



Forestry (green infrastructure and ecosystem services) in Rural Development Policy post 2013 period

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1. Forests and policy in the EU: background

2. A new EU Forest Strategy

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Forest resources in the EU



Forest and other wooded land:
178 million ha (**42% of total EU land**)
of which 117 million ha are available for
wood supply.

Growing stock (FOWL): 24 billion m³

Felling: 60 % of the net annual
increment from forests available for
wood supply)

Ownership: 40% public and 60% private

Natura 2000: 25% of forests and other
wooded land under Natura 2000 Network
10% of total Natura 2000 network in forests
and other wooded land

Certification: around 50% certified



Overall policy context



- **Europe2020** (Smart, Sustainable, Inclusive)
- the Common Agricultural Policy incl. the Rural Development regulation
- EU targets on renewable energy sources, incl. draft sustainability criteria for biomass
- International agreements and processes such as EU FLEGT Action Plan, EU Timber Regulation, UNFF, REDD+, LULUCF
- **EU Biodiversity Strategy**
- **EU Birds & Habitats directives and Natura 2000**
- Communications: on “innovative and sustainable forest-based industries” and on "**Green Infrastructure**"
- **Green Paper on forest protection and information**
- Resource efficiency
- Bioeconomy
- Legally Binding Agreement on forests





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EU Forest Strategy



- ✓ **Adopted on the 20/9/2013 by the Commission**
- ✓ **Submitted to Council and Parliament**
- ✓ **Presented at the Council of Ministers of Agriculture on 23/9/2013 by Commissioner Ciolos**
- ✓ **Supported by 6 Commissioners**



Lead	Ciolos (AGRI)
Co-responsible	Potočnik (ENV) and Tajani (ENTR)
Associated	Heedegard (CLIMA), Oettinger (ENER) and Geoghegan-Quinn (RTD)

- ✓ **Builds on the work from the last 2 years with Member States and stakeholders**

EU Forest Strategy



Communication from the Commission to the Council and Parliament COM(2013)659 “A new EU Forest Strategy: for forests and the forest-based sector”

Accompanied by 2 Staff Working Documents:

- Staff WD accompanying the Communication on a New EU Forest Strategy**
- Staff WD on a blueprint for forest-based industries**

