

# Supporting forestry

## Introduction:

One of the objectives of rural development policy, as laid out in the Community strategic guidelines for the programming period 2007-2013, is to improve the environment and the countryside.

In this respect a significant part of resources are devoted by the Rural Development Programmes (RDPs) to support the preservation and development of forestry systems.



## Identifying the needs

Forests are an important part of Europe's heritage and identity and they cover around 40% of EU-27 land area. While forestry and related industries employ 3.4 million people, only 60% of annual forest growth is currently exploited. Not all EU forests have a commercial value, but the value of non-wood goods and services provided by forests is important and increasing.

Forests play an important role in for the efforts of the EU to reach environmental objectives and related international commitments; their protective value is important in terms of preserving biodiversity, mitigating climate change, preserving water resources and combating soil erosion and desertification.

At the same time, forests enhance quality of life, and offer opportunities for recreation and healthy living.

Rural development policy offers a range of possibilities to support sustainable forest management and the multifunctional role of forests through measures aiming at the improvement of the long-term competitiveness of the sector, the protection and enhancement of natural resources and the preservation of high nature value forestry systems.

## The interventions at "a glance"

Support to EU forestry is targeted by a range of rural development policy interventions. In order to protect the environment, prevent natural hazards and fires and mitigate climate change, the *afforestation of agricultural land* as well as *non-agricultural land* is supported. Payments under these schemes cover the establishment and maintenance costs and in the case of agricultural land, compensation for income foregone on afforested land.

The preservation and development of forestry is also pursued through supporting the establishment of *agroforestry systems on agricultural land* which are of high ecological value. These systems combine extensive agriculture and forestry and amongst others, aim at the production of quality wood and other forest products.

Forests are important for the successful operation of the Natura 2000 network. To this end, support is provided to forest holders, through the *Natura 2000 payments* scheme, to help them address specific problems associated with the implementation of Directives 79/409/EEC and 92/43/EEC. Support is granted on an annual basis and compensate for extra costs incurred and income foregone.

*Forest-environment payments* contribute to the enhancement of biodiversity, the preservation of high-value forest ecosystems and the reinforcement of the protective value of forests. They are granted to beneficiaries who make a voluntary forest-environmental commitment for a specific period and cover additional costs incurred and income foregone due to these commitments.

### Relevant RDP measures

- ❖ Measure 122 – Improvement of the economic value of forests
- ❖ Measure 221 – First afforestation of agricultural land
- ❖ Measure 222 – First establishment of agroforestry systems on agricultural land
- ❖ Measure 223 – First afforestation on non-agricultural land
- ❖ Measure 224 – Natura 2000 payments
- ❖ Measure 225 – Forest-environment payments
- ❖ Measure 226 – Restoring forestry potential and introducing prevention actions
- ❖ Measure 227 – Non-productive investments (forestry)

## Supporting forestry

Rural development policy also supports the maintenance of the environmental and economical role of forests, through granting support for the *restoration of forestry potential in forests damaged by natural disasters and fire and the introduction of prevention actions*. Indicatively, these payments support preventive investments reducing the consequences of forest fires and investments restoring the forest in its pre-disaster state.

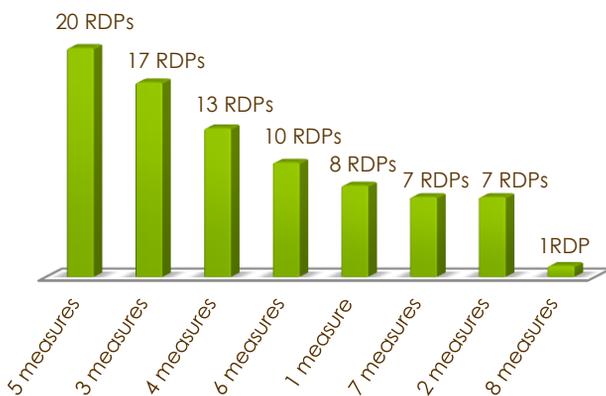
EU forestry support is also pursued through *non-productive investments*. These investments are necessary for the achievement of forest-environmental commitments and the enhancement of the public amenity value of forest areas.

