

Policy instruments in agriculture guiding towards sustainable use of peatlands in Europe

Sabine Wichmann et al.



Living peatlands ('mires') store carbon





Peat accumulates during thousands of years

→ stores concentrated carbon in thick layers



A 15 cm thick peat layer contains per hectare more carbon than a High-Carbon-Stock tropical rainforest

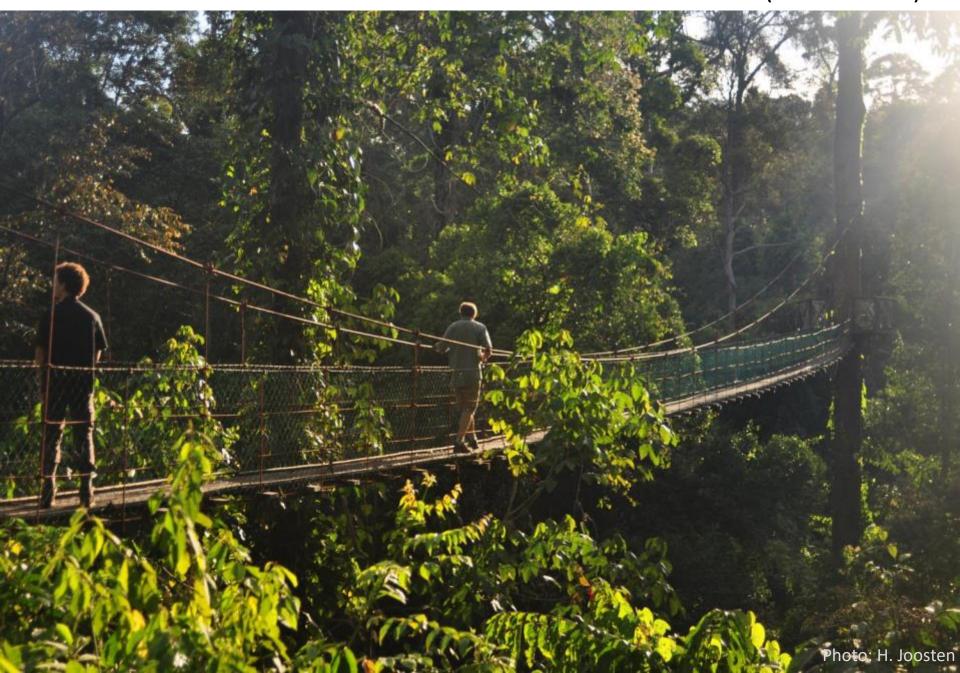


On only 3% of the global land area, peatlands contain

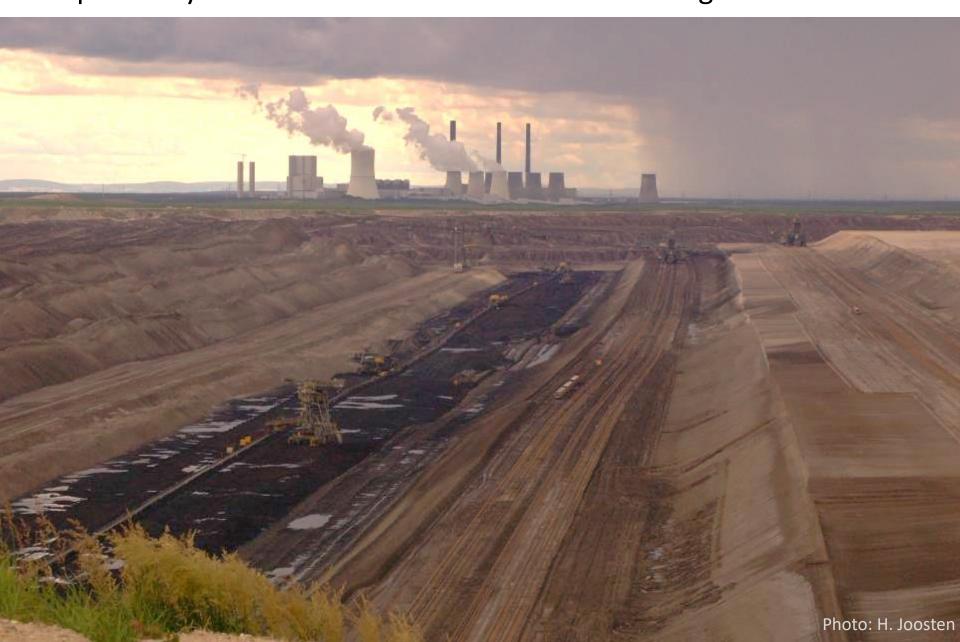
> 500 Gigaton of carbon in their peat



i.e. twice the carbon stock of the World's total forest biomass (30% of land)

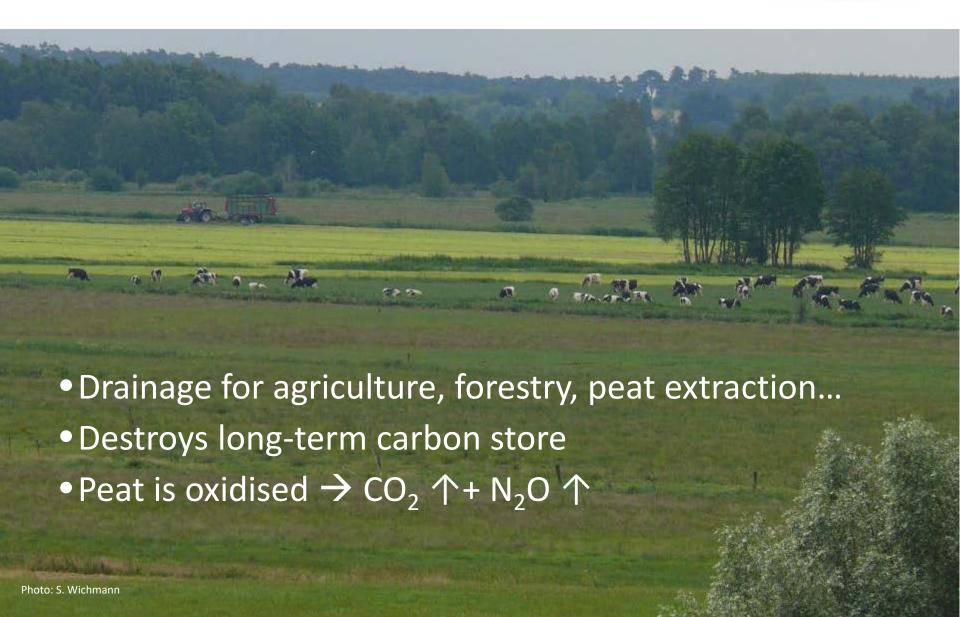


Global peat C-sink is small equals only 1% of annual C-emissions from burning fossil fuels