<http://ec.europa.eu/agriculture/forest>

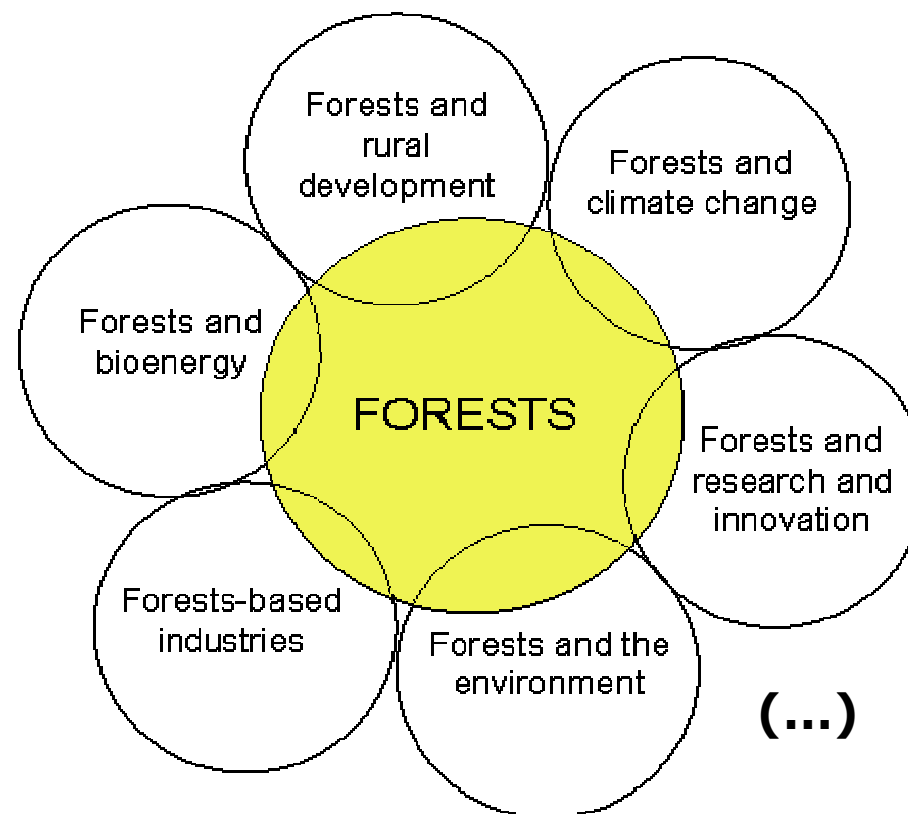


Scope of the Forest Strategy

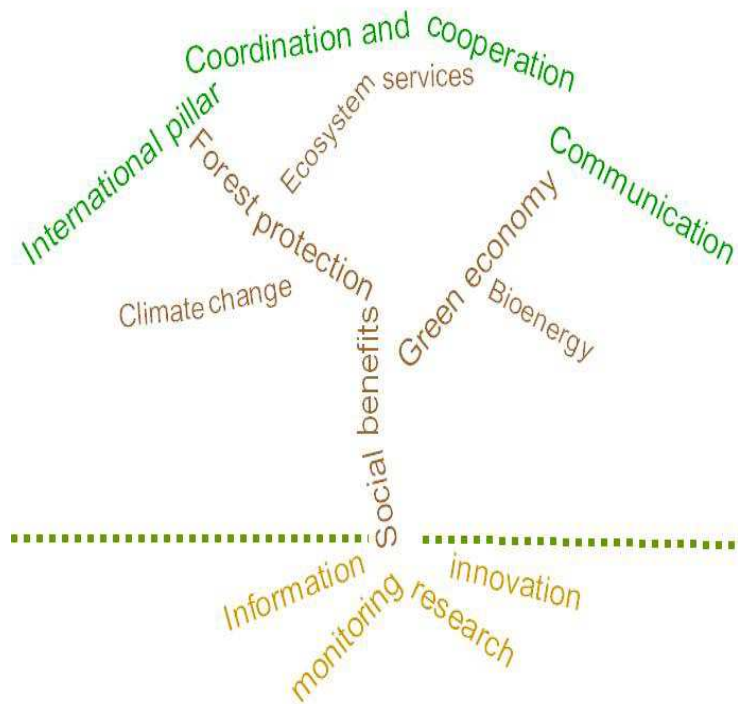
Forest Strategy

(for forests and the forest-based sector)

A holistic view of forests and all related policies, addressing also the value chain.



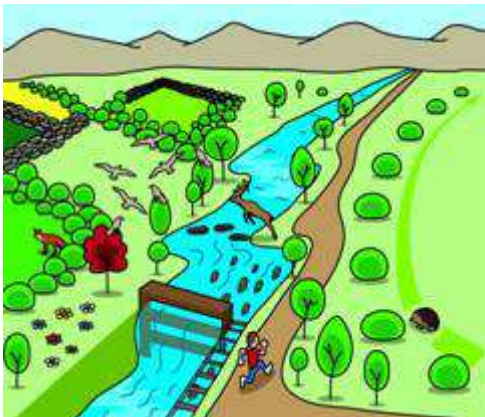
8 priority areas



COORDINATION AND COMMUNICATION	Working together
	Forests from a global perspective
CONTRIBUTING TO MAJOR SOCIETAL OBJECTIVES	Supporting our rural and urban communities
	Fostering the competitiveness and sustainability of forest-based industries, bioenergy and the wider green economy
	Forests and climate change
IMPROVING THE KNOWLEDGE BASE	Protecting forests and enhancing ecosystem services
	Forest information and monitoring
	Research and innovation

Priority 4; Protecting forests and enhancing ecosystem services

- "Protection efforts should aim to maintain, enhance and restore forest ecosystems' resilience and multi-functionality as a core part of the EU's green infrastructure, providing key environmental services as well as raw materials."



Main resources



- Co-financing of forestry measures under the Rural Development Regulation has been and will remain the main means of EU-level funding (€5.4 billion in 2007-2013)
- Forestry measures under RD should be dedicated to contributing to the objectives of this strategy, and in particular to ensuring that EU forests are managed according to sustainable forest management principles.

Other resources



Horizon 2020: research and innovation actions for 2014-2020
Food security, sustainable agriculture and forestry: € 4 billion

Public-private partnership on bio- based industries: €1 billion
from EU funds and € 2.8 billion from industry

LIFE+: nature conservation, climate change adaptation,
information and protection needs)

Structural and cohesion funds: regional and cohesion projects

Development and climate change policies: financing for third
countries, in particular through EU development funds, REDD+
and FLEGT.)



