# Agricultural Subsidies harmful to Biodiversity



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https://subventionen.wsl.ch

Based on the Study:

Gubler, L., Ismail, S., Seidl, I. (2020), Biodiversitätsschädigende Subventionen in der Schweiz, WSL

## State of Biodiversity

#### Accelerated decline of biodiversity





Almost all ecosystem services are declining



Aichi Target 3 and Kunming Target 18

Identify by 2025, and eliminate, phase out or reform incentives, including subsidies, harmful for biodiversity (...)



## Ecologically harmful and economically inefficient

- Budgets are charged in several ways:
  - Subsidies damaging biodiversity
  - Funding for biodiversity promotion
  - Repair costs of damages
- Administrative expenses through restrictions, control measurements, monitorings, etc.
- Reputational damages for recipients of subsidies that are damaging biodiversity





#### Subsidies: an important fiscal instrument





#### Minimize environmentally damaging impact





# Possible political approaches

a) Process of subsidies allocation and evaluation	b) Reform individual subsidies	c) Align sectoral policy goals with environmental goals
Adaptation of legal basis and evaluation tools	By priorization of impact or by opportunity	Mainstreaming Biodiversity considerations in planning basis, strategies, policy- measures



### **Reform of individual subsidies**

(1) Elimination: weighing of interests between sectoral objectives and environmental objectives or assuring intended objective of the subsidy by other instruments, i.e. reglementation

(2) **Reform**: The intended objective of the subsidy (e.g. food security) must be maintained while the negative effect on biodiversity are minimised. This can be achieved in the following way:

- a) ...subsidies are **redirected to less biodiversity-damaging practices** that contribute to the same objectives (i.e.: subsidation of plant based food, instead of livestock).
- b) ...subsidies are subject to conditions (i.e. condition of a regenerative cultivation method).
- c) ...**the incentive is changed** (i.e. instead of the livestock unit, the labour required for a regenerative production method is subsidised).
- d) ...subsidies are subject to compensation measures (for example, only farms that carry out a defined ecological compensation could benefit from the subsidy).



# Thank you for your attention





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