



Evaluation study of the forestry measures under Rural Development

Executive summary

EUROPEAN COMMISSION

Directorate-General for Agriculture and Rural Development
Directorate C. — Strategy, Simplification and Policy Analysis
Unit C.4. Evaluation and monitoring

Contact: Andreas LILLIG

E-mail: Andreas.LILLIG@ec.europa.eu

European Commission
B-1049 Brussels

Evaluation study of the forestry measures under Rural Development

Executive summary

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

The information and views set out in this report are those of the author(s) and do not necessarily reflect the official opinion of the Commission. The Commission does not guarantee the accuracy of the data included in this study. Neither the Commission nor any person acting on the Commission's behalf may be held responsible for the use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, 2017

ISBN 978-92-79-65578-4
doi:10.2762/57921

© European Union, 2017
Reproduction is authorised provided the source is acknowledged.

OBJECTIVES

The objective of this evaluation study of the Forest Measures under Rural Development was to carry out an evaluation of these measures, at the EU 28 level and for the present programming period 2014-2020. It covers 16 evaluation study questions (EQ) relating to: the drivers influencing the implementation choices taken by Member States/Regions and beneficiaries, as well as the effects of the measures production, geographical distribution; effectiveness (in relation to economic, environmental and climate objectives); efficiency; coherence; relevance; and EU added value.

WHAT ARE THE FORESTRY MEASURES UNDER RURAL DEVELOPMENT?

Two measures specifically target forests holders and projects in forest areas: Measure 8, supporting investments in forest area development and improvement of the viability of forests, and Measure 15, dedicated to forest-environmental and climate services and forest conservation. As for most of the RD measures, their inclusion in an RDP is left to the discretion of the RDP Managing Authorities, at national and/or regional level. These measures are implemented on a voluntary basis, following beneficiaries' application for support. For the 2014-2020 programming period, the forest measures were opened in 92 of the 100 RDPs in the continental EU, in 24 Member States.

These two measures include sub-measures targeting specific objectives:

- M8.1. Support for afforestation/creation of woodland
- M8.2. Support for establishment and maintenance of agroforestry systems
- M8.3. Support for prevention of damage to forests from forest fires and natural disasters and catastrophic events
- M8.4. Support for restoration of damage to forests from forest fires and natural disasters and catastrophic events
- M8.5. Support for investments improving the resilience and environmental value of forest ecosystems
- M8.6. Support for investments in forestry technologies and in processing, mobilising and marketing of forest products
- M15.1. Payment for forest-environmental and climate commitments
- M15.2. Support for the conservation and promotion of forest genetic resources

In addition to M8 and 15 dedicated to forest, other RDP measures implemented in forest can also play a very significant role, particularly M1 (knowledge transfer and information) M.2 (advisory services), M4.3 (infrastructure), M12.2 (compensation payment for Natura 2000) and 16.2 (cooperation). These measures have been taken into account by the evaluators to appraise the effect of the whole set of measures implemented in forest in light of the objectives European Forest Strategy of 2013 built on three guiding principles:

- Sustainable forest management and the multifunctional role of forests, delivering multiple goods and services in a balanced way and ensuring forest protection;
- Resource efficiency optimising the contribution of forests and the forest sector to rural development, growth and job creation;
- Global forest responsibility, promoting sustainable production and consumption of forest products.

METHODOLOGY

The starting point for the evaluation was the development of an intervention logic for the Forestry Measures, focussing on their contribution to the three general objectives of the CAP. Depending on the data availability, and due to the very short period of implementation of the evaluated measures, the evaluation was based both on the programming data of the 2014-2020 period and on implementation data of the previous period (2007-2013). This was made possible as the set of measures implemented in forest are very similar over the two periods. Answers to the EQ are mainly based on the analysis of implementation data from the SFC databases (outputs of 2007-13 and targets for 2014-20), statistical data from FADN, forestry databases, LULUCF reports and in the RDPs. Literature reviews were utilised to appraise on the effects of forest practices and operations on biodiversity, water, soils, climate change mitigation and adaptation.

