

Keywords

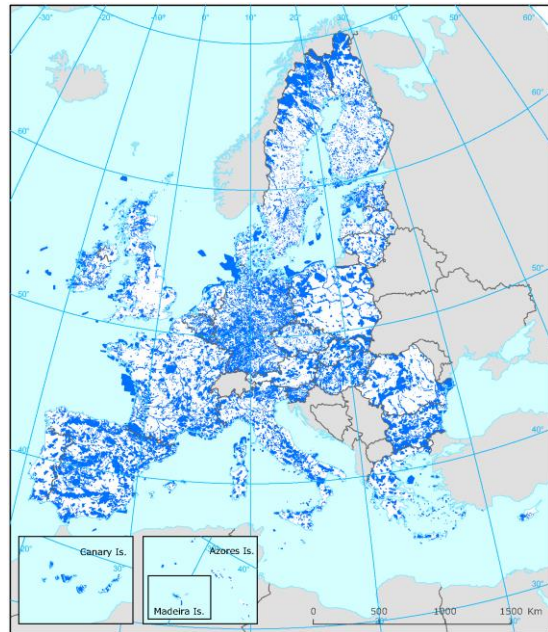
EU, Germany, UFZ, WP6, Challenges, context and gaps, Policy instruments, Institutional fit, Trade policy, Ecological fiscal transfers, PES (public, private), Agro-environmental measures, Protected areas, Tradable rights & offsets

Main research question

Which scope does EU biodiversity policy provide for the introduction of market-based policy instruments (MBIs) by the EU and its member states? In which ways have institutional constraints and opportunities shaped the design of MBIs in existing policies? Which implications does this have for the introduction of additional MBIs to improve the cost effectiveness of the policy mix for biodiversity conservation?

Research finding in brief

- Within the framework of Natura 2000, the role of MBIs is limited. The focus is on ecologically effective command-and-control (CAC) instruments, which contribute a reliable basis to the biodiversity policy mix. Limited funding, however, constrains the pursuit of this objective.
- Beyond these CAC instruments, the distribution of authority between the EU and its member states gives each of them different comparative advantages to increase the cost effectiveness of the biodiversity policy mix through MBIs.
- Examples of factors shaping this distribution of authority are (1) the member states' fiscal sovereignty, which increases their freedom to introduce negative incentive MBIs and limits the EU's authority to do so, and (2) state aid law, which constrains the member states' possibilities to introduce positive incentive MBIs in favour of coordinated schemes on the EU level.



Distribution of Natura 2000 sites across EU member states; source: www.eea.europa.eu

Policy mix approach

The analysis deals with policy mixes in two regards: Firstly, it analyzes, how new MBIs would fit into an existing institutional environment, and how this environment has shaped the design of MBIs in the past. Secondly, in evaluating the resulting instrument combinations, the analysis specifically considers the complementary roles, which MBIs and CAC instruments can have within a policy mix. Within the overall project, the analysis had the role of scoping the general legal constraints which recommendations developed in other parts of the project might face within the EU.

Reference:

Klassert, C., und Möckel, S. (2013). Improving the Policy Mix: The Scope for Market-Based Instruments in EU Biodiversity Policy. Environmental Policy and Governance (EPG) 23: 311-322.

Website:

