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Submission of feedback on: Nature Restoration Regulation – uniform format for the national restoration plans (implementing act)

This submission is made by The Green Tank on behalf of the Interreg Euro-MED ARTEMIS project, which aims at Accelerating the Restoration of Seagrass Meadows in the Mediterranean area through Innovative ecosystem-service based Solutions. You can find additional information on the project [here](#). This submission expresses the majority of the partners, and the comments are by no means binding for all collaborating parties. The proposed uniform format draft is a step in the right direction in order to ensure timely, consistent and effective implementation of the Nature Restoration Law. The ARTEMIS project with its planned deliverables **can support the Member States and the European Commission, by providing methodological support and updated information for the identification of the areas, measures, institutional and financial mechanisms that will support the restoration of *Posidonia oceanica*** in the Mediterranean, as a top priority by 2030 and beyond. As such, we provide feedback on selected sections of the proposed uniform format.

Transparency, openness and accessibility: While the proposed online platform for the submission of the Nature Restoration Plans serves several practical purposes, in order to ensure the transparency and openness of the drafting and revision process of the Nature Restoration Plans, the European Commission should ensure that all draft and finally revised Nature Restoration Plans are publicly available and accessible to all citizens in a comprehensive stand-alone document (in pdf format). In the same location, the Commission should also post and make publicly available its comments to the first drafts. A similar process is being followed for the submission of [National Energy and Climate Plans](#).

Section 2

- **2.1 public participation:** The Interreg Euro-MED ARTEMIS project focuses on seagrass restoration in the Mediterranean. Through the project's activities, which focus on one ecosystem (seagrasses and particularly *Posidonia oceanica*) and selected pilot sites within each partner country (Greece, Italy, Spain), we have identified a series of stakeholders from the national, regional and national levels of government, academics and scientific experts, NGOs, local civil society actors, businesses and investors. Based on the initial engagement that we have had with them we note that 1) stakeholders are not yet familiar with the concept of nature restoration in general and more specifically the requirements of the Nature Restoration Regulation, and 2) stakeholders are eager to participate and can provide valuable input highlighting case and/or site specific problems and particularities that need to be taken into account in early stages of the restoration planning. As such, we recommend that the public participation process is undertaken in a systematic way, starting as early as possible, to first inform participants





of the Nature Restoration Regulation (NRR) and its provisions and then allow for stakeholders to provide feedback. Steps taken to ensure that such an approach is taken must be included in the information provided in this section. Moreover, this section should clearly identify that the public participation undertaken also meets the requirements of Directive 2001/42/EC in line with the provisions of Art. 14 par. 20 of the NRR .

- **2.2 Local characteristics:** The ARTEMIS project aims to develop local site-specific restoration plans focusing on seagrass (*Posidonia oceanica*) following sound scientific methods throughout the pilot sites. While several commonalities are found across sites in the different countries, it is clear that since each pilot site is different in both ecological and socio-economic terms, as well as the legislative, political and economic context. Therefore, restoration plans must be tailored to each site. While we recommend that horizontal restoration guidelines and protocols for various habitats are in place, we note that it is important that restoration targets, measures and actions are always adjusted to suit the needs and particularities of each situation, which may be different even within each Member State or Region.

Section 3

- **3.1 Contribution to overarching targets and objectives set out in Article 1:** Based on the ARTEMIS planned deliverables, project partners will identify potential areas for *Posidonia oceanica* restoration activities in the project countries (Greece, Italy, Spain) will be identified. These data and maps that will be created can contribute to the identification of the overarching restoration targets in the sea area of the selected Member States.
- **3.1 Contribution to overarching targets and objectives set out in Article and 3.3** Extent of land and sea areas that are subject to restoration measures by 2020, should not be optional.

