| 2) Implementation Cycle  |  |
|--|--|
| Call for proposals   |  |
| Have you consulted and used the expertise of environmental authorities, NGOs, and academia in your region/country to help draw up calls that can support biodiversity benefits and minimise detrimental impacts?   |  |
| Have you taken into account national / regional biodiversity strategies and objectives in drawing up calls that can support biodiversity benefits and minimise detrimental impacts?  |  |
| Have you taken into account the EU objectives for <u>Green Infrastructure</u> and the <u>EU No Net Loss</u> ?  |  |
| On the basis of the above have you defined biodiversity objectives / biodiversity related selection criteria for projects and included them in project selection criteria?   |  |
| Have you got sufficient expertise on biodiversity to provide information and advice to stakeholders and possible beneficiaries?  |  |
| Have you provided guidance and resources to applicants on biodiversity and the benefits of incorporating biodiversity into their projects?   |  |
| Have you provided examples of good practice in the area of biodiversity mainstreaming? See <u>FARNET Guide #6: 'Green Growth in Europe's Fisheries Areas'</u> for examples.  |  |
| Have you drawn up application forms and procedures for potential applicants that contain questions to extract the relevant information on projects' potential interactions with/ effects on biodiversity and to assess how they meet the eligibility criteria? |  |
| Have you drawn up application forms that contain data requirements to feed into the common biodiversity indicators?  |  |
| Project development  |  |
| Have you provided guidance and examples of best practice to project developers on how to avoid adverse impacts on Natura 2000 sites?   |  |
| If the project may have an adverse impact on a Natura 2000 site, have you ensured that an Appropriate Assessment has been carried out?   |  |
| Has an EIA been carried out if this is necessary under the EIA regulation, or, if it is not, some other form of proportionate environmental assessment?  |  |
| Have biodiversity issues been fully assessed in the EIA / environmental assessment, including the assessment of impacts on all EU and nationally threatened habitats and species, taking into account  |  |

| all possible significant direct, indirect and secondary on-site and off-site impacts, as well as cumulative impacts from similar projects (if proportionate)? See 'Guidance on Integrating Climate  |  |
|---|--|
| Change and Biodiversity into Environmental Impact Assessment'.  |  |
| Does the EIA or environmental assessment identify clear actions (and contingency measures) that must be taken to avoid impacts (including project alternatives), reduce impacts and compensate for residual impacts in order to achieve no net loss of biodiversity in accordance with the mitigation hierarchy?              |  |
| If an EIA has been carried out, does it set out clear SMART biodiversity targets (with appropriate indicators) for mitigation and compensation measures (and thresholds that trigger contingency  |  |
| measures), and related monitoring and reporting requirements?   |  |
| Have biodiversity and ecosystem services been adequately taken into consideration in any cost-<br>benefit analysis (however rough) that has been undertaken of the project?   |  |
| Have you provided guidance and examples of good practice to project developers to ensure that they identify and capitalise on available opportunities to provide benefits to biodiversity (when cost-effective)? See <a href="#FARNET Guide#6">FARNET Guide #6</a> : 'Green Growth in Europe's Fisheries Areas' for examples. |  |
| Project selection   |  |
| Has selection taken into account the results of EIAs and other assessments of the expected  |  |
| beneficial and detrimental biodiversity impacts, to ensure that at a minimum detrimental impacts  |  |
| are within acceptable levels (normally achieving no net loss or ideally a net gain) and that projects   |  |
| with lowest detrimental impacts and greatest beneficial impacts are favoured (eg using an   |  |
| appropriate scoring system)?  |  |
| Has selection accounted for the reliability of proposed mitigation measures and, where necessary,   |  |
| compensation measures for residual impacts?   |  |
| Is project funding provided on the condition that intended mitigation measures and compensation   |  |
| measures are implemented, as well as additional contingency measures if biodiversity objectives   |  |
| are not achieved?   |  |
| Have you factored in biodiversity benefits created by proposed projects in your project selection   |  |
| (such as using nature-based solutions to climate adaptation, or innovation projects that aim to   |  |
| increase the selectivity of fishing)?   |  |
| Project execution   |  |
| Have you ensured that beneficiaries have sufficient guidance on the need to carry out the project   |  |
| according to the conditions and safeguards in the Regulation?  If mitigation and compensation measures are required under an EIA, are these being undertaken on   |  |
| schedule and to acceptable standards?   |  |
| Is specialist support available to help projects that are having difficulties with meeting their biodiversity objectives?   |  |
| Project monitoring and reporting  |  |
| Have you established both CMEF and national/regional reporting requirements on biodiversity related aspects of the programme, and will the results be publically available?   |  |
| Do the monitoring results indicate anticipated and acceptable biodiversity performance levels, or is it necessary to implement contingency / adaptive management measures to achieve agreed biodiversity objectives?  |  |
| Are their mechanisms for identifying, documenting and publicising lessons learnt from the monitoring of impacts and the effectiveness and efficiency of implemented mitigation and compensation measures?   |  |
| Have you considered awarding additional funds to well-performing biodiversity-related projects?   |  |
| Have you planned for a thematic biodiversity-related mid-term evaluation of the programme?  |  |

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