

Ladies and Gentlemen,

Honourable Members,

Climate change is an issue that is at the top of the world's political agenda. It fills the media headlines. Companies are competing with each other to reduce their CO2 emissions. Embracing the shift to a low carbon economy is at the heart of the EU strategy to meet our Lisbon objectives of jobs and growth.

The understanding that our future well being depends on taking urgent action to tackle climate change is now widespread. This is very encouraging - and it is a remarkable change compared to just three years ago.

But it is important to understand that loss of biodiversity is a threat to the planet that is equally important as climate change - and in some ways more so since when a species is lost it is for ever. There are no conceivable mitigation measures that can reverse extinction.

I would therefore like to begin by thanking the organizers for choosing a subject that is both of global importance and is also particularly topical. In a little over a month we will have the ministerial meeting of the Convention on Biodiversity in Bonn – and in a little over 18 months we will be able to see the progress that has been made in meeting the EU's 2010 target of stopping biodiversity loss in Europe.

Today I would like to set out the Commission's views on nature protection and on the NATURA 2000 network in particular. My basic point is that the NATURA network is one of the most advanced, most extensive and most flexible systems of nature protection in the world. It is one of the greatest achievements of EU environmental

policy. And it represents a model that other countries and regions should consider following.

But for all its virtues, there is a lack of understanding about NATURA 2000. There can be a misconception that the policy is bureaucratic, that it doesn't care for people and is only concerned with the protection of obscure species of beetles, frogs and hamsters. What I will do today is look at the science, the politics and the economics of nature protection before looking at how our system actually works. By doing this I hope to present the real NATURA 2000.

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The message from science is clear. The global rate of extinction is at least 100 times the natural rate, which means one in eight of all bird species, one quarter of all mammals and one third of all amphibians are

endangered. Scientists are not exaggerating when they refer to the 6th great planetary extinction. The last one was 65 million years ago and saw the departure of the dinosaurs.

The situation of Europe's biodiversity is also one of serious decline. At the species level, 42% of Europe's native mammals, 43% of birds and 45% of reptiles are threatened with extinction. Most major marine fish stocks are below safe biological limits and some 800 plant species in Europe are at risk of global extinction. And one of the major forces behind this decline is the destruction and degradation of natural habitats.

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The scientific reality shapes the political response. Human activity is destroying the fabric of life on earth and this is an issue that Europeans care deeply about. A

recent Eurobarometer found that 88% of EU citizens feel that the loss of Europe's biodiversity is a serious concern. And over 90% of Europeans believe that we have a moral responsibility to act as guardians of nature.

The strength of public opinion explains why the European Union's leaders set the 2010 goal of halting the loss of biodiversity. This is a commitment that was adopted unanimously - and it is a commitment that that has been reconfirmed unanimously on several occasions.

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The science on biodiversity is clear and so is the political response. The economic case may not be so obvious since there can undoubtedly be short-term economic benefit from chopping down a forest or cementing over a wetland. But the short-term approach is also a short-

sighted approach. When developers look at an area of land dedicated to nature protection and describe it as "wasted land", they are ignoring the extremely high economic benefits that come from natural, healthy and robust ecosystems.

When the EU talks about protecting biodiversity, we do not mean the conservation of one or two species. Our real concern is with ensuring that our natural ecosystems continue to provide us with food, timber, clean water, flood protection, nutrient re-cycling, medicines, recreation and the many other goods and services that we currently receive for free.

These ecosystem services are the life-support system upon which our well-being depends. We take these goods and services so much for granted that we can only see how important they are when they are gone. And yet – according to the scientific evidence - two-thirds of these services are in decline.

The economic value associated with biodiversity and ecosystems is being increasingly recognised. Many businesses are investing in biodiversity protection because they understand that their profits depend directly on well functioning ecosystems – for example, farmers, the food industry, timber, paper, pharmaceutical companies and much of the tourism sector. For these companies conserving biodiversity makes good business sense.

Protecting biodiversity and preserving the resilience of natural ecosystems is our best and most cost effective defence against climate change. Healthy ecosystems can go a long way to mitigating the impact of extreme events such as floods, droughts and hurricanes.