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6 Union priorities for rural development

1. Knowledge transfer / innovation in agriculture, forestry, rural areas

**2. Viability of all types of farming in all regions; innovative farm technologies;
Sustainable management of forests**

3. Food chain organisation, animal welfare, risk management in agriculture

4. Ecosystems related to agriculture and forestry

**5. Resource efficiency, low-carbon / climate-resilient economy in
agriculture, food and forestry sectors**

6. Social inclusion, poverty reduction and economic development in rural areas



Required minimum budgetary allocations

- *A minimum amount of the total EAFRD contribution to the Rural Development Programs shall be reserved:*
 - **At least 30% for:**
 - Environment and climate related investments (Article 18)
 - Forestry measures (Articles 22-27 and Article 35)
 - Agri-environment-climate (Article 29)
 - Organic farming (Article 30)
 - Natura 2000 (Article 31 with the exception of WFD related payments)
 - ANCs (Articles 32-33)

- **At least 5% for Leader**

Nota bene: These provisions shall not apply to the outermost regions and the overseas territories

Overview



- Strong continuity with respect to the current programming period
- Forests remain a matter of national competency
- Forests are strategically framed in relation to environmental matters, but their contribution to the sustainable development of rural areas is fully recognised ("**Priority 2**" includes enhancing of **sustainable forest management**, possibility to include special focus areas)
- **Increased strategic focus on mountain areas**
- Elements of simplification in the management and implementation of forestry measures

Main relevant articles



- Article 7: thematic sub-programmes
- Articles 14 and 15: knowledge transfer and advisory services
- Article 17: investments in physical assets
- Articles 21-26 and 35: forestry measures
- Article 27: producer groups
- Article 30: Natura-2000 payments including forests
- Article 35: cooperation
- Articles 42 – 44: LEADER

Sub-programmes



- Thematic sub-programmes can be included in RD programmes to address specific needs of certain sectors/beneficiaries in the programming area
- Support rates can be increased in relation to:
 - Young farmers;
 - Small farms;
 - **Mountain areas;**
 - Short supply chain;
 - Women in rural areas;
 - **Climate change mitigation and adaptation and biodiversity.**

Forestry measures (art. 21-26, 34)



- *Contributing to the sustainable management of forests.*
- *Simplified support: One measure (article 21) covering the following sub-measures:*
 - **Afforestation and creation of woodland**
 - **Establishment of agroforestry systems**
 - **Prevention and restoration of damage to forests from forest fires and natural disasters and catastrophic events**
 - *Investments improving the resilience and environmental value of forest ecosystems*
 - **Investments in forestry technologies and in processing, mobilising and marketing of forest products**

→ **This simplification allows beneficiaries to implement integrated projects with increased added value.**
- *Forest-environment payments for going beyond the mandatory requirements. (article 34)*
 - *Forest-environmental and climate services and forest conservation*

Forestry measures (art. 21-26, 34)



Forestry –

more accessible and stronger EU support

- *New concept of beneficiaries*
 - The main objective is to provide support to the person/entity managing the forest.
- *New types of support*
 - Preventive actions against pests and diseases.
 - Conservation and promotion of genetic resources.
 - The use of grazing animals in prevention of forest fires.
 - Mobilising of wood.
 - Support for purchase of forestry machinery to provide forest management services to a larger group of forest owners.
- *Forest Management Plan (FMP)*
 - Information from the FMP is requested for all forestry support. This information is required from beneficiaries exceeding the size limit set by the Member State.
 - Support is available under the Rural Development policy for a preparation of 20 the FMP.



Other Articles for particular attention

- *Article 45: Investments*
- *Article 47 Rules for area related payments*
- *Article 52: European network for rural development*
- *Article 53 European Innovation Partnership network*
- *Article 54 National rural network*
- *TITLE IV The European Innovation Partnership (EIP) for agricultural productivity and sustainability Articles 55-57*

(Cont)



- *Article 59 Fund contribution:*
 - 6. At least 30% of the total EAFRD contribution to the rural development programme shall be reserved for measures under Articles 17 for environment and climate related investments, **21-26**, 28, 29, **30** with the exception of WFD related payments, 31, 32 and **34**.
- *Article 69 Verifiability and controllability of measures (including provisions to standard costs)*
- *Article 76 Common indicators*
- *Article 88 State aid*

(Other articles...)