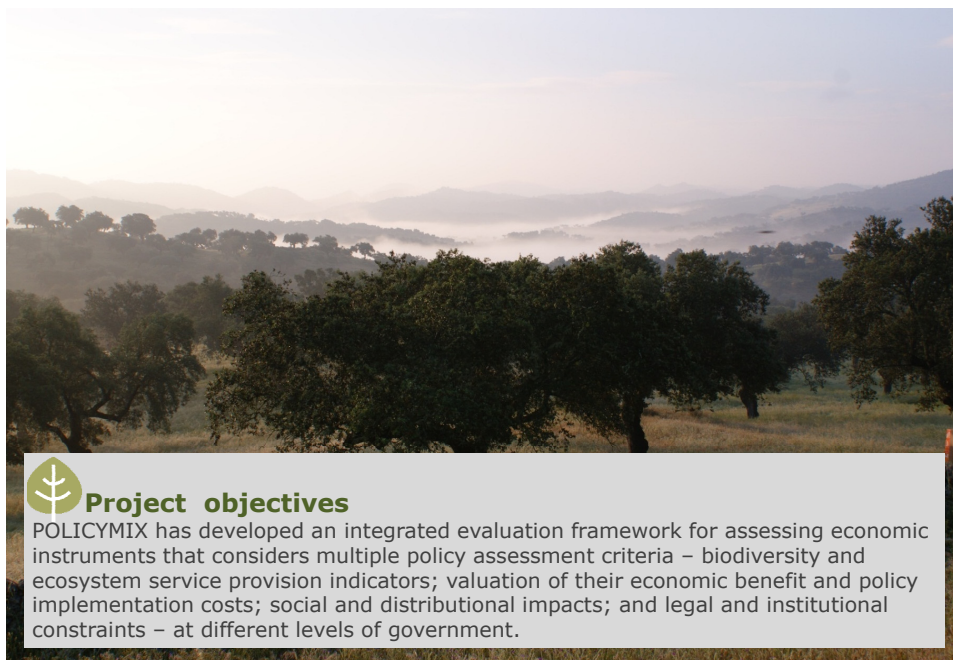
<http://onlinelibrary.wiley.com/doi/10.1002/eet.1623/abstract>

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ASSESSING THE ROLE OF ECONOMIC INSTRUMENTS IN POLICYMIXES FOR BIODIVERSITY CONSERVATION AND ECOSYSTEM SERVICES PROVISION



Project objectives

POLICYMIX has developed an integrated evaluation framework for assessing economic instruments that considers multiple policy assessment criteria – biodiversity and ecosystem service provision indicators; valuation of their economic benefit and policy implementation costs; social and distributional impacts; and legal and institutional constraints – at different levels of government.



Methodology

POLICYMIX focuses on the role of economic instruments for biodiversity conservation and ecosystem services provided by forest ecosystems. The cost-effectiveness and benefits of a range of economic versus regulatory instruments are being evaluated in selected POLICYMIX case studies in Norway, Finland, Germany, Portugal, Brazil and Costa Rica. Comparative analysis evaluates the possibilities for transfer of policy success stories between Europe and Latin America, and promoting learning from policy failures.



Training and dissemination

POLICYMIX actively used advisory boards including land users, local managers and national policy-makers, who collaborated with our researchers in the feasibility assessments of economic instruments. A web-based [POLICYMIX TOOL](#) encompassing policy impact assessment guidelines, case stories and demonstrations of policy assessment methods is aimed at supporting dissemination and learning.



Results

POLICYMIX research discusses improvements in the design, targeting and implementation of economic instruments for biodiversity conservation through better understanding of (i) the linkages and complementarities between impact assessment tools, (ii) complementarities between different policy instruments in a policy mix, and (iii) trade-offs in design of a policy mix between economic, environmental and social impact criteria.

EC Contribution:

3 458 312 €

Duration:

2010-2014

Consortium:

9 partners from 8 countries

Project Coordinator:

Norwegian Institute for Nature Research (NINA) (Norway)

Project Web Site:

<http://policymix.nina.no>

Key Words:

Biodiversity, ecosystem services, policy mix, social ecological systems, economic instruments, payments for environmental services, ecological fiscal transfers

Partners:

- Norwegian Institute for Nature Research (NINA), Norway
- Helmholtz Centre for Environmental Research (UFZ), Germany
- Foundation of the Faculty of Sciences and Technology, New University of Lisbon (FFCT-UNL CENSE), Portugal
- Institute for Environmental Studies, Vrije Universiteit Amsterdam (IVM), Netherlands
- International Institute for Environment and Development (IIED), UK
- Finnish Environment Institute (SYKE), Finland
- Rede de Desenvolvimento, Ensino e Sociedade (REDES), Brazil
- Fundação de Apoio a Pesquisa Agrícola (FUNDAG), Brazil
- Tropical Agricultural Research and Higher Education Center (CATIE), Costa Rica

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