Section 4

- **4.1.1 Co-benefits for climate change mitigation:** The main objective of the ARTEMIS project is to restore and conserve seagrass meadows in the Mediterranean region. This goal is pursued by developing and implementing innovative restoration protocols and integrating ecosystem service values into financial and policy frameworks. By fostering transnational cooperation and engaging multiple Mediterranean stakeholders, ARTEMIS seeks to ensure the sustainable management of seagrass habitats. As such, the project's deliverables can support Member States in identifying the co-benefits of *Posidonia oceanica* restoration, specifically with respect to climate change mitigation, as the blue carbon restoration potential of the restoration activities is highlighted (4.1.1).



- **4.1.3 Foreseeable socio-economic impacts and estimated benefits of the restoration measures referred to in Art.4 to 12 (Art.15 (3s)):** The deliverables of the ARTEMIS project and specifically the creation of valuation tools to account for the value of the restoration of *Posidonia oceanica*, can support Member States in the identification of socio-economic impacts and benefits of restoration.
- **4.2.10 Other policies taken into account, where applicable (optional):** The ARTEMIS project will produce a Euro-MED action plan for seagrass restoration which will be presented to the Barcelona Convention 24th Conference of the Parties (COP) with results for consideration in the Conference's Declaration. This document will support Member States in identifying specific measures to include in their National Restoration Plan, specifically for reaching targets related to marine ecosystems.
- **4.3.1.3 & 4.3.1.4 Indicative means of intended public (3) private (4) funding:** Funding is crucial for the successful design and implementation of restoration activities. Hence, we suggest that the EC in addition to requesting for MS to indicate the means of necessary public and private funding from known sources, **the EC offers guidance so that MS can consider, recognize and adopt the necessary institutional and legal provisions for alternative and more innovative financial schemes that can support restoration activities by mobilizing additional resources.** The following text proposes several such options and explains their benefits.
 - **Tax Incentives for Private Investments in Restoration:** Provide tax deductions or credits to companies and individuals who invest in marine restoration projects, particularly for seagrass meadows. Create an EU-level framework for tax-exempt status for NGOs and private entities contributing to marine habitat restoration.
 - **Green Bonds for Marine Restoration:** Encourage EU member states to issue green bonds specifically dedicated to seagrass restoration. Involve the private sector by allowing businesses to invest in these bonds as a means of meeting corporate environmental, social, and governance (ESG) goals.
 - **Corporate Offsetting Mechanisms:** Develop market-based mechanisms for companies to offset their environmental impact by financing seagrass restoration projects. These offsets could tie into broader EU policies, such as the Emissions Trading System (ETS), by granting seagrass restoration projects recognized offsets for carbon sequestration.
 - **Public-Private Partnership (PPP) Funds:** Establish specialized marine habitat restoration funds combining public contributions (e.g., EU budget allocations) with private investments. Blended finance could be an option. Offer preferential financial conditions (e.g., lower interest rates or loan guarantees) for private entities contributing to these funds.



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- **Subsidies for Technology Development:** Provide subsidies for private companies developing innovative solutions to restore or monitor seagrass meadows. For instance: Use of drones and remote sensing for monitoring restoration. Eco-friendly anchoring systems to reduce damage from maritime activities. In the specific case of “Blended Finance”. For instance:
 - Creating Local Economic Opportunities: Nature restoration projects can create jobs and economic opportunities for local communities. Blended finance can be used to support these initiatives and ensure that benefits are shared equitably.
 - Promoting Community Ownership: Blended finance can support community-led nature restoration initiatives, empowering local communities to manage and protect their natural resources.

Regarding the case of “**Blended Finance**” i.e., the strategic use of catalytic public or philanthropic funding to mobilize private sector investment in sustainable development, especially in areas where commercial investment alone is insufficient, we believe is crucial for nature restoration projects because it addresses the significant funding gap that often hinders their implementation and scale. Blended finance is crucial for seagrass restoration projects such as ARTEMIS because it:

1. *Attracts Private Capital* by: **i)** De-risking Investments: Nature restoration projects often face perceived risks related to regulatory uncertainty, project implementation challenges, and long payback periods. Blended finance uses public or philanthropic funds to provide guarantees, first-loss capital, or technical assistance, which de-risks the investment and makes it more attractive to private investors who might otherwise be hesitant, **ii)** aligning Financial Returns with Environmental Benefits: Blended finance can structure investments in a way that generates both financial returns and positive environmental and social outcomes. This appeals to impact investors, Environmental, Social, and Governance (ESG) conscious funds, and other private entities looking to make a difference while achieving financial goals, **iii)** demonstrating Viability: Successful blended finance projects can act as proof-of-concept and demonstrate the viability of nature-based solutions as an asset class. This can pave the way for more private investment in the future.