Finally, EU support is granted to *promote the improvement of the economic value of forests*, the diversification of production to areas such as renewable energy and the maintenance of sustainable forest management practices. Support is provided for investments based on forest management plans and covers all operations at the forestry holding level.

### Target groups

These interventions generally target forest holdings owned by private owners, municipalities or forest holders associations as well as farmers establishing agroforestry systems on agricultural land for the first time. The target groups vary according to the focus of each measure, for example beneficiaries who make forest-environmental commitments or restore forestry potential in forests damaged by natural disasters and fire and introduce appropriate prevention actions. Also, forest holders that make non-remunerative investments or owning forests in Natura 2000 areas etc.

**Forestry supporting measures: number of measures implemented in the 88 RDPs**

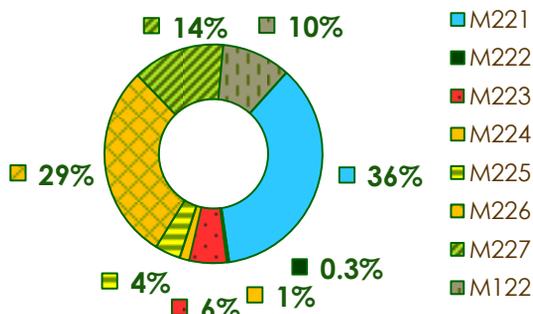


### Selection of measures in the Member States

According to their needs and priorities, as identified in their National Strategy Plans, Member States have decided to implement combinations of the previously described measures supporting forestry.

Drawing from the menu of available measures, RDPs generally implemented from 1 to 8 measures together. As shown in the figure on the left, the majority of RDPs (50 RDPs) implemented from 3 (13 RDPs) to 5 (20 RDPs) measures together. Few programmes (7RDPs) opted for one or two measures only, while in the case of the Portuguese RDP for Azores all the 8 measures were planned.

**Breakdown per measure of the programmed total public expenditure for 2007-2013 supporting forestry (EU 27)**



### Financial support

The eight forestry measures account for a budget (programmed total public expenditure) of around €9 billion for 2007-2013. The EAFRD contribution to the above programmed total public expenditure amounts to €5.9 billion. This allocation accounts for 5.8% of the total public expenditure (€154 billion) for rural development for 2007-2013 at the EU27 level.

The figure on the left provides a breakdown of the programmed total public expenditure per measure at the EU27 level, and shows the dominance of support for first afforestation of agricultural land (36% of the total) and the restoration of forestry potential and the introduction of prevention actions (29%).

Non-productive investments (14%) and improvement of the economic value of forests (10%) account for notable shares of the total “forestry budget”.

## Supporting forestry

By 2011, €3.3 billion or 37% of the programmed €9 billion had been disbursed across the EU to support forestry.

### Financial implementation progress

Up to 2011, the above measures have been implemented at various degrees across the EU. Measures 221 and 226 have disbursed 44% and 42% of their programmed budgets respectively. Measure 227 has spent 31% of its budget, followed by measures 223 and 122 (25%) and measures 225 and 224 (almost 15%). Finally, the level of expenditure for measure 222 reached less than 1%.

### Physical outputs (2007 – 2009)

Across the EU, around 15 500 applications for the first afforestation of agricultural land (measure 221) were approved. Support was granted on more than 80 000 ha of agricultural land, and mostly addressing the enhancement of biodiversity (48 000 ha) and climate change mitigation (28 000 ha).

More than 2 200 beneficiaries were supported for the first afforestation of non-agricultural land (measure 223). Under this measure, 20 000 ha of non-agricultural land were afforested (mostly with conifers), while another 24 000 ha (mostly mixed plantations) established in previous programming periods continued to receive support. Total support for this measure by 2009 was approximately €60 million.

Support in Natura 2000 areas covered more than 4 000 forest holdings and 72 000 ha of forest land. The total volume of investments realised for this measure by 2009 was approximately €5 million.

Forest-environment payments (measure 225) at EU27 level, were granted to more than 5 100 forest holdings and for 193 000 ha of forest area. Most of this support aimed at reinforcing the protective value of forests with respect to the maintenance of water resources including water quality or to soil erosion.