Fourteen case studies were carried out in Member States/Regions located in Austria, Bulgaria, France, Germany, Greece, Italy, Finland, Hungary, Lithuania, Slovakia, Spain, Sweden and the UK., involving statistical data collection at the national, and/or regional level; documentary research, including literature reviews; and interviews (face-to-face semi-structured interviews) at national and regional level with key stakeholders including beneficiaries' representatives and Government officials. Finally, a questionnaire survey to Managing Authorities was used to find the main drivers behind the Forestry Measures programming an implementation, as well as to appraise the administrative burden linked to the Forestry measures, and the EU added value. These data have been analysed using a variety of tools and assessed when possible against counterfactual situations without the Forestry Measures.

DRIVERS

The successful implementation of similar forest measures in the previous programming period and the continuation of well-established RD support appear to be among the key drivers at Managing authorities and beneficiaries' level. Financial considerations are also among the most important drivers of the implementation choices made by Managing Authorities as the RDP budgets are limited and consequently the share allocated to support forests sometimes suffered from the fact that forestry was considered to be less important than agriculture and rural development. Finally, the administrative burden of implementing the FM is the last predominant factor behind Managing Authorities' decisions on programming these measures, and also featured in the decisions of potential beneficiaries considering whether to apply for support. Furthermore, the availability of technical advice and other 'soft' measures influenced the choices of beneficiaries: this is particularly important in the case of small forest holders, and for the less familiar measures for new agroforestry and forest environment payments.

EFFECTIVENESS

The short implementation period for the current forest measures (2014-2017), coupled with major delays in implementing them in most RDPs, has severely limited this appraisal. Nevertheless, potential effects could be estimated by taking into account the outputs of equivalent measures from the previous programming period, where these are sufficiently similar.

The first issue to highlight is the importance of long-term thinking regarding forest policies and measures: it is important to realise that, given that forest cycles and stand rotations usually span decades (and for some stands more than a century), all the effects of the FM should be appraised over very long periods of time.

The effectiveness of the evaluated measure is presented firstly at sub-measure level, because each covers significantly different topics, followed a global assessment of the whole set of forest measures, evaluating to what extent they support the multifunctionality of forests and sustainable forest management, which are key objectives of the EU Forest Strategy.

Support for afforestation (M8.1) has been programmed in half of the 2014-2020 RDPs and represents 31% of the total planned public expenditure for the FM at EU-28 level. Over the previous period, half the area afforested with support from the equivalent measure was broadleaved stands, slightly less than a quarter was coniferous stands and a quarter was mixed. Fast-growing species remained marginal, with less than 2 % of the EU-28 hectareage.

Based on our investigations, M8.1 proved to be a key measure affecting land use (EQ2) in the past programming period. The 287 490 ha supported under the equivalent measures corresponds to one third of the increase in the EU forest area between 2007 and 2013. Furthermore, in some RDPs such as UK-Scot and ES-Gal, this FM played a very significant role in the afforestation of the region. In most cases, afforestation was on marginal agricultural land, and half of the area afforested with RDP support was in Spain, the UK, Poland, Hungary and Lithuania. At EU level the size of afforestation projects on farms was, in most cases, close to one hectare. However, around 10% of the projects supported afforestation of more than 20 ha, probably before ceasing activity, to transmit

a patrimony to the descendants. In addition, the afforested area could result in an increment of 2.3 million m³ of wood per year, which is not significant at the EU-level, but important in some MS such as the UK and even SP.

We have nevertheless shown in EQ 6 that M8.1 can provide the society with significant public goods besides wood. But we have also shown that even if forests can be profitable, most farmers/owners would not be able to invest and then wait such a long time for the income. Therefore, to increase afforestation and consequently to develop the related ecosystem services, it would be necessary to develop an incentive to afforest. This would also help to maintain an active forest sector in rural areas.