2. *Overcomes Funding Gaps* by **i)** addressing the "Valley of Death": Many promising nature restoration projects struggle to secure the initial capital needed to move from the pilot stage to full-scale implementation. Blended finance can provide this crucial seed funding, enabling projects to demonstrate their potential and attract further investment, **ii)** meeting the Scale of the Challenge: The scale of nature degradation is immense, requiring trillions of dollars in investment. Public and philanthropic funds alone are insufficient. Blended finance is essential to mobilize the much larger pool of private capital needed to meet the scale of the challenge,



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iii) bridging Short-term Costs with Long-term Benefits: Nature restoration projects often require significant upfront investments with benefits accruing over longer time horizons. Blended finance can help bridge this gap by providing patient capital or structuring investments with longer payback periods.

3. *Enhances Project Effectiveness* by **i)** improving Governance and Accountability: The involvement of multiple stakeholders, including public, private, and philanthropic actors, can improve project governance and accountability. This can lead to more effective project implementation and better environmental outcomes, **ii)** fostering Innovation: Blended finance can support innovative financing mechanisms and project designs that might not be possible with traditional funding approaches. This can lead to more efficient and effective nature restoration solutions, **iii)** ensuring Long-term Sustainability: By attracting private capital, blended finance can help ensure the long-term financial sustainability of nature restoration projects, reducing reliance on public or philanthropic funding over time.

4. *Supports Equitable and Inclusive Outcomes* by **i)** targeting Marginalized Communities: Blended finance can be structured to prioritize projects that benefit marginalized communities who are disproportionately affected by environmental degradation, **ii)** creating Local Economic Opportunities: Nature restoration projects can create jobs and economic opportunities for local communities. Blended finance can be used to support these initiatives and ensure that benefits are shared equitably, **iii)** promoting Community Ownership: Blended finance can support community-led nature restoration initiatives, empowering local communities to manage and protect their natural resources.

- **Proposed new section 4.3.1.5:** One of the main deliverables of the ARTEMIS project is to produce and test novel Payment for Ecosystem Services schemes tailored to each pilot site. The ARTEMIS deliverables, therefore, can showcase additional alternative and innovative funding schemes that Member States in collaboration with interested private partners can explore to leverage additional funding sources. In this context, it is recommended that the NRL uniform format **adds a new optional section 4.3.1.5** in which Member States can identify and specify intended co-financing schemes, including PES schemes that they plan to develop / apply and use during the implementation of the National Restoration Plan.

Section 5

- **5.1. Description of the monitoring of the condition (and trend) of habitats and quality (and trend) of habitats of species in areas subject to restoration in accordance with Articles 4 and 5 (Art.15(3)(p)):** In order to facilitate transnational collaboration and data collection at regional level, monitoring systems of habitats and species, as well as indicators, should be harmonized between Member States. Seagrass extent and condition are monitored across MS through the implementation of Habitats, Water Framework and Marine Strategy Framework Directives. Several biotic indexes



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based on *Posidonia oceanica* are harmonized and intercalated across MS in the framework of the Mediterranean Geographical Intercalibration Group of the EU Water Framework Directive (MED GIG).

Section 7. Restoration of Marine Ecosystems

- **7.1.2. Contextual information about habitat types:** ARTEMIS will provide updated data and information about the ecological status of seagrass meadows in four pilot sites across Italy, Spain and Greece. The project will formulate recommendations for better use of data by Member States in their National Restoration Plans.
- **7.2.1. Improvement of habitats' condition by 2030 (Art.5(1)):** ARTEMIS will produce interactive tools (online map) to identify new areas within covered countries and beyond to replicate restoration actions.