Drained peatlands = large GHG source

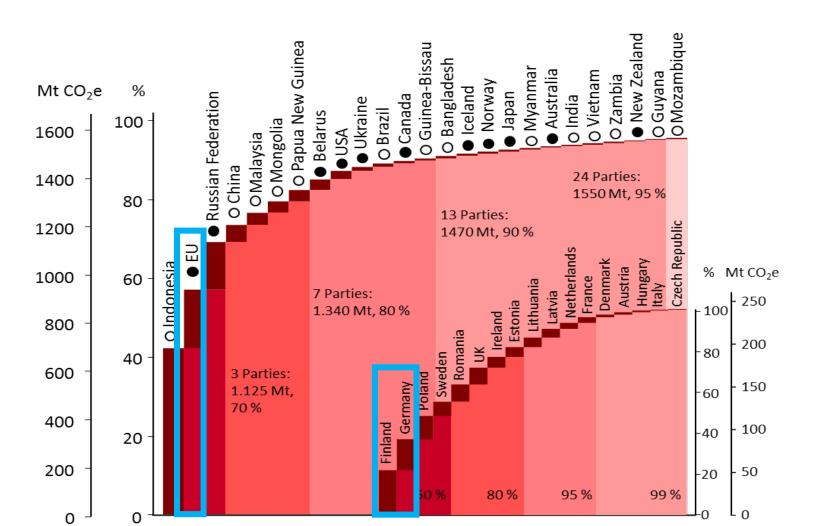




Emissions from drained peatlands



- → Indonesia leads the list of global top emitters, but EU is 2nd
- → within the EU: Finland is 1st and Germany 2nd

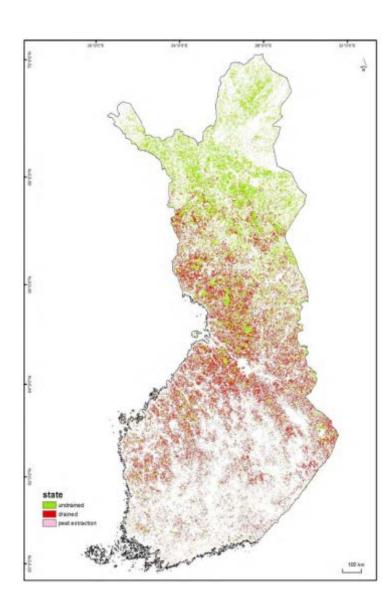


Peatlands in Finland



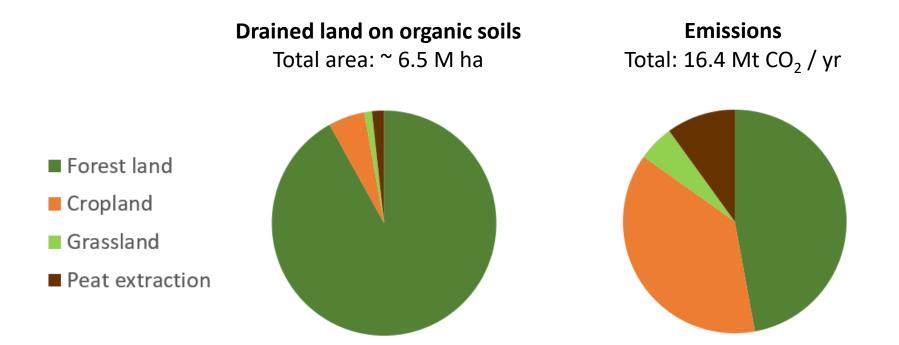
- one of the most peatland rich countries of the world
- maximum extent of "suo" (land with peat-forming vegetation):
 10.4 M ha / 104,000 km²
- pristine "suo" habitats left untouched:
 3.5 M ha

 the world's most extensive programme of draining peatlands, mostly for forestry:
 300.000 ha per year (1970s)



Finland: drainage & emissions



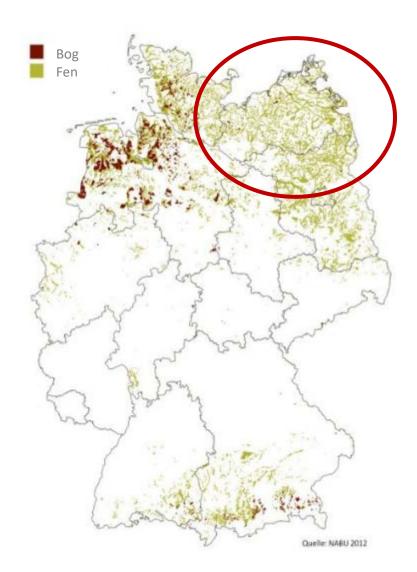


- → Agricultural land: 6% of area, but 43% of CO₂ emissions
- \rightarrow IPCC (2014) default emission factors: 54 % (total: 20.7 Mt CO₂)

Peatlands in Germany



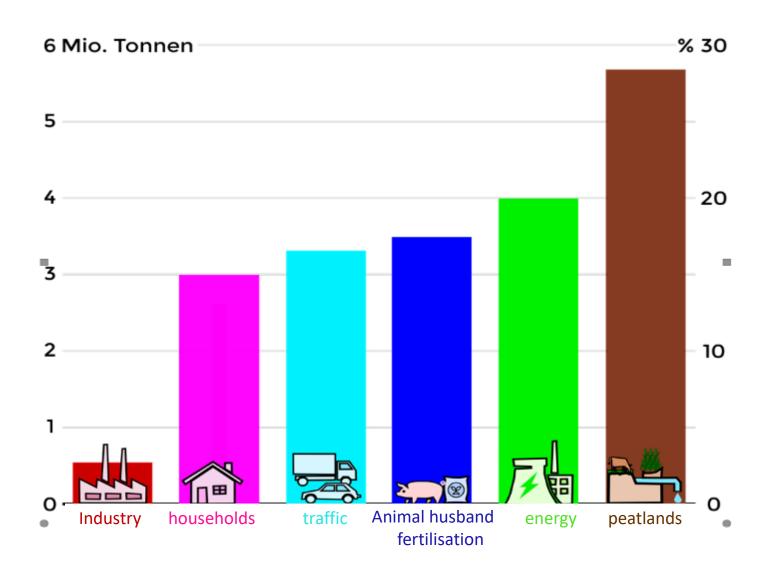
- Area: 1.4 M ha organic soils
 → 98 % drained
- GHG emissions: 47 M t CO₂e
 → 5.4 % of total German emissions
- In peatland rich regions even more...