Support for the establishment of agroforestry systems (M8.2) has been programmed in only one quarter of the RDPs (and only 5 RDPs with concrete implementation on the previous programming period). and represent 2% of the total planned public expenditure on the FM at EU-28 level. This low uptake appears mainly to relate to the significant change implied in the farming system, the very limited implementation of this measure in 2007-13 RDPs, a lack of familiarity in some Member States and probably the absence of an incentive in the premium calculation. Hence this measure has had little impact on land use or on the creation of additional Ecological Focus Areas. In areas with a tradition of sylvopastoral production systems (i.e. ES, PT, GR) this measure was often criticised for not supporting the restoration or maintenance of existing agroforestry systems (e.g. dehesas and montados). This sub-measure nevertheless appears to be important potential tool for the implementation of new management practices. In the evaluator's opinion, its importance may rise in the coming years, provided that a sufficient level of incentive is included in the premium and technical advice is readily available.

Support for the prevention and restoration of damage to forests (M8.3 and 8.4) have been programmed in two thirds of the RDPs, representing 31% of the total planned public expenditure on the FM at EU-28 level. Of all the FM, these have the most significant effect as they concern huge areas of forest and also bring wider societal benefits, for example by improving the fire resilience of settlements in rural areas (through firebreaks, fire-fighting equipment, etc.). Our investigations show that these two measures are of central importance to the forest sector and also support the continuity of forest ecosystem services plus adaptation to climate change. They have supported large scale implementation of forest surveillance systems and major restoration campaigns (557 000 ha were restored in the 2007-2013 period, mainly after significant storms). Furthermore, M8.4 has enabled restoration campaigns on a larger scale and, in some cases, fostered the use of specific species (e.g. in UK-Scot) of interest from an environmental and climate perspective, and helped to introduce improved seedlings with a higher growth rate (FR-Aq), thus raising the production and carbon sequestration capacities.

Support for productive investment (M8.6) has been programmed in two thirds of RDPs and represents 11% of the total planned public expenditure on the FM at EU-28 level. Our evaluation shows that it is a key measure for the forest sector. Support for investing in forestry technologies and the processing, mobilising and marketing of forest products has played an important and positive role in stimulating investment. Hence, this sub-measure has the most direct effect on the competitiveness of forest companies by supporting the purchase of machinery for harvesting and for silviculture, and in most RDPs targeting the support at SMEs with little means to buy such costly equipment. In consequence, it also played an important role in maintaining jobs in rural areas, by foresting forest production in disadvantaged areas. Furthermore, this measure contributed to introduce silvicultural practices with reduced environmental impact, particularly on soils (e.g. low-pressure tyres). The silvicultural operations financed through this measure (planting, thinning, pruning, etc.) will normally lead to improvements in the quantity and quality of wood in several decades time.

Nevertheless, the evaluators consider that the share of the budget of the FM dedicated to supporting forests as an economic sector (M8.6 represents 11% of the FM budget), is surprisingly low, while the EU is the largest producer of round and sawnwood in the G20 and forest has a very significant role in terms of economy and employment in rural areas.

Improving the resilience and environmental value of forest ecosystems (M8.5) and management for environment and climate services and forest conservation (M15.1) are a key source of EU funding to support sustainable forest management to achieve EU biodiversity and climate priorities. M8.5 has been programmed in more than two thirds of the RDPs and represents 20% of the total planned public expenditure on the FM at EU-28 level. M15.1 has been programmed and allocated funds in just 25 RDPs and represents 4% of the FM budget at EU-28 level. It appears that the budgets and uptake targets for M15.1 management contracts are far below the scale of implementation required for MS to meet their legal obligations under the Habitats and Birds Directives to restore and maintain the Natura 2000 habitats and species of forests and traditional agroforestry systems. Recent EEA data shows that only 15% of Annex 1 forest habitats are in favourable conservation status and the trends are poor. More generally speaking, the FM have an important potential to safeguard and improve forest biodiversity, through appropriate design and targeting of these measures at identified local needs.

The potential synergy of using M 15.1 in conjunction with M12.2 (which compensates for legal restrictions in Natura 2000 and other nature reserves) is sometimes limited by problems, for example in defining the baseline for payments in N2000 areas (e.g. IT-Camp.), and by the impact of insufficient RDP funding (in DE-MV, where the budget allowed only for 12.2 implementation). The evaluation has also shown the importance of supporting uptake through awareness raising and technical support (using M1 and M2 in particular).

