

Sub-measure fiche (annex I to the measure fiche "forestry")

Afforestation and creation of woodland

Measure 8.1

Article 21(1) (a) and 22 of Regulation (EU) No 1305/2013 of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

This fiche is based on the text of Regulation (EU) No 1305/2013 [EAFRD] and, when relevant, on Regulation (EU) No 1303/2013 [CPR]. The Delegated and Implementing Acts supplementing these regulations have also been considered in this guidance fiche.

This guidance does not represent a binding legal interpretation of Regulation (EU) No 1305/2013 or its Delegated and Implementing Acts. It is therefore essentially non-binding in nature and complements the related legal acts.

1. RATIONALE OF THE MEASURE

Afforestation plays an important role in responding to some of the key ecological and societal objectives of the EU Rural Development policy. Afforestation can have a favourable impact on soil, water, air and biodiversity. Afforestation and creation of woodland respond to the need of enhancing ecosystems and carbon sequestration to increase public goods and services and to shift to a low carbon economy. Afforestation also contributes to the protection of the environment, prevention of natural hazards and fires and contributes to the adaptation of climate change.

2. CONTRIBUTION TO FOCUS AREAS AND CROSS-CUTTING OBJECTIVES

In the context of strategic programming¹ afforestation contributes particularly to:

Priority 5 "*Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors*", and especially to Focus area 5 E "*Fostering carbon sequestration in agriculture and forestry*" as well as Priority 4 "*Restoring, preserving and enhancing ecosystems related to agriculture and forestry*".

3. SCOPE, TYPE AND LEVEL OF SUPPORT

3.1. Type of operation

The eligible types of operations may be:

Afforestation of agricultural or non-agricultural land, including:

¹ See the Commission Working Paper "Elements of strategic programming for the period 2014-2020".

- Plantation of new forest and wooded area (except short rotation coppice², Christmas trees and fast growing trees for energy production³).
- Compensation for agricultural income foregone.
- Compensation for maintenance of afforested land

3.2. Beneficiaries

The eligible beneficiaries may be:

- Public land holders
- Private land holders
- Associations of public or private land holders

The forest land can be owned by the State on condition that the holder (manager) of the forest is a private body or municipality. In this case only the costs of establishment are covered by the support.

Ownership of forest	Possible types of operation
Forest owned by private land holders and their associations	<ul style="list-style-type: none"> • costs of establishment • costs of agricultural income foregone • maintenance
Forest owned by State	<ul style="list-style-type: none"> • costs of establishment (state-owned forest has to be managed by a municipality or a private body)
Forest owned by other public authorities	<ul style="list-style-type: none"> • costs of establishment

Chart 1: Ownership of forest and possible types of operation

Limitations of ownership of forests do not apply to the EU's Outermost Regions, as provided in the article 21(2) of the Rural Development Regulation. Consequently, in the Outermost Regions both the beneficiary and the owner could be the State/region.

3.3. Eligible costs and conditions

According to the Article 22(1) of the Rural Development Regulation the eligible costs may be:

² "short rotation coppice" means areas planted with tree species of CN code 06 02 9041 to be defined by Member States that consist of woody, perennial crops, the rootstock or stools of which remain in the ground after harvesting, with new shoots emerging in the following season and with a maximum harvest cycle to be determined by the Member States, as established in the Article 4(1)(k) in the Regulation (EU) No 1307/2013.

³ Fast growing trees for energy production refers to produced wood and biomass that is primarily used for energy production. It does not exclude residues resulting from harvest and maintenance.

3.3.1. Eligible costs

Establishment costs may include;

- Cost of plantation and propagation material.
- Plantation and other necessary costs directly linked to plantation, such as preparation of afforestation plan, soil examination, soil preparation and protection.
- Other related operations, such as storing and treatments of seedlings with necessary prevention and protection materials (for example, inoculation with mycelium or nitrogen collecting bacteria, protection carried out either individually or by fencing the afforested area).
- Necessary treatment connected to the establishment and planting; including watering and cutting.
- Replanting in case of biotic or abiotic calamity causing a large scale failure (during the first year of afforestation). In order to replant, a formal recognition by public authorities acknowledging officially an occurrence of a calamity is necessary. Replanting should be adapted to acknowledged needs. The possibility should be envisaged in the Rural Development Programme.

Annual premium (maintenance costs) per hectare may cover;

- Early and late cleanings. The period is up to twelve years.
- Necessary actions in order to ensure the planted trees survive in terms of quantity and quality. These actions are normally composed of weeding, early and late cleaning and may include early thinning (release cutting), depending on tree species and the type of forest.
- Prevention actions against game, browsing animals, pests and diseases in order to ensure long-term results and to avoid unnecessary failure.

Payments for income foregone may cover;

- Loss of income from agricultural production.⁴

3.3.2. Further conditions

- The following minimum environmental requirements shall apply⁵:
 - The selection of species to be planted, of areas and of methods to be used shall avoid the inappropriate afforestation of sensitive habitats such as peat lands,

⁴ In order to calculate the income foregone the Member State/region should ensure that overcompensation is avoided. The other possible payments for the same forest land, such as payments for maintenance and the benefits under the I Pillar of the Common Agricultural Policy should be reduced from the calculation. There is no minimum or maximum thresholds for the payment, provided it covers the agricultural income foregone and does not go beyond it.