Mecklenburg-Westernpomerania



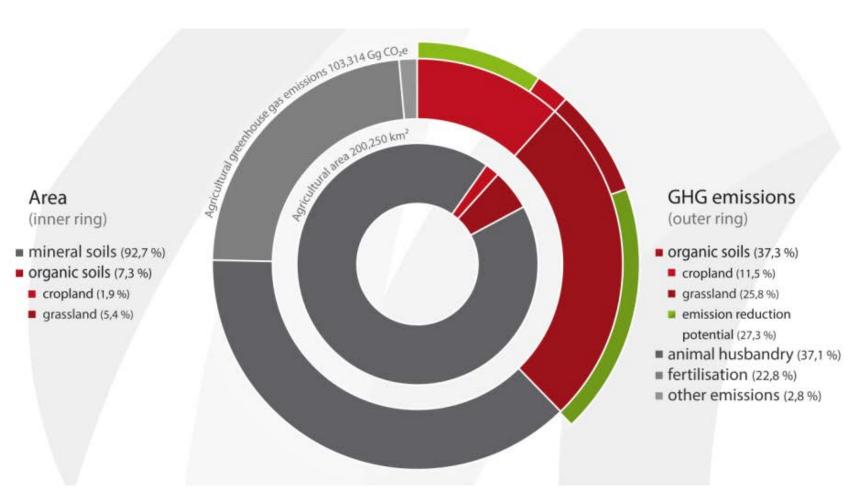




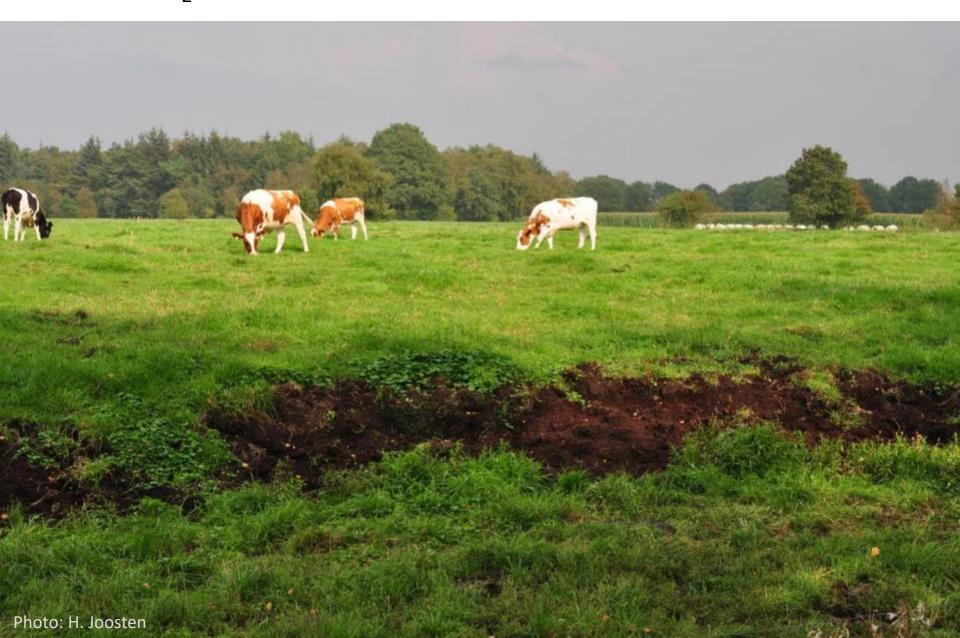
German agricultural GHG emissions



7 % of agricultural area \rightarrow 37 % of agricultural emissions



Deeply drained grassland on peat in Germany emits 29 t CO_2 e per ha per year = 145,000 km with middle class car



Milk and cheese from peat grassland have a huge emission foot print



A potato field on peat in Europe emits 37 t CO₂e /ha/yr = more C than the produced potatoes contain...



German peatland agriculture causes a climate damage of € 7.2 billion¹

= equals the total net value added of German agriculture and gets ~ € 410 million EU CAP direct payments²

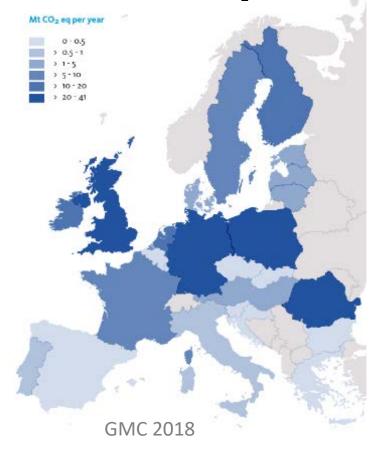


Peatland agriculture in the EU

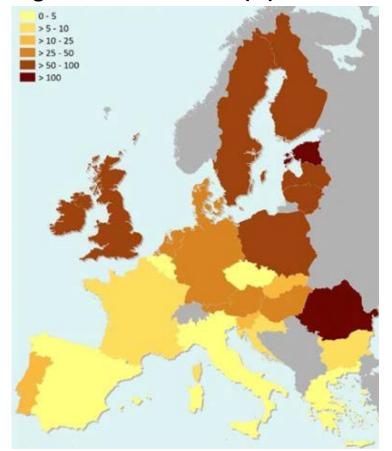


- → high GHG emissions from agriculturally used organic soils
- → CAP: public money for climate damage





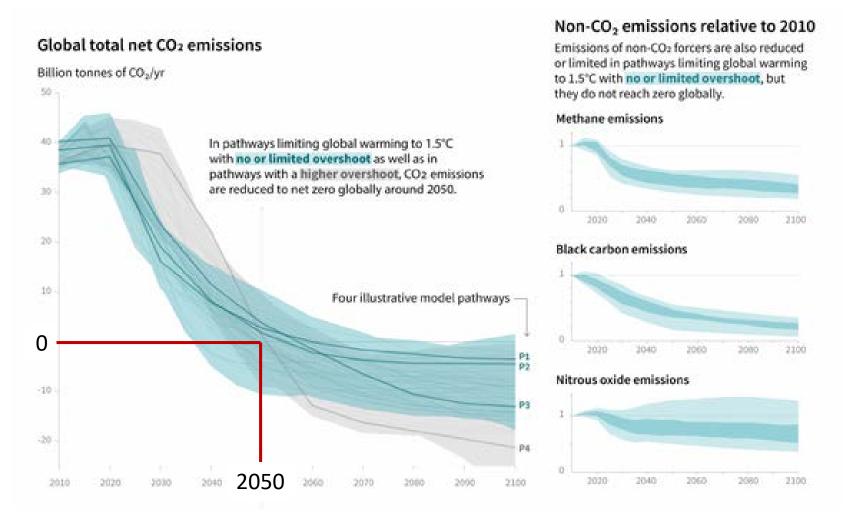
Share of emissions in total agricultural emissions (%)



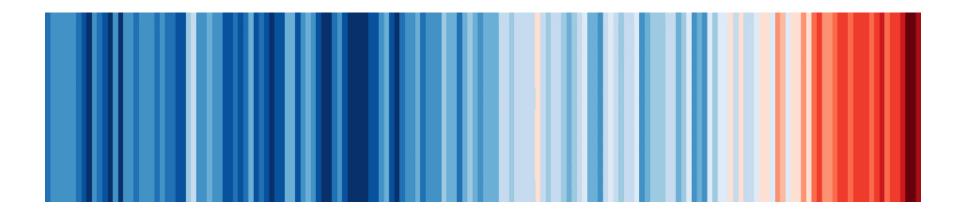
Globally, drained peatlands emit 2 Gigatonnes CO_2e /yr, i.e. 0.4 % of the land produces 5% of all global emissions



Paris Agreement: limit global warming to 1.5 °C → net CO₂ emissions: Zero by 2050



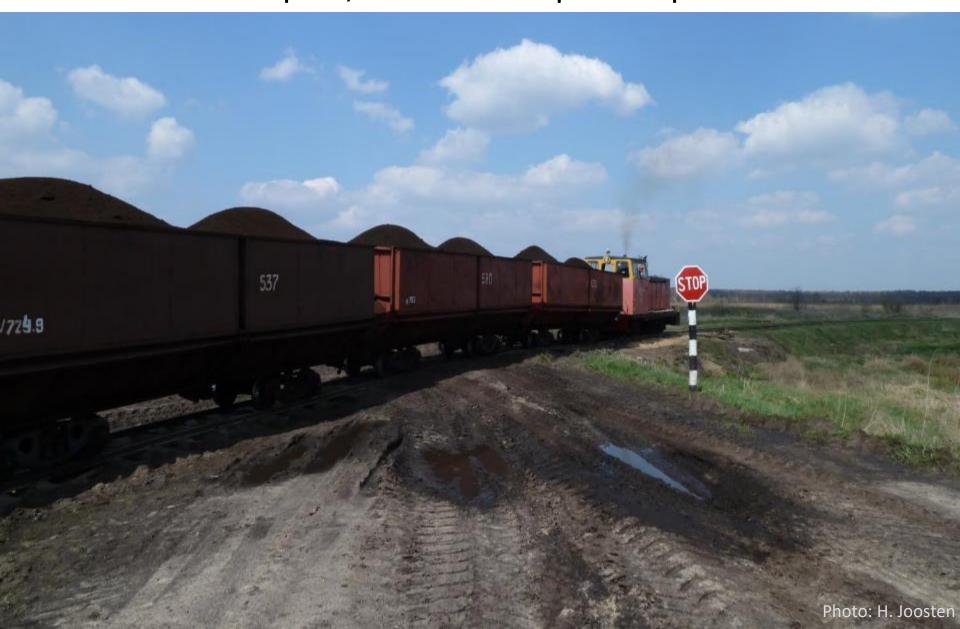
Climate change is obvious



"Warming stripes": annual global temperatures from 1850-2017

→ last 20 years included the 19 warmest years on record...