Support for the conservation and promotion of forest genetic resources (M15.2) was introduced in 2014, and has been little implemented so far (it is programmed in 14 RDPs and representing 1 % of the total planned public expenditure on the FM at EU-28 level). This is probably because of the short implementation period and the tendency of Managing Authorities to give priority to measures that were implemented previously. Hence the assessment on the effect of this measure was difficult. However, case studies and the QS showed that there are growing needs related to genetic resources, related to forest improvement and adaptation to climate change. In that context, this measure seems highly relevant to the evaluators and its importance may increase in the following years.

Horizontal **RD measures implemented in forests**, such as M1 (knowledge transfer and information) M.2 (advisory services), M4.3 (infrastructure), M12.2 (compensation payment for Natura 2000) and 16 (cooperation), played a significant role in complementing the FM. The lack of specific monitoring data limited the quantified analysis of their contribution, but the analysis of the RDPs showed that, among the RDPs in which M8 is programmed, 70 % also opened at least 4 horizontal measures to address forests. The case study showed that on the horizontal measures have contributed to better access to wood through building forest roads, biodiversity management, setting up forest management plans, adopting of new practices and innovation.

From the analysis of effectiveness, it can be concluded that the **whole set of FM** (representing, at EU-28 level, 4.8 % of the total planned public expenditure of RDPs) **and horizontal RDP measures implemented in forests**, the effect of the forest measures is generally very positive, even if often difficult to separate from other factors such as state aids and the operations funded by foresters on their own. If implemented coherently, effectively and over a sufficiently lengthy time period, the FM can contribute significantly to delivering economic, environmental and social benefits in areas where these opportunities can be rare. The set of forest measures covers the three pillars of sustainability, allowing Managing Authorities and beneficiaries to set up activities for multifunctional forests and **sustainable forest management (SFM)**. In addition, among the key impacts the FM are expected to deliver in both programming periods is the medium to long-term contribution towards **climate action**, including increased carbon sequestration potential through afforestation and forest management; preventing future damage; and contributing to resilient and sustainably managed forests, particularly where these help to stabilise and reinstate forest carbon sinks and improve future adaptation.

Nevertheless, the evaluation identified some possible improvements for a more effective implementation of the FM. Payment rates for some measures such as M8.1, M 8.2, M15.1

is often too low to be an incentive enough for forest holders change their management practices or even production system. In addition, the FM budget share is also often too small to achieve targets set in the RDPs and at EU policy level.

EFFICIENCY

The beneficiaries' administrative burden (AB) in implementing the current FM was found to be a major factor affecting efficiency, compared to the previous period. For Managing Authorities, using open calls, standard cost options and digitisation helped to reduce their AB, but other obligations (e.g. reinforced control requirements and systematic double-checks) added to the burden. The EC reinforced requirements on transparency and traceability between the two programming periods, which resulted in adaptations at Member State level but it seems that the additional workload was mostly transferred to the beneficiaries. The AB is especially high for small forest holders with little financial and/or technical capacity to handle very complex files and procedures.

Our analysis showed that the operations supported are paid for at market prices, ensured through mechanisms such as public procurement and justification of the standard scale of unit costs. The deadweight effect of the FM is globally considered as low by the evaluators, and the cost/benefit ratio is generally low for small holdings, even if some RDPs have put a higher premium on small scale activities to take this into account (e.g. UK-Scot).

In conclusion on efficiency, the greatest impact of changes in AB over the two periods fell on the beneficiaries, but also to a certain extent on Managing Authorities which led some of them to abandon the FM and address their forest needs of through State Aids with simplified procedure and sometimes higher premiums.

COHERENCE

The evaluation shows that the FM are coherent (i.e. do not conflict) at EU level with other relevant CAP measures aimed at sustainable management of natural resources and climate action, and balanced territorial development. This relates mainly to the interaction between the FM, Pillar 1 greening measures and other RDP measures. However, in the case of traditional agroforestry there is potential for lack of coherence between Member States' definition of the eligibility of this land for Pillar 1 income support and the effective use of M15 and M8.5 to support environmental management on the land, and also a lack of coherence in RDP payment rules, depending on whether these systems are classed as agricultural or forest land.