The economics arguments for protecting nature are beginning to enter mainstream thinking – but this is still a relatively new approach and more work is still needed. This is why, together with Minister Sigmar Gabriel from Germany, I have launched a study on the Economics of

Ecosystems and Biodiversity Loss. This study has taken inspiration from the excellent work carried out by Lord Nickolas Stern and will be led by Dr Pavan Sukhdev, a senior figure in Deutsche Bank. The first results of the study will be presented at the Bonn ministerial meeting at the end of May.

Supporting the economy is not the main reason for protecting nature. But it is clear that there are very sound economic reasons for doing so. Public opinion has already reached this conclusion. The Eurobarometer poll that I mentioned earlier found that the moral case is seen as the strongest reason for protecting nature. But 75% of those surveyed understood that Europe's economy will be poorer as the result of biodiversity loss.

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Biodiversity underpins our economies and the NATURA 2000 network is the cornerstone of the EU's approach to protecting biodiversity. It covers about 20% of Europe's territory and provides legal protection the most sensitive habitats and species. It is the guardian of Europe's natural treasures.

The network is based on the principle that man is an integral part of the European landscape, and that human society has developed in harmony with the nature that surrounds it. The rich biodiversity that we enjoy on our continent results from the interaction between man and thier environment. Europe's cultural diversity is one of the defining features of our shared European identity and this cultural diversity is intimately linked to nature and landscape.

European Nature legislation recognises this historical reality and expressly acknowledges that economic development will continue within NATURA 2000 sites. NATURA is not the same as the highly protected nature

protection zones which exist in some Member States and where absolutely no human activity can take place.

NATURA sites very often include towns, villages, farms and businesses and the aim is to protect "living landscapes". The EU laws specifically provide for businesses and local authorities to work together to find ways to protect biologically unique sites in ways that are both good for the environment and good for development. Farming, fishing, forestry and hunting can all continue. Even major development projects can be carried out as long as they do not destroy the ecological value of the site.

Despite this flexibility the stereotype image remains of inflexible bureaucrats saving hamsters at the expense of jobs. It is an easy target but the image does not fit with the facts.

Today there are more than 25,000 NATURA 2000 sites across the EU. The sensitivity of the sites means that development cannot be unconstrained. Proper environmental assessments need to be carried out. Projects that will damage the integrity of the site can only be carried out in the absence of alternatives. If damage is inevitable then when they do go ahead, there is a need for mitigation and/or compensation measures. But considering that we are dealing with the most precious habitats in Europe these are no more than common sense precautions. And according to a survey carried out by the Commission there are only 20 cases a year where compensation measures are required.

NATURA quite intentionally puts limits on unconstrained developments that damage nature. But it is hard to make a serious case that 20 cases per year - spread across 25,000 sites - represent an excessive obstacle to the overall development of the European economy.

Where there have been conflicts with the development of new projects, the problem has often resulted from the failure to integrate nature issues sufficiently early in the planning and development process. In a typical case, plans are finalised, calls for tender are prepared and the process is about to be launched, and someone suddenly mentions a problem with NATURA 2000. In such cases the developers have either gambled that the momentum they have created for their project will overrule nature considerations, or they have genuinely been unaware of the nature issues. By contrast, successful projects typically those that recognise the nature issues from the start and work to find practical and balanced solutions.

The Commission is committed to working with Member States and with businesses to help them understand their obligations and to find positive solutions whenever possible. Where there are sectors with specific difficulties – such as ports or the extractive industries - we have worked to develop sector-specific guidelines. I hope the message is clear: we are ready and willing to

work with all economic sectors that are interested in engaging in constructive dialogue.

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Ladies and Gentlemen,

Honourable Members

The idea that there is a direct trade-off between either protecting nature or economic growth is an outdated and a mistaken argument. It is perfectly possible to do both and the reality is that that a degraded environment acts as a brake on development. Since all human activity ultimately depends on nature a genuinely sustainable economy depends on a sustainable environment.

NATURA is not a development policy. It is a nature protection policy and my priority is to ensure that through the correct enforcement of the legislation we

are able to protect Europe's most vulnerable habitats and species. And if we do not meet our 2010 objectives then clearly the level of protection will need to be strengthened.

I can assure you that we aim to design and implement the policy in a way that does not restrict economic development. But, as I mentioned at the beginning of this presentation, the loss of biodiversity is a threat of the same magnitude as climate change. I am therefore convinced that future generations will thank us for taking decisive measures to protect our natural heritage.