→ break radically with outdated developments from the past, also with respect to peatlands



Stop draining peatlands



Land use category	Emission reduction after Temperate zone	rewetting (t CO ₂ eq ha- ¹ yr- ¹) Boreal zone
Forest land	6	2
Cropland	28	34
Grassland	20	25
Wetlands	9	11

GMC (2018), based on Wilson et al. (2016)

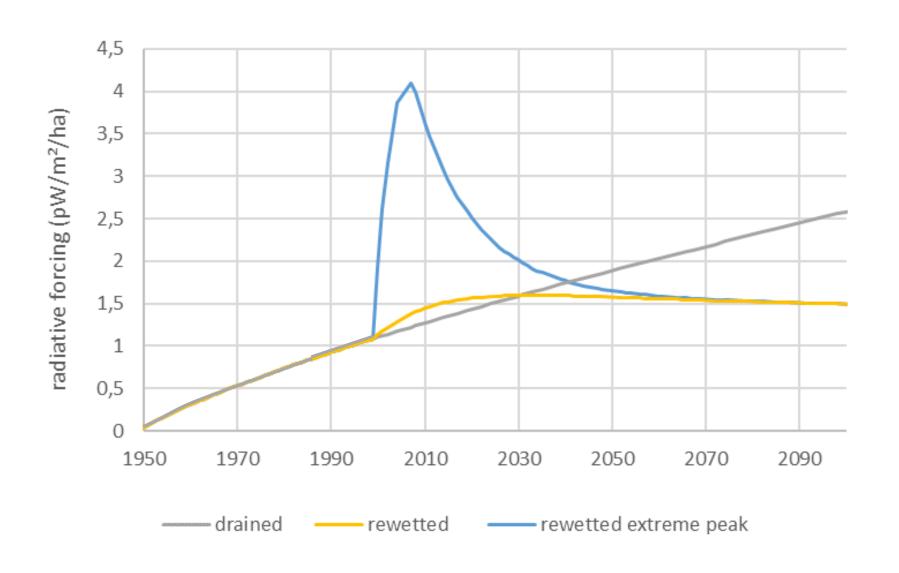
→ High emission reduction potential especially for agricultural land

Peatland rewetting efficiently mitigates CO₂ emissions

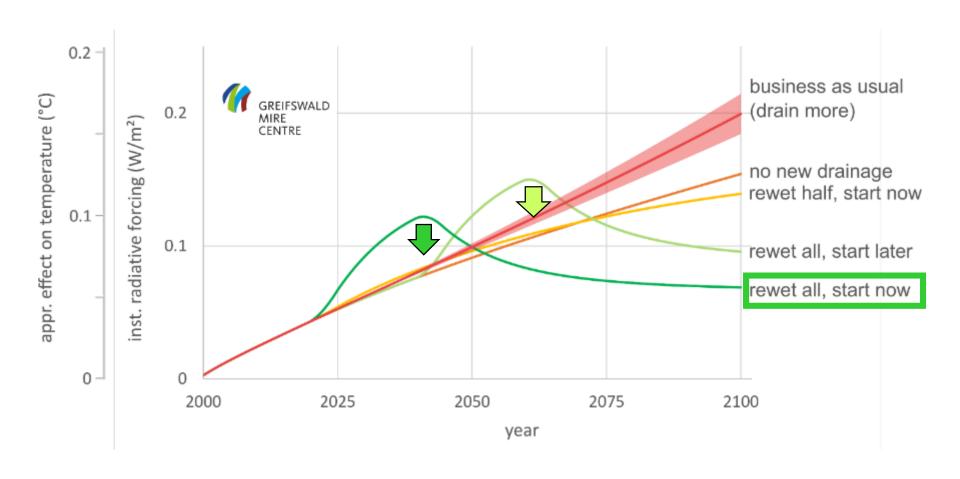
→ and don't be afraid of CH₄ emissions



CH₄ is strong but short-lasting, CO₂ weak but persistent and thus accumulative. On longer run, CO₂ is much worse

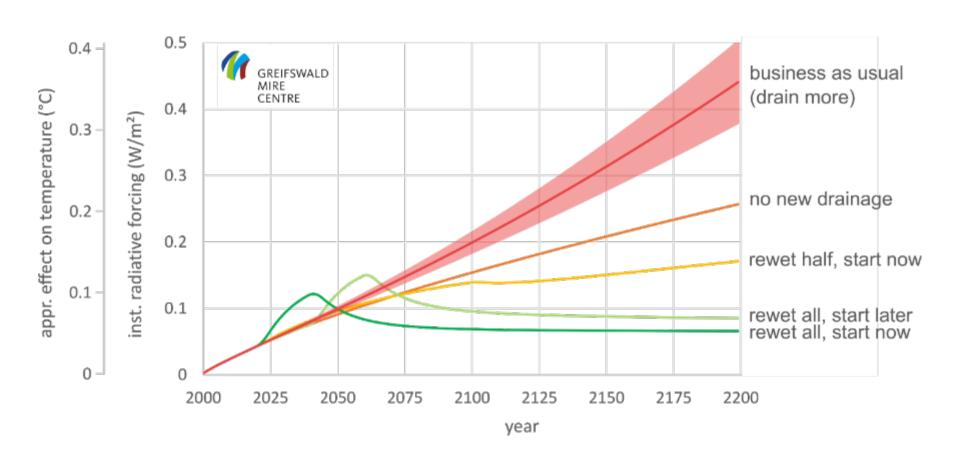


Global scenarios: Full rewetting is the best scenario of all. Rewet all, start now avoids adding to peak temperature



Cf. Günther et al. (2019) Prompt rewetting of drained peatlands reduces climate warming despite methane emissions. Pre-Print: http://dx.doi.org/10.1101/748830.

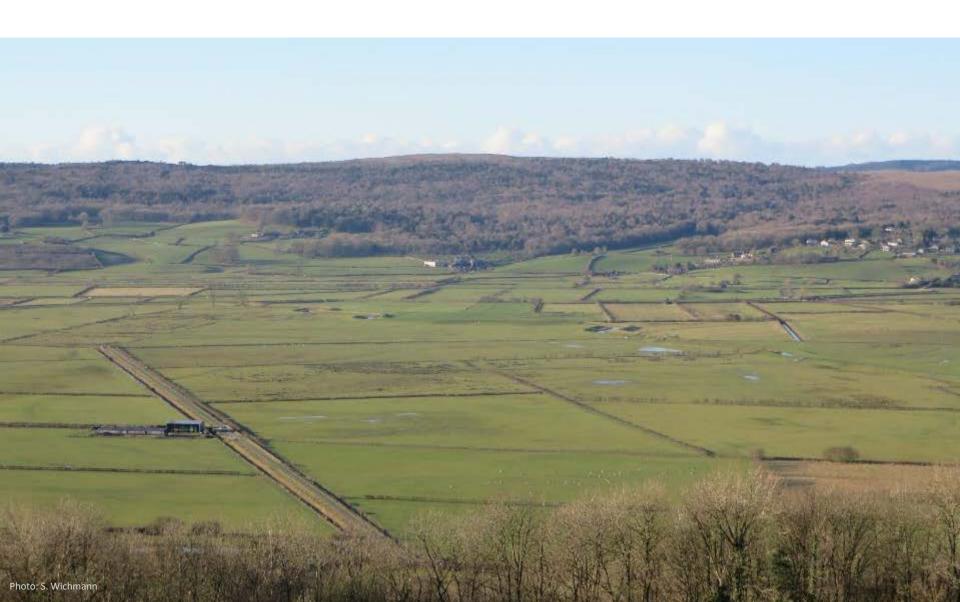
Differences become larger in time.