- *ANNEX II Amounts and support rates*
- *ANNEX IV*
 - Indicative list of measures and operations of particular relevance to thematic sub-programmes referred to in Article 7
- *ANNEX VI*
 - Indicative list of measures with relevance to one or more Union priorities for rural development
 - Measure of particular relevance to restoring, preserving and enhancing ecosystems dependent on agriculture and forestry and Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

Annex IV – Indicative lists



Mountain areas:

- *Payments to areas facing natural or other specific constraints*
- *Agri-environment climate operations*
- *Co-operation*
- *Investments in physical assets*
- *Farm and business development in rural areas*
- *Quality schemes for agricultural products and foodstuffs*
- *Establishment of agroforestry systems*
- *Basic services and village renewal in rural areas*
- *Knowledge transfer and information actions*
- *Advisory services, farm management and farm relief services*
- *Setting up of producer groups*
- *LEADER*

Forestry – payments & state aid



- *Payments:*
 - Establishment costs and maintenance support up to 100 % (area-based or standard costs-based payments).
 - Investment support is paid 40-70 % of the total costs.
 - **Forest, environmental, climate services** and forest conservation payments may be granted as a flat-rate or one-off payment for going beyond the mandatory requirements.
- *State aid - alignment between rural development and state aid:*
 - Forestry measures forming part of the RD Programmes exempted from the obligation to formally notify the measure to the European Commission.*

* *Subject to the final outcome of the revision of the State aid modernization package.*



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Conclusions:



- *New EU Forest Strategy: opportunity to influence forest policy from a forest and forestry angle, giving a stronger voice to the forest sector.*
- *Necessary to strengthen the links with research and innovation.*
- *Rural development: important tool to support a viable and competitive forest sector, in the heart of the rural community.*



draft RD Regulation (main forestry related elements)

- *Investments in physical assets (Art 17)*
 - **17.(c) concern infrastructure** related to the development, modernisation or adaptation of agriculture and **forestry**, including **access to farm and forest land**, land consolidation and improvement, the **supply and saving of energy and water**
 - Forest holders continue to be eligible for **infrastructure** e.g. construction and improvement of **forest roads, bridges, forestry railway and cable way**,
 - Establishment of **SRC** can also be supported (Annex I product)
 - **Production of bioenergy** for on-farm use

Article 19 and 20



- *Article 29 Farm and business development*
 - **19.1 (a) business start-up aid for:**
 - (ii) non-agricultural activities in rural areas;
 - **(b) investments in creation and development of non-agricultural activities;**
 - Example for activities: rural tourism, production of renewable energy exceeding the annual self-consumption
 - Processing of all types of input (Annex I or non-Annex I) is eligible if the output is a non-Annex I product.
- *Article 20 Basic services and village renewal in rural areas*
 - Example: Investments in renewable energy, small scale tourism, manage plans for N2000, rural heritage....

Art. 21: Investments in forest area development and improvement of the viability of forests*



Support covers:

- **afforestation** and creation of woodland (art. 22)
- establishment of **agroforestry** systems (art. 23)
- **prevention and restoration** of damage to forests from forest fires and natural disasters, including pest and disease outbreaks, catastrophic events and climate related threats (art. 24)
- **investments** improving the **resilience** and environmental value as well as the mitigation potential of forest ecosystems (art. 25)
- **investments in forestry** technologies and in processing, **mobilising** and marketing of forest products (art. 26)

** For holdings above a certain size, to be determined by the Member States in the programme, support shall be conditional on the submission of presentation of the relevant information from a forest management plan or equivalent instrument in line with sustainable forest management as defined by the Ministerial Conference on the Protection of Forests in Europe of 1993*

Art. 22: Afforestation and creation of woodland



Support available for:

Costs of establishment up to 100% and annual premium per hectare to cover the costs of maintenance, including early and late cleanings, and for agricultural income foregone for a maximum period of 12 years

- **Both on agricultural and non-agricultural land** (incl. spontaneous process)
- Minimum environmental requirements to be met
- No support for the planting of SRC, Christmas trees or fast growing trees for energy production
- In areas where afforestation is made difficult by severe pedo-climatic conditions, support may be provided for planting other perennial woody species such as shrubs or bushes suitable to the local conditions

Beneficiaries: public and private land-holders and their associations

- In the case of state-owned land, support may only be granted if the body managing such land is a private body or a municipality.
- Support for afforestation of land owned by public authorities or for fast growing trees shall cover only the costs of establishment.



Art. 23: Establishment of agroforestry systems

Support available for:

Costs of establishment 80%

Annual premium per hectare to cover the costs of maintenance for a maximum period of 5 years

- **"Agroforestry systems"** means land use systems in which trees are grown in combination with agriculture on the same land.
- The minimum and maximum number of trees per hectare shall be determined by the Member States taking account of local pedo-climatic and environmental conditions, forestry species and the need to ensure sustainable agricultural use of the land.

