

Call for GAEC 2 to be maintained and developed in the CAP

Introduction

This joint statement is a response to the European Commission's announcement regarding the simplification package for the EU's Common Agricultural Policy, which is planned to be announced in May 2025. In it, we express our strong concerns about the further simplification of CAP environmental rules, in particular GAEC 2 concerning the protection of wetland and peatland, and about the current lack of incentives for farmers and landowners to rewet degraded peatlands.

About half of the EU's 35 million hectares of peatlands are degraded due to drainage for agriculture, forestry and peat extraction, accounting for about 5% of total EU greenhouse gas emissions. The countries represented in the LIFE Multi Peat project are among those with the highest percentage of degraded peatlands: Belgium has drained 76% of its peatlands, Ireland - 82%, Poland - 85%, the Netherlands - 95%, and Germany - 98%. Agricultural use of organic soils is the main cause of peatland degradation in these countries and in the EU in general, so Common Agricultural Policy (CAP) regulations are crucial to preventing further peatland degradation and improving their status.

Why is GAEC 2 maintenance and development so important?

The CAP 2023-2027 reform introduced the instrument of conditionality, i.a., in response to the repeated call of the European Court of Auditors to fit agricultural subsidies to the EU's climate and environmental goals. The past years and the successive temperature records, and increasingly frequent and severe extreme weather events show that there is no time to lose if we want to counteract the climate and biodiversity crises.

GAEC 2 is one of the strongest and most important instruments to address both crises. Further weakening of environmental standards in agriculture, including GAEC 2, is not only detrimental to the climate and nature. Changes of this kind will also be harmful to the agricultural sector. Peatlands have enormous water retention potential in the rural landscape, thus preventing flooding, counteracting water erosion and mitigating the effects of drought, which is currently one of the main challenges in agriculture. They also contribute to the improvement of surface water quality through the reduction of pollutant run-off. They provide essential ecosystem services that contribute to stabilising agricultural activity and ensuring long-term food security. This is why their protection and restoration in the agricultural landscape must be effective. It is worth emphasising that currently none of our countries have introduced viable incentives for farmers to rewet degraded peatlands. This makes the effective implementation of GAEC 2 the most important tool for the protection of peatlands in the agricultural landscape, which is one of the primary objectives of the Nature Restoration Law. Instead of weakening GAEC 2, its implementation should be strengthened, also due to the obligation of member states resulting from the objectives of the NRL.

Summary and recommendations

While GAEC 2 has a great potential to address current challenges in the agricultural sector, analyses carried out within our LIFE Multi Peat project show that this potential is not yet fully tapped. All of five EU countries analysed within the project use various tricks to dilute, postpone or even disable effective protection of agricultural peatlands through GAEC 2, often working against the very intent of the norm. Our recommendations are clear: countries should be required to take the standard more seriously by:

- (1) extending its application to all peatlands, preferably by adopting the German definition of peatland and wetlands as soils with >15% organic matter content;
- (2) completely banning arable farming except for one-off measures to establish paludiculture;
- (3) disabling new or renewed drainage in all peatlands;
- (4) defining a trajectory along which water levels should be raised on all peatlands and wetlands to ensure compliance with the EU Climate Law.



GAEC 2 is a very important standard, providing a basis for stopping the progressive degradation of peatlands and wetlands in the agricultural landscape. In order to effectively and permanently protect them and to start restoring them to the required extent, it is also necessary to introduce:

- effective incentives for farmers to re-wet peatlands, which are also accepted by farmers;
- support for the development of paludiculture, including through the widespread promotion of the use of materials derived from it;
- systemic solutions to reduce the use of peat for horticultural and agricultural purposes until it is completely banned.