Peatland rewetting

= losing productive land?





Paludiculture

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"palus" - swamp + "cultura" - cultivation
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productive use of wet and rewetted peatlands

Objectives

- - > reduce GHG emissions

Paludiculture







Bogs

- Peatmoss
- Sundew

Fens

- Reed
- Cattail
- Sedges
- Reed carnary grass
- Alder
- Willow
- Medicinal plants



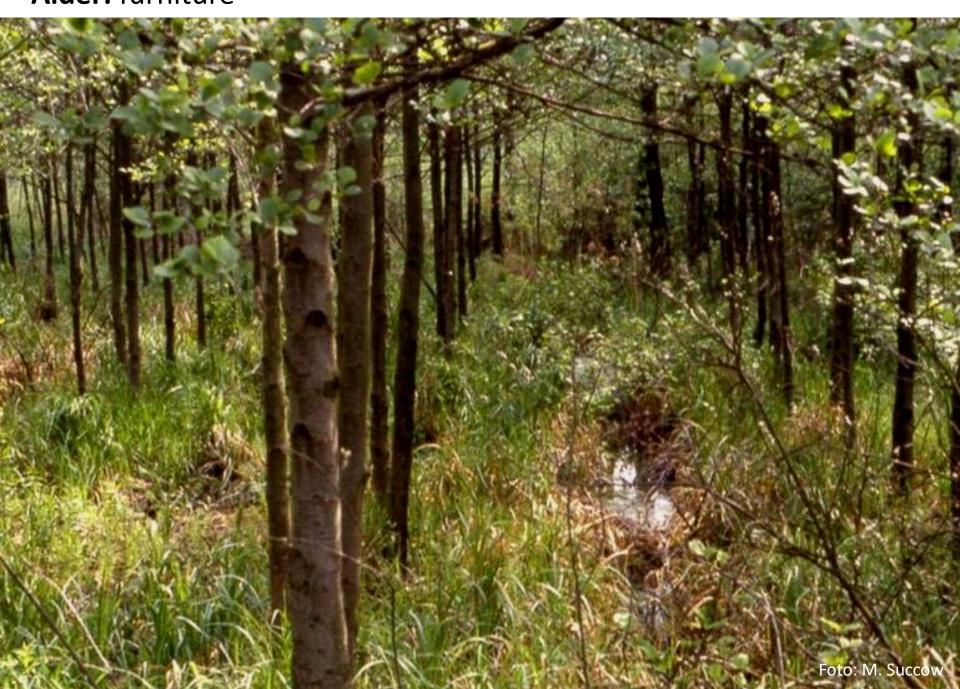
Sphagnum moss: renewable high quality growing media



Sundew: medicinal plant



Alder: furniture



Wet grasslands: biodegradable dishes, panels, bedding, combustion, ...

Reed Carnary Grass Sedges Photo: S. Wichmann Photo: T. Dahms

Water buffalos: meat & milk



thatching, construction, insulation, paper, combustion, biogas...

Foto: F. Tanneberger

Foto: S. Wichmann

Cattail: insulation, construction, fodder, energy, ...



Potential of paludiculture

Climate change mitigation

Efficiently reduces agriculturally GHG emission: 37% from only 7% of the area (D)

Water quality

"kidneys of the landscape": N & P retention (e.g. DK, S)

Nature conservation

< 1% near-natural state -> substitute habitat for endangered species (D)

Soil protection

Stops soil degradation and subsidence (infrastructure costs, risk of flooding, cf. NL)

Rural development

Sustaining peatland use, income, employment, renewable + regional products

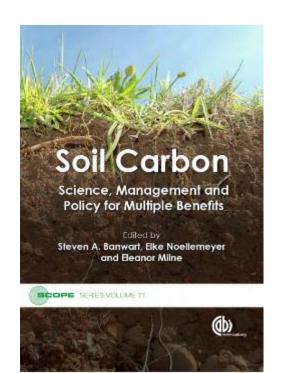
→ Paludiculture = prospects for peatlands and for people!

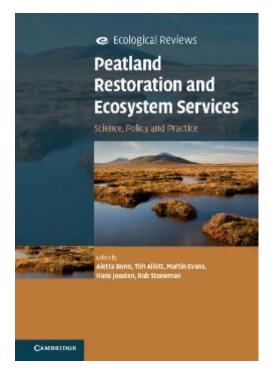
Award winning pilot projects

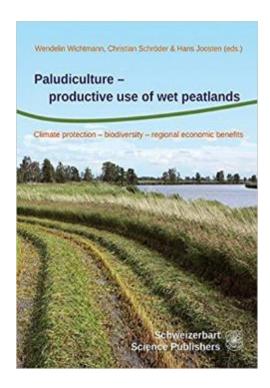




... knowledge is available ...



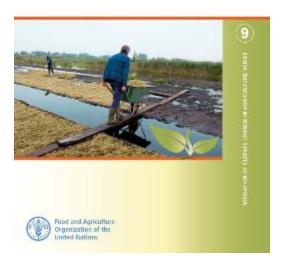




... approval on all levels

international

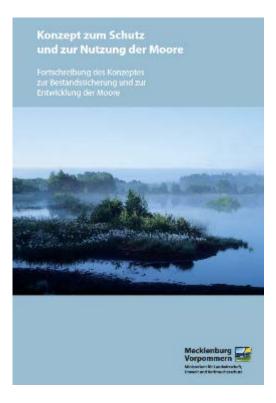
Towards climate-responsible peatlands management