Beneficiaries:

- Private land-holders, municipalities and their associations



Art. 24: Prevention and restoration of damage to forests from forest fires and natural disasters and catastrophic events

Support for the establishment of **protective infrastructure**.

- local, small scale **prevention activities** against fire or other natural hazards, including the use of grazing animals
- establishing and improving forest fire, pest and diseases **monitoring** facilities and communication equipment,
- **restoring forest potential damaged** from fires and other natural disasters including pests, diseases as well as catastrophic events and climate change related events
 - need for formal recognition by the MS that a natural disaster has occurred
 - at least 20% of the relevant forest potential is destroyed

Art. 24: Prevention and restoration (cont)



Eligibility

- **In the case of preventive actions** concerning pests and diseases, the risk of a relevant disaster occurrence must be supported by scientific evidence and acknowledged by scientific public organisations,
Where relevant, the list of species of organisms harmful to plants which may cause a disaster must be provided in the programme,
- Eligible operations shall be consistent with the MS forest protection plan
- Forest areas classified as medium to high forest fire risk shall be eligible for support relating to forest fire prevention

Beneficiaries;

- private and public forest-holders and other private law and public bodies and their associations



Art. 25: Investments improving the resilience and environmental value of forest ecosystems

Support for:

- **Investments** shall be aimed at the achievement of commitments undertaken for **environmental aims** or **providing ecosystem services** and/or which enhance the **public amenity value of forest** and wooded land in the area concerned or improve the **climate change** mitigation potential of ecosystems, without excluding economic benefits in the long term.

Beneficiaries:

- Natural persons, private forest owners, private and public forest-holders and other private law and public bodies and their associations



Art. 26: Investments in forestry technologies and in processing, mobilising and marketing of forest products

Support for investments enhancing forestry potential or relating to processing, mobilising and marketing adding value to forest products (*Support rate in Annex II: 40-65-75%*)

- **Investments related to the improvement of the economic value of forests** shall be justified in relation to expected improvements to forests on one or more holdings and may include investments for soil and resource friendly harvesting machinery and practices.
- **Investments related to the use of wood as a raw material or energy source** shall be limited to all working operations prior to industrial processing

Beneficiaries

- Private forest-holders, municipalities and their associations and to SMEs



Art. 27: Setting up of producer groups and organisations

Support for no more than the first 5 years to facilitate the setting up of producer groups and organisations in the agriculture and forestry sectors

- for adapting the production to market requirements
- Jointly placing goods on the market, including preparation for sale, centralization of sales and supply to bulk buyers
- Establishing common rules on production information, with particular regard to harvesting and availability
- Other activities that may be carried out by producer groups and organisations such as development of business and marketing skills and organization and facilitation of innovation processes.



Art. 30: Natura 2000 and WFD payments

Support shall be granted annually and per hectare of agricultural area or **per hectare of forest** in order to compensate beneficiaries for **additional costs** incurred and **income foregone** resulting from disadvantages in the areas concerned.

- Support linked to WFD only for agricultural areas.

Designated Natura 2000 agricultural and **forestry** areas

- other delimited nature protection areas contributing to the implementation of Art.10 of Habitats Directive (up to 5% per RDP of the designated Natura 2000 areas covered by RDP)

Beneficiaries: farmers and to private **forest holders** and associations of private forest holders. In duly justified cases it may also be granted to other land managers.



Art. 34: forest environmental and climate services and forest conservation

Per hectare support for operations consisting of one or more voluntary forest-environment commitments for a period of 5 to 7 years up to 200 EUR/ha/year (longer period possible for particular types of commitments, or higher amounts in duly justified cases)

- **Commitments to go beyond relevant mandatory requirements** to be specified in programmes
- **conservation and promotion of forest genetic resources outside forest-environmental commitments**

Beneficiaries (*forest-environmental commitments*)

- Public and private forest holders and other private law and public bodies and their associations
- Private bodies or municipalities managing state owned forests

Beneficiaries (*genetic resources*)

- Public and private entities

Article 34 continues



- **Payments shall compensate beneficiaries** for all or part of the additional costs and income foregone resulting from the commitments made. Where necessary they may also cover transaction costs to a value of up to 20% of the premium paid for the forest-environment commitments. Support shall be limited to the maximum amount laid down in Annex I.
- In duly justified cases for operations concerning environmental conservation, support may be granted as **a flat-rate or one-off payment** per unit for commitments to renounce commercial use of trees and forests, calculated on basis of additional costs incurred and income foregone.

Thank you for your attention!



http://ec.europa.eu/agriculture/fore/index_en.htm