

Rural Development Regulation fails to meet EU targets

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A FERN/TRN Briefing Note

Current forestry practices within the EU are seriously undermining the EU's goals for halting biodiversity loss by 2010. The new European Fund for Agriculture and Rural Development (Rural Development Fund for short) could improve the situation by providing funds to improve forest management and biodiversity conservation, while at the same time supporting a sustainable forestry industry. However, a first overview of how these funds are planned to be used in Romania, Finland, Czech republic and Hungary, shows that, rather than contributing to sustainable forest management and biodiversity conservation, these funds may actually undermine the EU's 2010 targets.

1. Introduction

Forests in Europe are under threat. Unsustainable forest management practices are contributing to the loss of forest biodiversity across Europe. In Central and Eastern Europe these practices constitute the biggest threat to wild plants today,¹ with 44 per cent of important plant areas endangered by poor forestry practices. Despite statements from the forestry industry that the forest area is growing, it is clear that the environmental quality and health of European forest is declining.² Unsustainable logging is not the only threat, climate change will also have a huge impact on the European ecosystems. Forest management practices that are closer to nature will not only contribute to the conservation of biodiversity but will also reduce the impacts of climate change.

Red-listed forest dependant species

The EU Habitats Directive recognises 65 threatened forest habitats; the Council of Europe, and the BERN Convention recognise 109 threatened forest habitats.³

Finland: Forests are the most important habitat type in Finland. Finland is host to 564 endangered species (37.5 per cent of all European endangered species).⁴

Hungary: 60 per cent of the native flora and fauna in Hungary is dependent on forests; 45 per cent of the rare and EU-protected birds are endangered because of forestry practices.⁵

Czech Republic: 28 rare forest biotopes with listed endangered species are listed in the Red book on habitats of the Czech Republic linked to the IUCN red books.⁶

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Forestry practices in most European countries are subsidised. In the past, as highlighted by the Court of Auditors,⁷ neither were these funds spent in a transparent manner, nor did they lead to a clear improvement in forest management practices. In fact, the Court criticised the European Commission and the Member States for spending billions of Euros from the rural development funds on forestry measures that lacked adequate quality controls or documentation. It concluded that a large part of the money could not be properly traced, had been misspent, or could have been used in a more effective manner.

FERN expected that the new Rural Development Regulation⁸ would improve the situation. This Regu-

lation, for the period 2007 to 2013, could have a positive impact on Europe's forests if EU Member States were to develop national rural development strategies which prioritise sustainable forest management and conservation and develop these strategies in close consultation with all stakeholders, including environmental and social NGOs, as required by Article 6 of the Regulation.⁹ In so doing, the problems identified by the Court of Auditors would also be addressed. Unfortunately, a first rough overview of national rural development strategies and programmes shows that there are significant reasons for concern.

2. The concerns

A first and incomplete overview of existing national rural development strategies and programmes for the period 2007–2013 shows there are two main reasons for concern in the countries studied, which include Bulgaria, the Czech Republic, Hungary, Finland and Romania:

1. Despite the problems on the ground, insufficient funds are being allocated to improving forest management practices.
2. Despite the requirement for consultation, as described in Article 6 of the Regulation, consultations have been non-existent or inadequate.

The situation uncovered by FERN and its partners¹⁰ is as follows:

In Romania, where one-third of the country is forested and these forests are arguably Europe's most biodiversity-rich, no financial support for improved forest management practises or forest conservation

has been included in the national strategy. This is despite the fact that these forests are under threat from significant changes in landownership,¹¹ illegal logging and infrastructure development, but also from insufficient and incoherent communication between various institutions responsible by forests conservation and protection.

A similar situation is present in Finland. Finland has over 20,000,000 hectares of forests¹² (two-thirds of the country), but has a target to manage only 4,500 hectares environmentally.¹³ Biodiversity loss in Finland is a serious concern and forests are the most important habitat type for endangered species.¹⁴ Despite this, no forestry measures that would contribute to improvements in biodiversity are included in the national rural development strategy or programme. Without such improvements Finland will never reach the 2010 target for stopping biodiversity loss.

Although only seven per cent of the forests in Hungary can be considered close to natural, a very high

percentage of the rare or endangered species are linked to forest ecosystems. The Hungarian rural development programme, as a result of a consultation process lasting over six months, can be considered adequate from a nature conservation point of view, with a few exceptions. The programme will further subsidise the establishment of tree plantations (in many cases using exotic species) which not only have very low nature conservation value but in some cases even cause environmental damage due to the invasive character of the species (e.g. Robinia pseudoacacia – Black Locust tree). The programme also has measures that contradict each other. Under forest environmental payments can be found measures to eradicate invasive tree species, including the Black Locust. Yet the same programme includes the establishment of new

Black Locust stands as an afforestation measure. The budget of axis 2¹⁵ decreased continuously during the consultation period and is, at the moment, 30–32 per cent. Compared with these countries, the situation in the Czech Republic is slightly better. Sixty per cent of the forest measures are budgeted under axis 2 in the programme, although only 18 per cent of the forestry subsidies are reserved for sustainable forest practices, such as Natura 2000 and forest environmental payments, the rest is for economic purposes.

The requirement for consultation processes, as set out by Article 6 of the Regulation, has been violated in all countries researched: Czech Republic, Hungary, Finland and Romania.