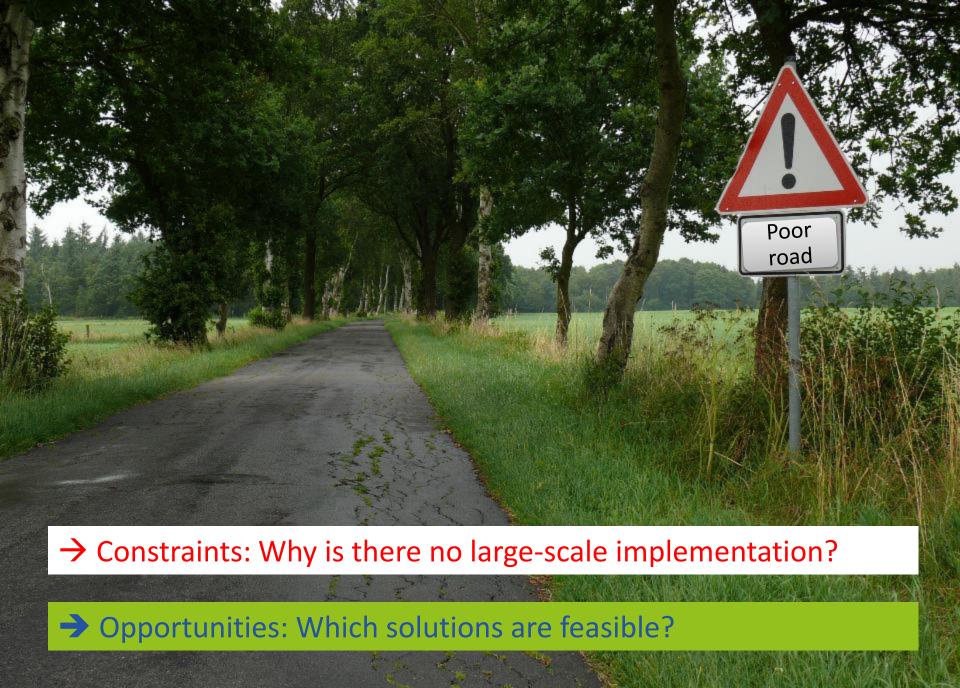


national



regional





EU agricultural policies I



Public money for continued drainage based peatland utilisation

- Pillar I: direct payments
- Pillar II: organic farming, agri-environment-climate measures
- Investment grants with long-term effects (e.g. new stables)
- "biogas" from peatland
- → Support increases competiveness artificially

Eligibility of paludicultures

- Uncertain / not given / only by exception
- → Uncertainty and discrimination frustrate interested farmers
- → Approval of paludiculture as agriculture
- → Phasing out CAP funding for drainage-based peatland utilisation

EU agricultural policies II



Conversion to paludiculture

- High investment costs: rewetting, planting, adapted machinery
- Revenues generated partly only after several years (peatmoss, alder)
- Pioneers bear higher risks
- → Large barriers for single farmers
- Compensation through economic incentives for conversion

Demonstration site (8.5 ha): 50,000 Cattail seedlings planted last week



EU agricultural policies II



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- → Large barriers for single farmers
- Compensation through economic incentives for conversion
 - Climate change mitigation & adaptation
 - Water protection
 - Soil protection
 - Biodiversity
 - → Large benefits for society are not priced in
- → Remuneration of services: additional income + long-term perspective

EU agricultural policies / Legal framework



Maintenance of permanent grassland

- Greening (EU)
- National law (e.g. some German federal states)
- Qualitative reasons, but mainly quantitative area controlled
- → Impedes the rewetting of grassland for permanent paludicultures
 - → Introducing exceptions for paludiculture

e.g. drained bog grassland







Legal framework II



Regulations for soil protection

- Cross compliance (EU: GAEC* standard 6 "Maintenance of soil organic matter")
- Codes of good practice (Germany: §17 Soil protection law)
- No differentiation: mineral vs. organic soils
- → Water level targets are missing to ensure low-impact cultivation

→ Codes of good practice for organic soils would reduce macro-economic damage and promote paludiculture

^{*} GAEC - Good Agricultural and Environmental Condition

Legal framework III



Agriculture vs. nature conservation

- Raising water levels/ establishing paludicultures
- Creation of protected habitats?
- Occurrence of rare and endangered species?
- → Farmers are afraid of restrictions and prohibitions
- → Clarification: compensation and principle of free choice, if restrictions are desired for nature conservation.

Rewetting & land availability



Ownership structure

- High proportion of leased land: user and owner must agree
- Highly fragmented land and parcel structure → many parties involved

Impact on neighbouring sites

- Implementing paludiculture on single parcels is very expensive
- A catchment area based approach is needed

Resistance of local population

- Worries & fears: change, wet cellars, dead trees, mosquitoes, accessibility ...
- Acceptance for paludiculture higher than for abandonment
- → Go-it-alones not possible, willingness + time for collective action needed
- → Land consolidation and regional cooperation (e.g. water boards) can be used for hydrological planning of the catchment area

Farm issues I



Paludiculture = paradigm shift

- Break with family and farming traditions
- Pressure for justification to neighbours and farming community
- Willingness for change and risk-taking are needed
- → Insufficient knowledge of impacts of peatland drainage and alternatives
- → Education, further training, advice
- → Demonstration farms

Farm issues II

Farm A



Farm B



Farm C



- Cash crop farm
- No use for peatland biomass
- Mowed for subsidies
- Dairy cattle: high quality forage
- New, large stable
- Land + buildings on peat
- Vegetable cultivation
- High added-value

- → Operational constraints and opportunity costs are very different
- Solutions must be adapted to starting conditions

Processing & markets

Wet meadows



- Low-value: energetic uses
- Biomass: heterogenic, transport limited
- Local solutions, e.g. district heating plant

Cattail (*Typha*)



- High-value: insulation/ construction
- marketable products+ high demand
- Only small production plants: lack of biomass

Peatmoss (Sphagnum)



- High-value growing media constituent
- Large market: ~ 15 Mio
 (EU) / 3 Mio (D) m³ a⁻¹
- Lack of diaspores + high investment costs
- → Mismatch between supply and demand of paludiculture biomass
 - → Purchasing security / support, e.g. laws/regulations

Research, development & demonstration



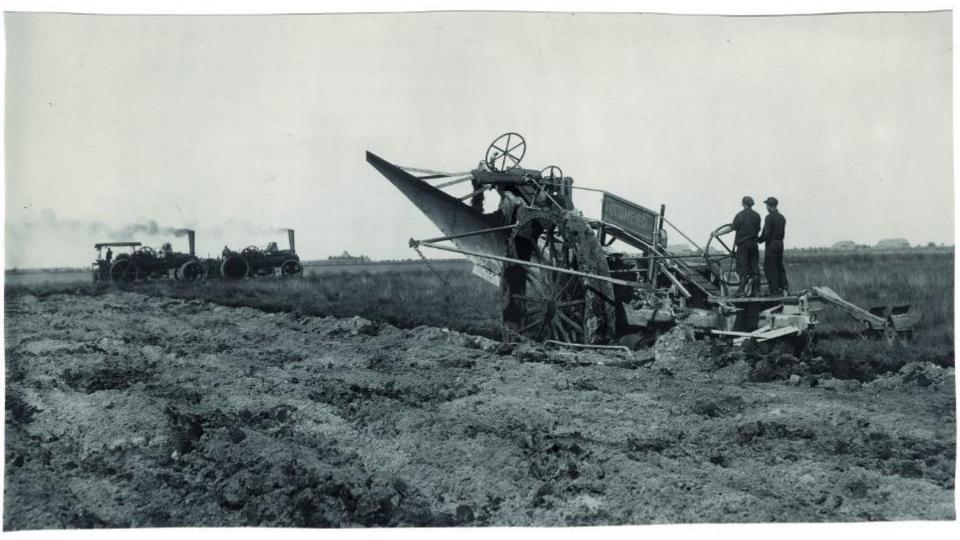
- Pilot trial for single species (groups)
- Adapted harvesting machines available (conservation management, thatching reed)
- Future-orientated processing avenues (Bio-economy)
- → Demonstration and adaptation at farm-scale are missing
- → More implementation for optimisation + specific answers

The introduction of potatoes in Prussia required decades ... - and several tricks.



