THE FRENCH ECONOMIC INTEREST IN INVESTING IN THE ENVIRONMENT

France is a top net payer country in the EU, contributing (net) EUR 6.4 billion in 2010. Its net paying position plays a key role in the EU budget debate, especially with regards to France’s position towards financing agriculture sectors.

France is the largest recipient of agriculture spending in Europe (EUR 9.85 billion in 2010) covering 17.35% of the total annual EU agricultural spending. EU payments have mainly focused on income support for French farmers and have had very little benefit to environmental upkeep.

The environment plays a key role in the French economy, especially within the agriculture sector. For example, the environment in rural areas provides services such as food for livestock, clean water, climate regulation, erosion and pest regulation as well as cultural heritage values. By 2050, it is estimated that the loss of biological diversity in the EU will cost the European society EUR 1.1 trillion per year.

The French government has recently sought to form coalitions with other large influential Member States, during EU Budget discussions; notably with other net-paying countries where the awareness for environmental issues is relatively high.

The current public debt crisis in the EU and France’s role in it will clearly limit the availability of French public funds for the environment. At the same time, it is an opportunity for a debate on the most efficient and wise use of taxpayers’ money and for the phasing out of environmentally harmful subsidies.

NATURA 2000 COVERAGE IN FRANCE

1. Parc de Mercantour
2. Parc Naturel Regionale des Marais du Cotentin
3. Plaine de la Crau
4. Successful project in the Midi-Pyrénées

COMPARISON OF COSTS AND BENEFITS OF INVESTING IN NATURE CONSERVATION IN FRANCE AND AVAILABLE EU FUNDING FOR NATURA 2000

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<td>34</td>
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Facts

1. The Natura 2000 network covers 12.5% of the total area of France and its marine protected areas make up 21.3% of its total territorial waters.
2. The total economic value of wetlands services provided in the Parc Naturel Regionale des Marais du Cotentin is estimated to be EUR 117-218 million per year for an area of 493 Km² (five times the land surface area of Paris).
3. Parc de Mercantour in France was estimated to support a total of 138 fulltime jobs in 1998 and in the site Plaine de la Crau it was estimated that the net benefits associated with key management activities were net EUR 142/ha per year, seven times higher than the costs associated with its management.

EU policy
1 Increase the total budget of the EU’s environmental fund “LIFE” from 0.23% to 1% of the total EU Budget (circa 1.5 billion EUR per year);

2 Balance the two pillars of the Common Agricultural Policy (CAP) and ensure 50% of its total budget delivers towards the Rural Development Programme;

3 Ensure the EU Budget delivers 20% of climate action, especially through climate mitigation under cohesion policy;

4 Establish a trading system that documents specific positive and negative effects of EU funds for climate and biodiversity;

5 Support the establishment and financing of the Voluntary scheme for Biodiversity and Ecosystem Services in Territories of the EU Outermost Regions and Overseas Countries and Territories (BEST).

National planning & programming
1 Establish clear earmarking of EU funds for the financing of the Nature 2000 network, based on national or regional priority action frameworks;

2 Ensure sufficient funding is available for well targeted and well designed agri-environment schemes and other environmental measures under rural development;

3 Finance Green Infrastructure and projects on energy efficiency under regional development;

4 Engage all relevant actors, including environmental NGOs, during national planning and implementation of European funds (including partnership contracts).

Habitats while grazing these areas during the dry season, the need of buying hay was reduced. In 2005 this delivered an estimated benefit of EUR 150/ha.11

The Special Case of the French Outermost Regions

The Outermost Regions (ORs) (Guadeloupe, French Guiana, Martinique, Réunion, and Saint Martin, soon to be joined by Mayotte12) are, or will be eligible for EU Structural and Cohesion funding, agricultural and fisheries funds. However, France requested that the EU Birds and Habitats Directives (including the Natura 2000 network) would not apply in the French ORs. Several projects financed within these regions (either EU or national funds) have had a negative impact on the environment. The lack of strategic planning and inadequate assessment of the ecological impacts has led to serious ecological impacts on EU funded projects in these ORs. On Reunion Island, the major irrigation project (Basculement des eaux) to take water from the rainy east side to the dry west side of the island as means of intensifying agriculture on the west side is not only ecologically questionable in itself, but during drilling, it accidentally hit an aquifer which consequently had major ecological impacts.13 The lack of EU level safeguards for biodiversity in the French ORs has meant that the evaluation of development in these regions is not under the same control as on the European continent and the other EU Outermost Regions of the Macaronian region. This is a unique situation within the EU, in which the EU finances infrastructures and development on one hand, without the legal constraints at the European level to identify and preserve key species and habitats on the other hand. France and the EU have been taking slow steps towards ensuring the conservation and economic potential of the biodiversity in the French ORs. In 2007, they finally became eligible for funding from the LIFE+ biodiversity fund that specifically supports nature conservation projects within the EU. The EU has funded a project, with the cooperation of several partners including LPO/BirdLife in France, SEOR (local NGO) and Par National de l’île de la Réunion, that will run from 2010-2015 to increase the current knowledge, management and protection of endangered bird species and habitats in Réunion, French Guiana and Martinique.14