In addition, 12 200 prevention actions and 7 200 restoration actions were supported through measure 226. This support was directed to more than 700 000 ha of damaged forests and was mostly associated with publicly-owned forest land.

Regarding non-productive investments (measure 227), by the end of 2009, more than 45 000 applications were approved and 38 000 forest holdings supported. The vast majority of support was directed to investments linked to environmental commitments. Public expenditure disbursed amounted to €143 million, while the total volume of investments was approximated €230 million.



### Creating a productive mixed forest on abandoned agricultural land in Zilupes district, Latvia

(RDP measure 223)

In the District of Zavales, Latvia, EAFRD supports the afforestation of 50 ha of abandoned agricultural land.

The project aimed to create a productive mixed forest and hence, increase the value of land and help reducing commercial pressure on forests with high conservation value.

Main activities carried out by the beneficiary (a commercial forest company) include cutting overgrowth bushes, ploughing soil and planting trees.

The benefits to be achieved are both environmental and social. Already, the new forest is helping to store carbon in the trees and soil, while in the future, it will produce high quality wood from native trees.

The total cost of this project accounts for nearly €80 000, of which €70 000 is contributed by EAFRD.

## Supporting forestry

Under measure 122, around 10 000 applications were approved and more than 5 800 forest holdings were supported. These were primarily located in “mixed” and “other ” areas according to the breakdown of intervention areas of the measure as defined in the Common Monitoring and Evaluation Framework (CMEF), and secondarily, in areas with handicaps other than mountain areas, Natura 2000 areas and mountain areas. Public expenditure disbursed amounted to €50 million, while the total volume of investments approximated €140 million. The share of forest holdings supported and total volume of investments by the end of 2009 approximated 10% of the EU-27 2007-2013 targets.

### Restoration of *Juniperus Thurifera* forests within Natura 2000 sites Valencia region, Spain

(RDP measure 227)

In the region of Valencia, Spain, EAFRD supports the improvement of the conservation status of the *Juniperus Thurifera* forests which is a very rare forestry habitat located within Natura 2000 sites and threatened by traditional farming practices.

Simple management practices were applied towards this end. These include the tilling of abandoned fields in order to remove shrub and improve soil structure.

It also included nutrient input which encourages leaf production in juniper trees, and juniper tree afforestation aiming to improve forest regeneration.

Benefits are the improvement of the conservation status of the forest, the establishment of a restoration protocol for these rare habitats, while it is also expected that the project will attract more tourists to the forest.

The total cost of the project accounts for nearly €0.5 million, of which €0.25 million is contributed by the EAFRD.



### New equipment for more efficient forestry management in Slovenia

(RDP measure 122)

EAFRD investment support for new machinery helped to improve the overall business of a 40 ha forest holding with less environmental impact.

The investment included the purchase of a fixed winch tractor, chainsaw, protective forestry equipment and the purchase of a three-point hitch winch tractor.

The project increased the efficiency and productivity of the farm as well as its income. The machinery utilisation further increased by providing local training courses through the Forest Advisory Service.

The total cost of the project accounts for nearly €197 838 of which €77 880 is contributed by the EAFRD.

#### Source of the data:

- Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2011)
- Expenditures 2007-2011: DG AGRI
- Output indicators: monitoring tables submitted by Managing Authorities along with the 2008, 2009 and 2010 Annual Progress Reports. Data referring to programming years 2007 to 2009. Only commitments made from year 2007 onwards are considered.
- Output targets 2007-2013: DG AGRI
- Community strategic guidelines for rural development (programming period 2007 to 2013)  
[http://ec.europa.eu/agriculture/rurdev/leg/index\\_en.htm](http://ec.europa.eu/agriculture/rurdev/leg/index_en.htm)
- Common Monitoring and Evaluation Framework (CMEF) [http://ec.europa.eu/agriculture/rurdev/eval/index\\_en.htm](http://ec.europa.eu/agriculture/rurdev/eval/index_en.htm)
- ENRD Projects Database [http://enrd.ec.europa.eu/projects/en/projects\\_home.cfm](http://enrd.ec.europa.eu/projects/en/projects_home.cfm)