



# How the CAP supports PES

*Tamas Szedlak DG AGRI*

Workshop on Public and Private Payments for forest  
Ecosystem Services, 31/03/2022

# Ecosystem Services

## Provisioning Services

*Products obtained from ecosystems*

- Food
- Fresh water
- Fuelwood, timber
- Fiber
- Biochemical
- Genetic resources

## Regulating Services

*Benefits obtained from regulation of ecosystem processes*

- Climate regulation
- Disease regulation
- Water regulation
- Water purification
- Pollination

## Cultural Services

*Nonmaterial benefits obtained from ecosystems*

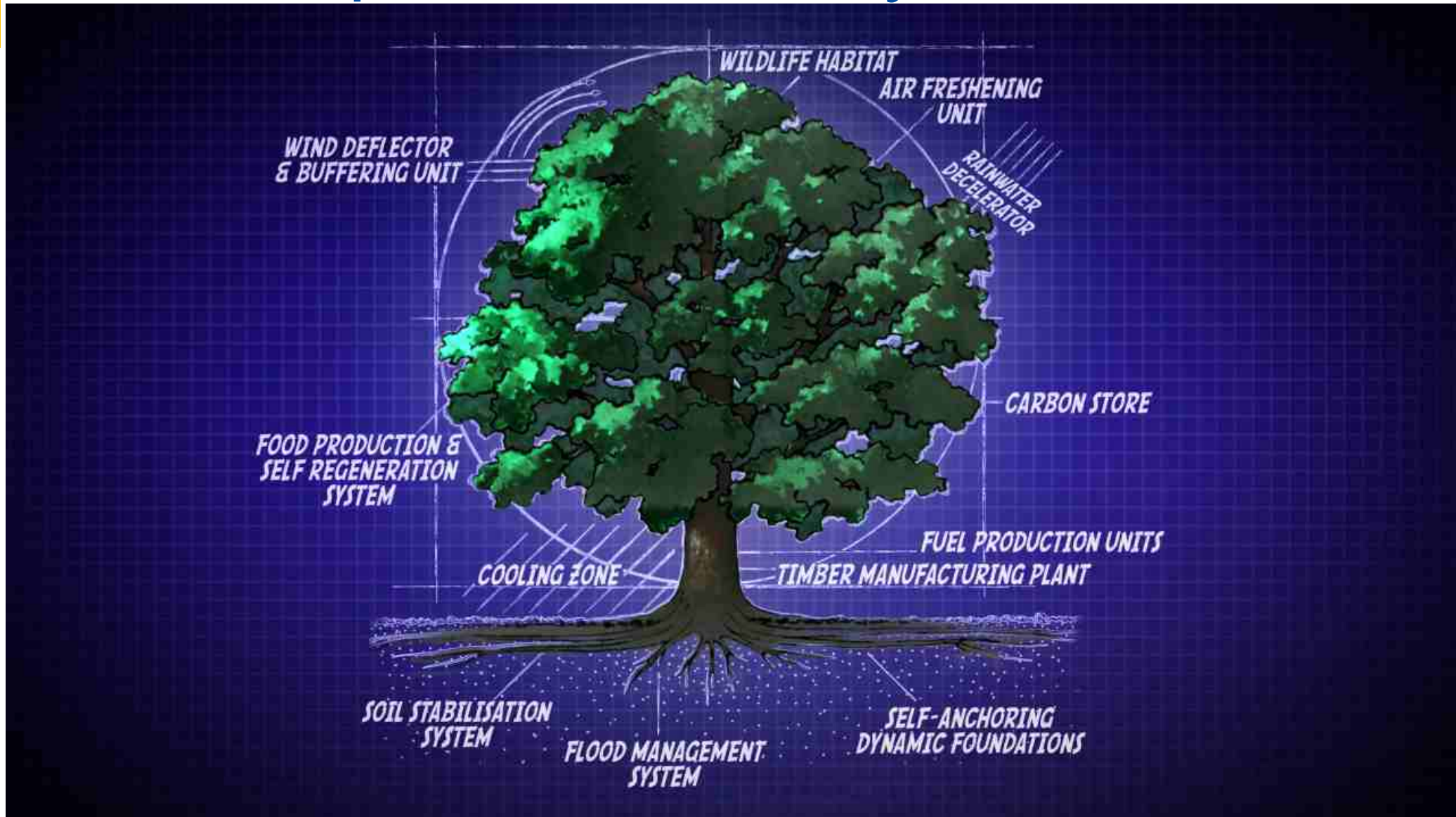
- Spiritual and religious
- Recreation and ecotourism
- Aesthetic
- Inspirational
- Educational
- Sense of place
- Cultural heritage

## Supporting Services

*Services necessary for the production of all ecosystem services*

Soil formation    Nutrient cycling    Primary production

# Our main provider of ecosystem services



# Ecosystem Services in the CAP

- While most (or even all) of the mentioned ecosystem services can be found in or obtained from the forests, they are not directly targeted by the CAP.
- But it doesn't mean that there is no support for ensuring the provisioning of the ecosystem services.
- The CAP through Rural Development provides support for several interventions, specific managements commitments and investments, which contribute to the flow of ecosystem services.

# CAP supports:

- Increase of forest and wooded areas: afforestation, agroforestry
  - Soil protection and development, (water and wind) erosion control, carbon sequestration, biomass production, habitat creation, job creation, flood mitigation, wind/snow/avalanche ...
- Prevention and restoration of damage to forests from forest fires, natural disasters and catastrophic events, including pest and disease outbreaks, and climate related threats;
  - E.g. the restoration of forest potential provides ecosystem services"....
- Investments in multipurpose (economic, environmental and social) sustainable forest management and support for specific forest managements, e.g. forest-environment commitments targeting biodiversity, habitat protection, water purification, recreation, public health (air filtering)...

# What the CAP can actually support?

- Based on the past (since 2000) and the new CAP regulations, the payment or compensation should be based on cost incurred, income loss and in certain cases transaction costs as in agriculture, based on the WTO Agricultural agreement.
- There is no direct support based on the value of provided ecosystem services. However, the actions and operations may result in the flow of wide range of ecosystem services.
- There are no such restrictions under the private business environment, where the buyer of ecosystem services can pay more than the real costs or income loss, giving real incentives to the forest managers.
- However, forestry is not part of the WTO Agricultural agreements, so these support concepts and interpretations could be revised based on the current situation, climate, biodiversity and social aspects...

# Thank you



© European Union 2020

Unless otherwise noted the reuse of this presentation is authorised under the [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/) license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

