

## **EUSTAFOR Position Paper<sup>1</sup> Rural Development in the New CAP 2014-2020**

### **European State Forest Organizations actively support rural development and will be a partner in a new program**

Brussels, September 30<sup>th</sup>, 2010

**EUSTAFOR (European State Forest Organization) represents:**

- **28 State Forest Enterprises in Europe with 110 000 employees**
- **48 million hectares, or 30% of EU forest**
- **A sustainable annual increment of 155 million m<sup>3</sup>**
- **A sustainable annual harvest of 115 million m<sup>3</sup>**
- **The management of more than 10 million ha of protected forest**

EUSTAFOR member organizations realize a wide range of rural development objectives. They are commercial enterprises working in the marketplace under competitive conditions, but are each organized in different ways. For example, some are more market-oriented whereas others are more administrative in nature. This gives us the potential to look at the rural development program from a wide variety of angles.

In the new CAP 2014-2020 Rural Development Program, we would like to see the following included:

- funding focused on specific key issues to meet major challenges
- a new tool for the payment of ecosystem services
- more funds directed to forestry issues
- a new CAP which gives clear support to the EU Forest Strategy and the EU Forest Action Plan
- funding to different categories of owners based on the need to reach specific goals
- simplified, cost effective rules and procedures concerning applications and follow-ups

#### **Major Challenges and Key Issues**

The health check of the CAP pointed out the major challenges of climate change mitigation, renewable energies, water and wetland management and biodiversity. These challenges need to be addressed in the new program.

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<sup>1</sup> Any statement in this document is to be considered as a reflection of the best available professional expertise and does not necessarily reflect the political commitments of individual member states.

This is a way to increase activities in the rural areas, leading to new jobs, creating long-term competitive forestry operations and making it easier for an increased number of people to live in the countryside, especially in remote areas. European state forest organizations can contribute to this task.

There are products for which no commercial markets exist, but for which society still has expectations. Furthermore, the EU has goals which are important for our collective future.

Examples of Ecosystem services are:

- mitigation of climate change
- secured or increased water quality
- wet storage
- increased production of nature and environmental services
- ecosystem transformation
- creation of protective forests.

These “ecosystem services” need to be supported. We propose a new tool to pay for these non-market environmental services.

To counteract climate change, added forest area, vegetation cover and increased growth are valuable tools. Increased growth should be encouraged by supporting faster and earlier regeneration as well as tree-breeding programs which result in highly productive growing stock, resistant to climate change. A quick covering of the ground also has other environmental benefits, such as protecting our soils.

In order to succeed in creating a greener and more competitive economy, the EU also needs to emphasize the role of renewable raw material and energy in the new CAP. Mobilization of growing forest resources in the EU is a key component of the future EU 2020 strategy for a greener economy. A good infrastructure is necessary for this mobilization. We would therefore like to see continued infrastructure support, which should be specifically included in the new CAP.

We also feel there is an urgent need for extended support towards restoring forest potential following natural disasters (storms, floods, desertification, fire, insect or fungal attacks) as well as for preventive actions/risk management. This should include both biotic and abiotic disasters. We note the importance of a good infrastructure in order to combat fires or manage insect/fungal attacks, which further supports our argument above for continued support.

There is also a need for continued funding for non-productive investments (tourism, for example) and an increased funding of Natura 2000 sites, which are both of high value to the public. As regards Natura 2000, we believe a specific separate funding scheme should be set up.



Many surveys suggest that society in general is not environmentally aware, and lacks knowledge and understanding of the concept of sustainability and sustainable products. We think this type of knowledge is crucial for our future and believe there is a need to reinforce educational measures on this subject.

### **Funding , Structure and Administrative Procedures**

The existing CAP has not fully recognized the role of forests in rural development. Forests cover more than 40% of EU, yet only between 2-3% of the resources have so far been spent on funding forestry measures. Funds need to be increased to reach the EU goals.

In order to do this, we believe there is a need

- to simplify and streamline procedures,
- to increase the flexibility of the administrative procedures
- to ensure cost effectiveness.

Funding to reach EU goals should be based on a principle of equal access, maintaining fair and transparent competition between different actors of the sector. The role and importance of forests does not depend on who owns them! This means that support actions in the new CAP should not exclude any owner groups, but member states should be encouraged to economically support the owner groups needed to reach the goals in a certain area on a certain issue.

We also feel the new CAP should support the EU Forest Strategy and the EU Forest Action Plan in a more explicit way than today. Perhaps the construction of the program based on a connection to the axes has played its role and, in future, it would be more feasible to focus on specific key issues and procedures in order to reach CAP goals.

EUSTAFOR members manage 30% of the EU forest area. We are important players, and can participate and contribute to reaching EU goals. We offer our experience in forestry in order to support the continuing process of creating an effective rural development program.