Frederick the Great (Friedrich II) inspects the cultivation of potatoes ("The king is everywhere", Robert Warthmüller)

Peatland drainage and reclamation took centuries...



http://klasmann-deilmann.com/unternehmen/ueber-uns/geschichte/

deep ploughing in the 1950ies (Mammut / Co. Ottomeyer), Emsland (Germany)

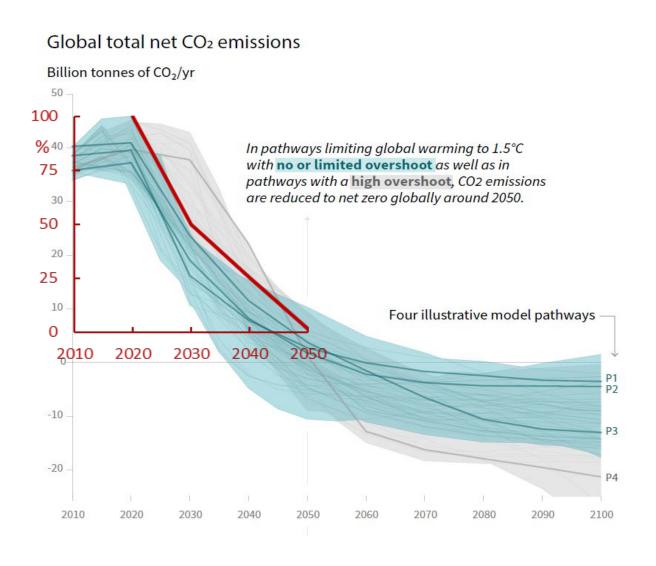
New challenges – less time ... but many opportunities for action



- Agricultural policy
- Legal framework
- Rewetting and land availability
- Farm issues
- Processing & markets
- Research, development & demonstration
- → The society is responsible, not the single farmer.
- → Set the course today to make future peatland utilisation sustainable.

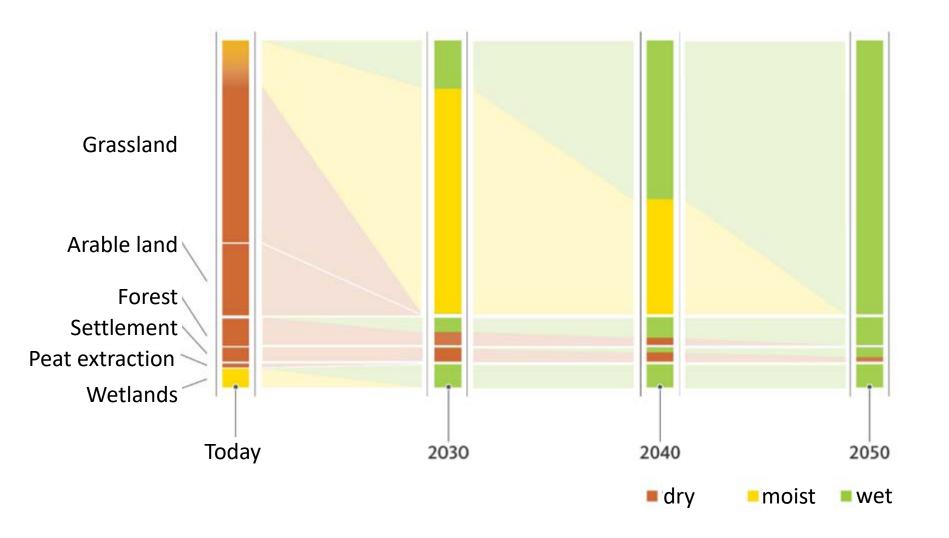
Paris agreement sets clear targets → every sector needs to contribute

→ what does it mean for peatlands?



Transformation pathway for German peatlands based on Paris





Germany: until 2050 rewet ~50,000 ha per year... Impossible, naive...?



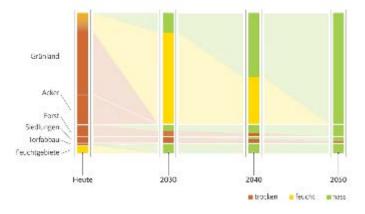
Finland drained in the 1970s ~300,000 ha every year!



Indonesia has in 2017-2018 rewetted 670,000 ha of peatland, i.e. 3x as much as *entire* Europe in its *entire* history!



Transformation pathway → interim goals for German peatlands until 2030



- Stop subsidies for arable use on drained peatlands from 2021
 - → phase out arable use
- Raise water levels for all **grassland** on peat soils:
 - a) ≤30 cm below surface, b) on at least 200.000 ha (15%) near surface
 - + stop subsidies for deeper drainage
- Rewet 50% of **forests** on drained peatlands
- Phase out **peat extraction** + replace peat by renewable alternatives
- Acknowledge paludiculture as agriculture and ensure eligibility for CAP payments, introduce investment programs + payments for climate mitigation;
- Stop drainage of all state owned peatlands until 2030
 + establish demonstration farms for paludiculture
- **Education** campaign in all peatland rich federal states for rewetting 50,000 ha of peatlands up to 2050.

EU CAP reform

GREIFSWALD MIRE CENTRE

- = "window of opportunity"
 - → setting a new course for peatlands

EU level

- Conditionality: preserving carbon rich soils (GAEC 2*)
- Pillar I: eligibility of paludiculture for agricultural payments
 "'eligible hectare' shall be defined in a way that it includes any agricultural area
 of the holding, including [...] rewetted areas used for paludiculture"
 Amendment 91, in April 2019 approved by EP Committees of Environment and
 of Agriculture → not yet in plenary
- Pillar I: eco-schemes (voluntary for farmers)

National strategy plans

Pillar II: plenty of possibilities for tailor-made solutions!

^{*}standards for the Good Agricultural and Environmental Condition

What to learn from current EU funding period?

Review:

Are there any incentives for sustainable peatland use?





Funding was provided by FACCE-ERA-Net+ 'Climate Smart Agriculture' (EU)

Report available online at:

https://greifswaldmoor.de/publikationen.html



Economic incentives for climate smart agriculture on peatlands in the EU

Wichmann, S.

Proceedings of the Greifswald Mire Centre 01/2018



Review on economic incentives



EU member states

• selected countries / regions: Germany, Netherlands, UK, Denmark, Sweden, Poland, Estonia, ...

Financing

- Focus: CAP 2nd Pillar → National Rural Development Programs
- European Fund for Regional Development
- Private: Payments for ecosystem services

→ No incentives for shifting to climate-smart peatland agriculture!

... but a wealth of good practice examples



a) providing incentives

- -to invest in rewetting
- to maintain target water levels
- -to adapt management