Multi Peat Project Coordinator

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Multi Peat project

The <u>LIFE Multi Peat</u> project (2021-2027) aims to restore degraded peatlands by restoring peat on project sites in Belgium, Germany, Ireland, the Netherlands and Poland. Close monitoring of GHG emissions will help us to understand how peatland restoration can contribute to climate change mitigation. In addition, the project aims to test and disseminate alternative wetland uses, i.e. paludiculture, as a sustainable alternative to drainage-based agriculture on peatlands. Networking and knowledge exchange with peatland restoration and management experts will support the development of evidence-based peatland policy through the <u>European Peatland Policy Working</u> <u>Group</u> and the development of the <u>Peatland Policy Portal</u>. Project lead partner: NABU (DE). Project partners: <u>Natuurpunt</u> (BE), <u>University of Galway</u> (IE), <u>Natuurmonumenten</u> (NL), <u>Eurosite – the European Land Conservation</u> <u>Network</u> (NL), <u>Klub Przyrodników</u> (PL), <u>Ogólnopolskie Towarzystwo Ochrony Ptaków</u> (OTOP, PL). One of the project's activities is the development of recommendations to the Common Agricultural Policy and Water

Framework Directive. A summary of the preliminary results of the analysis is attached to the statement.





Results of the analysis from 5 EU countries

While at EU level this CAP regulation looks very promising for peatlands, its implementation in the member states is far from what peatland conservationists would have expected. While the regulations implied by GAEC 2 vary between the countries analysed, business-as-usual use of drained peatlands is still well supported by CAP payments. This is either due to a surprisingly low coverage of agricultural peatlands by the standard in some countries, or to a low level of restrictions on peatland management implied by GAEC 2 in the national strategic plans.

In Belgium-Flanders, GAEC 2 has been more limited to peatland Natura 2000 habitats, while the original plan to extend the standard to drained agricultural peatlands has been abandoned. This means that the standard doesn't add anything to the current protection of peatlands through national legislation - drained and intensively managed sites are still outside the standard.

Similarly in Poland (which negotiated an exemption from GAEC 2 until 2025), a recent update to the Strategic Plan excludes a significant proportion of agriculturally managed peatlands from the standard. This is due to the bizarre definition of peatlands formulated for the purposes of GAEC 2 as soils with at least 40% organic matter content (OM). Originally, it was planned to be 30%, in 2024, 60% was proposed, and finally, after negotiations between the European Commission and the Polish Ministry of Agriculture and Rural Development, it was set at 40%, and from 2025 onwards, ca. 400,000 ha of agriculturally used peatlands are covered by the standard, while it is estimated that there are 900,000 ha of such peatlands in Poland.

In contrast to the Polish regulation, Germany, which has also adopted a definition of the GAEC 2 area based on the OM content of the soil, has chosen 15% as a minimum percentage of OM, thus including both peat and wetland soils. This value is indeed justified and well supported by recent studies on GHG emissions from drained peatlands. Germany, being the largest EU emitter of GHG from peatlands, should therefore be commended for implementing GAEC 2 horizontally to all peatlands and even to semi-organic soils in the country. Unfortunately, this policy is offset by the low level of protection implied by the standard. Few restrictions on new drainage systems or the repair of old ones were defined, moreover these can be lifted by the nature conservation authorities. Existing drainage systems on arable land and grasslands are not governed by the standard, allowing a continued business as usual. Restrictions on limiting the ploughing depth to 30 cm do not solve the problem of accelerated peat emissions, which originate mainly from this top layer.

Also, in the Netherlands, GAEC 2 appears to apply to all peatlands (although we have not identified a clear definition of eligible areas), and again - the level of peatland protection is rather low: arable land can remain arable, drainage should be limited to levels set by the water authorities, but it is unlikely that these will be set lower than 40 cm, i.e. the current water table used in Dutch peatlands, facilitating high GHG emissions. We acknowledge that at least the conversion of peat grasslands to arable land will be prevented in PL, NL, and DE, but this is very little in terms of effective peatland protection and has already been largely restricted by other regulations (GAEC 1).

The Irish approach to GAEC 2 remains unclear, as the Department of Agriculture, Food and the Marine (DAFM) has stated that impacted farmers will be notified in due course of which parcels will be subject to GAEC 2 rules. This notification will only happen after the European Commission gives approval to conditionality changes.