Article 6 of the Rural Development Regulation¹⁶:

‘... close consultations between the Commission and Member States and with the authorities and bodies designated by the Member States under national and local rules, including ... representatives civil society, non-governmental organisations, including environmental organisations’ should ‘... create the conditions for a broad and effective involvement of all appropriate bodies, in accordance with national rules and practices, taking into account the need to promote equality between man and woman and sustainable development through integration of environmental protection and improvement requirements’.

In Finland, no environmental NGO has had a seat in the strategy working-group, In the four working groups for the four axes, only one seat is for NGOs.¹⁷

In Romania the government is not consulting NGOs at all. There is also no communication between the Ministry of Environment and the Ministry of Agriculture and Forestry. Even in the Ministry of Agriculture and Forestry there is no communication between the forestry and the rural development department. This has resulted in a strategy that lacks both coherence and synergy. For example: problems like illegal logging and serious erosion are only addressed with

measures as 'First afforestation of agricultural land'.

Consultation during the development of the rural development strategy and programme in the Czech Republic was not satisfactory. The preparation process was biased so heavily in favour of trade bodies, such as farmers' organisations, that the NGOs are considering sending in a complaint to the government and the European Commission. There was no formal consultation of the document itself open to the public.

3. Conclusions

Although Article 6 of the Rural Development Regulation requires partnership with environmental non-governmental organisations during the development and monitoring of the strategy plans and the rural development programmes, this has clearly not taken place.

The current strategies are not reflecting a number of countries' needs for forestry measures. In some highly forested countries, no forest environmental measures are included in the programmes and no priority is placed on enhancing forest biodiversity. This means these countries will fail to meet not only their own targets but also the EU's 2010 target to which these

countries and the EU have committed themselves. The possibilities offered by the Rural Development Regulation and the Rural Development Fund are not being used by any of the Member States to work towards the political commitments that have been made.

Natura 2000 is a weak point in almost all countries. There are no management plans for Natura 2000 sites in most new Member States and in the accession countries, so no budget for supporting Natura 2000 can be included in the rural development programmes¹⁸, although this is one of the best funding possibilities for forest Natura 2000 sites.

4. Recommendations

FERN and its partners recommend that the European Commission:

- Rejects rural development programmes that have not been developed using a proper consultation process as outlined in Article 6.
- Rejects programmes that are not in line with the national rural development strategy, the national biodiversity strategy and action plan and, if present, the national forest plan.
- Rejects programmes where the national strategy is not respecting the reality on the ground. An ex-ante evaluation¹⁹ of the national strategy plan should be carried out to ensure that the first step of the programming process is appropriately developed and a coherent frame for measures concerning forests protection and conservation is established.
- Ensures that any programmes which cannot show how they will contribute to achieving the EU's 2010 target for halting the loss of biodiversity will be amended.
- Ensures that the new Rural Development Programme contributes to the implementation of the Natura 2000 directive.

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NOTES

- 1 Anderson, S., Kusilk, T. M., & Radford, E. (eds.) 2005. *Important Plant Areas in Central and Eastern Europe: Priority areas for conservation*. Plantlife International.
- 2 Ibid.
- 3 Ibid.
- 4 Rassi, P. M., Alanen, A., Kanerva, T., & Mannerkoski, I. (eds.) 2001. *Suomen lajien uhanalaisuus 2000*. Ympäristöministeriö & Suomen ympäristökeskus, Helsinki.
- 5 Pomázi and Csanády, 2005.
- 6 The red book of habitats 2002–2005. <http://www.usbe.cas.cz/cervenakniha/eng/>
- 7 Court of Auditors Special Report No 9/2004 on *Forestry Measures within the Rural Development Policy*, together with the Commission's replies.
- 8 Council Regulation (EC) No. 1698/2005 of 20 September 2005 *on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)*.
- 9 For Article 6 see p. 3 of this briefing note.
- 10 Erika, Stancu, Raluca Barbu, Julia Grigorova WWF DCP, Laszlo Mathe WWF Hungary, Jaromir Blaha, Zdenek Postulka Hnutí DUHA, Czech Republic, Tapani Veistola Finnish Association of Nature Conservation
- 11 The new owners have little if no real knowledge on responsible forest management and a very low awareness on the biodiversity protection role and environmental services forests provide.
- 12 Metsätalastollinen vuosikirja 2005 [Finnish Statistical Yearbook of Forestry 2005], Metsäntutkimuslaitos 2005. p. 42.
- 13 Valtion talousarvioesitys 2007. Helsinki 2006, pp. 390–391.
- 14 Rassi, P., Alanen, A., Kanerva, T., Mannerkoski, I. (eds.). 2001: *Suomen lajien uhanalaisuus 2000*.- Ympäristöministeriö & Suomen ympäristökeskus, Helsinki. p. 338.
- 15 The Rural Development Regulation consists of 4 axes: 1) Improving competitiveness of farming and forestry; 2) Improving environment and countryside; 3) Improving the quality of life and diversification of rural economy 4) Leader. Of these 4 axes, axis 2 is the most important for biodiversity and sustainable forest measures.
- 16 Article 6 of Council regulation (EC) No 1698/2005 of September 2005.
- 17 The Finnish Association for Nature Conservation has written to the Ministry to ask for better partnership regarding various statements.
- 18 A management plan is needed to estimate the management cost of a Natura 2000 site.
- 19 Ex ante evaluation supports the preparation of proposals for new or renewed community actions. Its purpose is to gather information and to carry out analyses which help to ensure that the policy objectives will be delivered successfully, that the measures used are cost-effective and that reliable evaluation will be subsequently possible (...). Ex ante evaluation shall form part of drawing up each rural development programme and aim to optimise the allocation of budgetary resources and improve programming quality.