b) ensuring efficiency

- e.g. target areas
- indicator species
- scoring systems

c) facilitating implementation

- advisory services
- land consolidation
- cooperation at landscape scale

→ Outreach is limited: implemented only partly and in single Member States

Summarising table: incentives addressing peatland or wetland ecosystem services

		Ecosystem service				Financing				Payment			Point along production chain					Scheme		Implemen- tation			
	State - region	Carbon store	Water quality	Water quantity	Biodiversity	Recreation	Others	EU	National	Compulsory	Voluntary	One-off	Short term	Long term	Establishing	Rewetting	Management	Processing	Marketing	Input-based	Output-based	Cooperation	Advice
Rural development programmes – EAFRD (public)																							
(Re-) Establishment and maintenance of wetlands	DK	(x)	х		(x)			х	х			х	х	х		×	х			х	(x)		
Habitat management; conversion to grassland	D-BAV	(x)	×		×			×	×				х			(x)	×			×			
Water retention on peatland, conversion to grassland	D-BB	х	×					×	×				х			×	×			×	(x)		×
Habitat management; rewetting		х			×			×	х			х	х			×				х	(x)		X
Habitat management; rewetting; conversion to grassland		х	х		×			×	×			×	х			×				×			×
Habitat management; rewetting	D-SH	х	×	×	×			×	×			×	х			×	×			×			
Habitat management; organic soil protection	EST	(x)			×			х	х				х				х			х			
Habitat management; water category	NL		х	х	х		×	×	х			х	х			×	х			х		х	
Construction and restoration of wetlands; cooperation	S	(x)	×	(x)	×	(x)		×	×			×	х			×	×			×	(x)	×	
Adjustable / controlled drainage (control wells)		(x)	х	(x)				х	х			х	(x)			(x)				х			
Habitat management	It				×		х	×	×				х				×			х			
Fen habitats and endangered species	PL				×			×	×				х				×			×	(x)		
Countryside stewardship scheme: uplands and lowlands	UK-E	х	х	х	×	х	х	×	×			х	х		х	×	×			х	(x)	×	(x)
Agri-environment-climate scheme: uplands and lowlands	UK-S	х	х	х	х	Х	х	х	х			х	х		х	×	х			х	(x)	х	(x)
Sustainable management scheme 'Glastir'		х	х	х	×	х	×	×	×			х	х		х	×	×			х	(x)	×	(x)
Regional development – ERDF (public)																							
Reducing CO ₂ emissions from peatlands (pilots)	D-BAV	Х						х	х						х	×	х	х		х			
Reducing CO ₂ emissions from peatlands (pilots)	D- LS	Х						×	×						х	×	×	×		х		×	х
Payments for ecosystem services (private-voluntary)																							
MoorFutures®	D	х	(x)	(x)	(x)		(x)				х	х				×			х		х		
Peatland Code	UK	х									×	х				×			×		х		
Upstream thinking	UK-E	(x)	х	(x)	(x)						х	х	х			×	×		х	х	(x)		(x)
Payments for ecosystem services (private-compulsory)																							
Peatland rewetting financed by water fee	D - SH		х	х	х					×		х	х			×	х			х	(x)		
Payments for ecosystem services (mixed: public & private)																							
Sustainable Catchment Management Programme	UK-E	(x)	х	(x)	х	(x)		(x)			х	х	х			Х	х		х	х	(x)		(x)
Pumlumon project		х	х	х	х	х	х	×	х	×	х	х	х			×	х		х	х	(x)	×	×
Under appraisal																							
Reducing CO ₂ emissions from peatlands (ERDF)	D-BB	х					х	×				х			х	×	х			х	(x)		х
Rewetting agricultural land on organic soils	S	х														×							

DK – Denmark, D – Germany (BAV – Bavaria, BB – Brandenburg, LS – Lower Saxony, MW – Mecklenburg-Western Pomerania, SH – Schleswig-Holstein), EST – Estonia, Fi – Finland, It – Italy, NL – the Netherlands, S – Sweden, UK – United Kingdom (E – England, S – Scotland, W – Wales)

Classification of economic incentives



- (a) Ecosystem Services in focus
 - predominant: biodiversity, partly also water quality
 - rarely carbon, water retention, recreation...
- (b) Sources of the financing
 - public: EU + national → CAP
 - voluntary, e.g. carbon credits for the private market
 - compulsory, e.g. water fee used for peatland rewetting
- (c) Duration of the payment
 - one-off
 - short term: usually 5-7 years
 - almost no long term: 10-20 years

+ combinations

(d) Points addressed along the production chain

Incentives along production chain



Establishing paludicultures

- Investment costs: site preparation
- Planting permanent crops

Rewetting

- Investment in water management
- Remunerating high water level

Management

- Purchase of adapted harvesting machinery
- Cutting / grazing of wetlands
- Adapted management, e.g. harvest time

Processing

- Investment costs, e.g. for pelleting, combustion
- Innovation bonus

Marketing

- Biomass / Products, e.g. bonus for renewables
- Ecosystem services: C-store, nutrient retention, water retention, biodiversity, ...

→ Current incentives focus on rewetting + management

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- (d) Points addressed along the production chain
- (e) Payments for actions or results
 - action, e.g. covering costs of management measures
 - rarely results, only in case of carbon credits
 - targeting elements, e.g. a prescribed water level; scoring systems; target areas
- (f) Payments supporting general implementation
 - cooperation
 - advice and/or technical assistance

Example Agri-environment-climate commitments



Poland – targeted packages for fen species (since 2009)

Facilitating large-scale habitat management

Late mowing of land occupied by Aquatic Warblers 334 €/ha (similar for sites with typical vegetation indicating potential habitat)

→ about 10,000 ha became mown with adapted machinery



Example

Agri-environment-climate commitments



Germany – state of Brandenburg (2014 – 2020)

Peat conserving water retention (fixed wear)

Raise to or keep high water level 01.06. - 15.10., up to

387 €/ha

- 10 cm
- 30 cm



Example Agri-environment-climate commitments



UK – England: Rural Development Programm (2014-2020)

Wetland commitments

to maintain, restore or create ponds, ditches, bogs, fens, reedbeds

		€/ha
WT 6	Management of reedbed	98
WT 7	Creation of reedbed	404
WT 11	Wetland cutting supplement	550
WT 12	Wetland grazing supplement	380

Example:

Rural Development Programme (EU)



Sweden - Construction and restoration of wetlands (since 1996)

- → objectives: biodiversity and retention of nutrients, peatland rewetting not in focus
- Targeting: ca. 100 different selection criteria at county level,
 placed on organic soils may give additional scores
- Investment cost (90%) + maintenance cost (over 5 years)



Example

European Rural Development Fund



Germany - Lower Saxony, Bavaria and Brandenburg

"Climate protection by reducing emissions from carbon rich soils"

- Rewetting of peatlands: planning, preparatory measures, implementation
- Pilot projects on land use options adapted to high water levels: research and development
- ProMoor (Brandenburg, since 2019): adaptation of practices,
 e.g. purchase of adapted machines or seedlings by farming enterprises



Example

Private sector investment

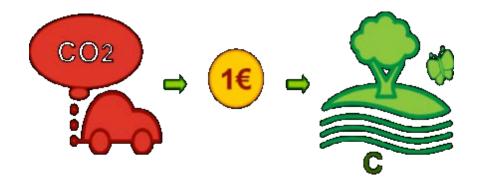


Germany (MV, SH, BB) – MoorFutures®

Voluntary carbon mitigation

Mitigating 1 t CO₂e

35€ / 54 € / 67€ (site dependent)





Where does us take the future CAP?



Setting a new course...



1) Overcome current shortcomings

- Phase out CAP 1st and 2nd Pillar support for drainage based peatland use
- General eligibility of **paludiculture** for agricultural payments
- Provide attractive incentives for rewetting, e.g. by remunerating climate benefits
- Run long-term schemes (15-20 years)

2) Apply and refine existing tool box (Pillar II)

- For all steps: establishment → management/harvest → processing → marketing
- Knowledge transfer & advice
- Cooperation: support processes at landscape levels

3) Learn from experiences in other peatland rich region

- Accepted by stakeholders: e.g. rewarding instead of compensating; reducing financial risks; basic entry measures + combination with different targeted high-level measures.
- **Result-orientated**: e.g. targeting approaches as carbon priority maps
- **Good value-for-money,** e.g. scoring systems; compare with other measures to reduce agricultural GHG emissions



Align agricultural policy to climate goals

- > Keep all wet peatlands wet!
- > Rewet all drained peatlands, and do it fast!
- > If you use them, use them wet: paludiculture!

Thank you for your attention! wichmann@uni-greifswald.de