⁵ Based on the Art. 6 of Delegated Regulation (EU) No 1460/2014

wetlands and sensitive grassland and negative effects on areas of high ecological value including areas under high natural value farming. On sites designated as Natura 2000 pursuant to Council Directive 92/43/EEC and Directive 2009/147/EC of the European Parliament and of the Council only afforestation consistent with the management objectives of the sites concerned and agreed with the Member State's authority in charge of implementing Natura 2000 shall be allowed;

- The selection of species, varieties, ecotypes and provenances of trees shall take account of the need for resilience to climate change and to natural disasters and the biotic, pedologic and hydrologic condition, as well as of the potential invasive character of the species as defined by Member States under local conditions of the area concerned. The beneficiary shall be required to protect and care for the forest at least during the period for which the premium for agricultural income foregone and maintenance is paid. This shall include tending and thinnings or grazing, as appropriate, in the interest of the future development of the forest and regulating competition with herbaceous vegetation and avoiding the building up of fire prone undergrowth material. As regards fast-growing species, Member States shall define the minimum and maximum time before felling. The minimum time shall not be less than 8 years and the maximum shall not exceed 20 years;

- In cases where, due to difficult environmental or climatic conditions, including environmental degradation, the planting of perennial woody species cannot be expected to lead to the establishment of forest cover as defined under the applicable national legislation, the Member State may allow the beneficiary to establish or maintain other woody vegetation cover. The beneficiary shall provide the same level of care and protection as applicable to forests;

- In the case of afforestation operations leading to the creation of forests of a size exceeding a certain threshold, to be defined by Member States, the operation shall consist of either:

(i) the exclusive planting of ecologically adapted species and/or species resilient to climate change in the bio-geographical area concerned, which have not been found, through an assessment of impacts, to threaten biodiversity and ecosystem services, or to have a negative impact on human health; or

(ii) a mix of tree species which includes either:

at least 10 % of broadleaved trees by area, or

a minimum of three tree species or varieties, with the least abundant making up at least 10 % of the area.

- The Member State/region should include in their Rural Development Programme an identification of the specific environmental, pedologic and hydrologic conditions of the area and an explanation of how these conditions have been taken into consideration in choosing the species.
- Short rotation coppice, Christmas trees and fast growing trees for energy production are excluded from the Union support under this measure. However,

under the measure "Investments in physical assets" support can be sought for the short rotation coppice.

- In case of spontaneous afforestation establishment costs can be provided only to the areas where additional plantation is needed. However, the entire afforested area, regardless the origin of the trees, can be covered by the maintenance costs, if maintenance activities are regularly carried out.
- Areas that can be supported under the measure "afforestation" of Rural Development, are also eligible for claiming direct payments under the Single Payment Scheme or the SAPS (under Pillar I) provided that these areas comply with conditions under point b of Article 32(2) of Regulation (EU) No 1307/2013.

3.4. Principles with regard to the setting of selection criteria

The selection criteria are applicable to this measure. In this section a reference should be made to the European Commission document *"Guidelines on Eligibility Conditions and Selection Criteria"*.

3.5. Links to other legislation (e.g. "baseline" for measures that compensate for costs incurred / income foregone)

A link to the relevant legislation should be established in the Rural Development Programme.

3.6. Aid intensity/amount of support

The Rural Development Regulation does not fix a maximum support rate for this sub-measure.

As regards the use of flat-rate and standard costs, the legal reference is in article 67 of the Common Provisions Regulation.

3.7. Co-financing rate(s)

This measure is among the measures which contribute to the compliance with the requirement stipulated in Article 59(6) of Regulation 1305/2013 and which requires that at least 30% of the total EAFRD contribution to the rural development programme shall be reserved for measures contributing to climate change mitigation and adaptation as well as environmental issues.

Furthermore, this measure can also benefit from a higher co-financing rate (75%) as it contributes to the objectives of environment and climate change mitigation and adaptation (Article 59(4)(b) of the RD Regulation). In case of the less developed regions, in the outermost regions and in the smaller Aegean islands this co-financing rate can be even higher (85% of the eligible public expenditure) as stipulated in Article 59(3)(a).

4. INDICATORS

In planning the indicators it should be taken into consideration the principles detailed in the Annex IV of Working Paper "Elements of strategic programming for the period 2014-2020". In specifically, it must be noted that individual targets would be set in terms of number of physical hectares on which action is planned for carbon sequestration compared to the total number of forestry land.

5. VERIFIABILITY AND CONTROLLABILITY

Reference to be made to the "*Guidelines on verifiability and prevention of errors*".

6. BEST PRACTISES

It is recommended that the eligible project is in compliance with the relevant forest protection plan as regards the prevention of forest fires and other natural and biotic hazards. A special attention is to be paid to the selection of afforested areas and species. Afforestation can be used for protective purposes, protection against erosion, avalanches, drought, and around human settlements creation of better microclimate or protection against noise or dust.

As a general guidance afforestation should be planned and implemented with consideration of the Pan-European Guidelines for Afforestation and Reforestation with a special focus on the provisions of the UNFCCC which has been endorsed by the Ministerial Conferences on the Protection of Forests in Europe (FOREST EUROPE) and by the Environment for Europe/Pan-European Biological and Landscape Diversity Strategy (PEBLDS).

Woodland creation is increasingly being recognised as having an important role to play in improving the condition of the water environment and meeting the objectives of the Water Framework Directive (WFD). This includes helping to reduce diffuse pollution from rural and urban sources, restoring the condition of riparian and aquatic habitats and increasing infiltration and slowing the flow of water and reducing downstream flood risk. Targeting is needed to support woodland creation in appropriate locations to achieve water management objectives.