



CASE STUDY

DCP

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WORKING TOGETHER
TO INSPIRE SUSTAINABLE
SOLUTIONS



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET



Payments for Ecosystem Services

Restoration of Varde floodplains

This case study presents a scheme for ecosystem services payment as a solution to degradation of wetland and connected to this loss of biodiversity at the Wadden Sea in Denmark.

The Varde river falls

into the Ho Bay (Ho Bugt) at the northern part of the UNESCO heritage site, the Wadden Sea. This is a unique area. It is the only major river valley in Denmark which has not been regulated with dykes and locks at its estuary. As a result, until the 1950s, the region's varied freshwater and salt marshes were home to immense number of species. It was one of the last habitats of the corncrake (*Crex crex*) in Denmark.



Total catchment area:
110,000 ha

**Area involved
in the project:** 2,700 ha

**Main economic
activities:** agriculture,
tourism.

2,488

hectares
of land were
restored to its former
natural hydrological
condition during this
project



Goal of the project

Over time, the region's marshes were subjected to intensive farming and became a centre for the production of grass pellets for animal feed. Over 1,700 ditches were dug to drain the wet areas and large quantities of chemical fertilizers were used to maximise productivity. This had dramatic effect on the marshes' ecosystem.

The overall objective of the project was to improve general conditions of the wetlands and preserve corncrake on the territory of Denmark.

Stakeholders involved in the project

Varde Farmers' Union, Ministry of the Environment and Energy, National Forest and Nature Agency, cultural center at the Varde river, hotels and tourism providers at Varde region.

Solutions

With falling prices for grass pellets, the Varde Farmers' Union began to examine the possibilities of adapting ecological farming to secure future profits and local ownership of the land. In 1995 discussions with public authorities began. Therefore, Ministry of Environment in cooperation with the Ministry of Agriculture and the Varde Farmers' Union submitted project proposal under the LIFE programme to restore Varde wetlands as an important area for birds' protection. Individual land owners participate voluntarily through 20 years operating agreements. These agreements set down series of requirements for the land use: grazing by ruminants and horses at a maximum of 0,8 livestock units per ha; mowing of meadows after June 25; no ploughing or use of fertilisers or pesticides.

Compliance was rewarded with a payment of €400 per hectare per year – the same return that farmers previously received from grass pellet production.

In addition, partners formed a marketing platform to strengthen and further develop ecolabel "Waddenproduct" and a common "Wadden brand" to include services which aim at maintenance and management of the cultural landscape.

Success factors

Three issues were key to the success of the project: communication, cooperation and dialog between stakeholders. Parties invested a lot of efforts in establishment of trust, a lot of work was done on the ground, persuading farmers in the conservation value of the land. As a result of the detailed pre-investigations during the initial phase of the project detailed maps and predictions of what the land would look like after the ditches were blocked were developed and used as a roadmap for change. The decision-making process was followed by actions. Linking the project to a rural land consolidation process added an important economic incentive which helped farmers to participate.

Benefiting nature and society

By the end of the project 2,488 hectares of land had been restored to its former natural hydrological condition and subsequently covered by 20-year management agreements, involving over 250 farmers. The project is a classic win-win example where both the farmers and the conservationists benefit. Thanks to an initial investment of €1,7 million through LIFE-Nature, the farmers are able to continue farming their land for the next 20 years via agri-environmental payments that will bring in over €1 million to the area a year. As for nature, the amount of nitrogen leaching into the water has been reduced and the corncrake – a threatened bird species over most of its European range – returned in 2001 after 30 years absence. Farmers in the Varde estuary are now aware of Natura 2000 and even contact site biologists on their own initiative to give news of the corncrake.

This case study was prepared as part of THE DANUBE PES PROJECT: PROMOTING PAYMENTS FOR ECOSYSTEM SERVICES AND RELATED SUSTAINABLE FINANCING SCHEMES IN THE DANUBE BASIN.

This project promotes and supports land managers who help us sustain the benefits that we all get from nature. The project is implemented by the WWF Danube-Carpathian Programme with the financial support of the GEF through UNEP and the European Commission.



Why we are here.

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony and nature.

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