In terms of external coherence the evaluation shows that forests play a crucial role in delivering environment and climate objectives both at the EU and global level and, supported by the FM, are key components in the achievement of EU policy initiatives in this area. The FM were found to be coherent with the objectives of the 14 key environment and climate policies reviewed with these policies, such as the EU forest strategy, Biodiversity policies and Climate policies featuring frequently in reference to the use of forest measures in RDPs as well as the reciprocal. For example, many of the 2014-20 RDPs identify the contribution of forest measures to national climate action plans, and analysis of Member State LULUCF Decision Article 10 reports suggest that EAFRD support and the forest measures are a key component of these actions. Biodiversity policies were similarly well referenced with examples in the case studies illustrating forest management plans taking account of biodiversity policies, for example by assessing compliance with Natura 2000 guidelines. Less explicit reference to the use of forest measures to support soil and water policies were found in the cases studies, despite clear potential to use the forest measures for these objectives.

We have shown that long-term forest management can be necessary to achieve objectives that require sustained action over decades, such as maintaining and increasing carbon sinks, stabilising the provision of ecosystem services alongside continued productivity, and maintaining the biodiversity and economic viability of existing low-intensity systems. The decisions taken at the national and regional level by Member States therefore have a significant impact on whether the FM have the potential to

deliver synergies or not, and land managers' decisions determine whether or not these potential synergies are realised in practice. It is worth noting that the delivery of multiple objectives is not guaranteed to be the case even if this is the intention, as not all environment and climate objectives can be delivered synergistically in all cases (Burrascano et al, 2016; Hart et al, 2013). Choosing how and where to prioritise (or combine) different objectives is crucial to ensuring synergies (where possible) and avoiding conflicts.

At the level of EU legislation, the forest measures are coherent with all ESI-Funds and associated research and investment programmes evaluated in this study and have potential synergies at the measure design level. For the 2014-20 programming period, common rules ensure that the ESI-Funds are used in a more strategic and complementary manner. Partnership Agreements are negotiated between the Commission and Member States authorities and should ensure an overall high degree of coherence between the thematic priorities of the Funds and the territory-specific development needs.

RELEVANCE

The FM are highly relevant to addressing the EU priorities for Rural Development policy, and are in line with the priorities set up a national or regional level (EQ13). The analysis showed that several factors, such as the RDP framework itself and the need for MS to address their international commitments, resulted in a strong focus of the FM on the environmental and climate priorities for the RD policy.

The FM provide MA with a relevant set of instruments to address the needs of the forest economic sector, the most widespread of which are protection from the effects of natural disasters; building capacity among forest holders and stimulating innovation; and improving infrastructures and harvesting capacities to increase local wood supply. The collaboration of the Managing Authorities with representatives of the sector in designing the FM appeared in the evaluation study as a key factor to ensure their relevance to addressing local needs. The analysis also showed the importance of the other RD measures in complement the FM to provide a wider set of instruments available to address the needs of the sector.

Concerning the match between the FM and future needs (EQ14), even with some uncertainty, as author's opinions diverge, the projections over the next decades show that production would, on average, provide a good coverage of the sector needs in wood, even if some products (as now) will have to be imported (e.g. coniferous products or tropical wood). In terms of environment and climate, the literature and interviews confirm that, for the coming decades, the two main global challenges to the forest sector are adaptation to climate change and biodiversity, even if their role in other domains will of course remain (e.g. water regulation, soil conservation, etc.).

Concerning climate change mitigation, forests are the most significant terrestrial carbon sink in the EU and are expected to remain so in the coming decades, yet the overall level of sequestered carbon in forests is expected to decrease towards 2030. This is due in particular to the change in management of forests to meet an expected higher demand for wood compounded by a progression in the age class of trees towards more mature stands with reduced growth and thus lower sequestration potential.

For biodiversity, there are quantitative targets in the EU Biodiversity Strategy and legal obligations for Member States on the conservation status of Natura 2000 habitats and species, which are clearly not being met (EQ 6). The area of protected forests and other wooded land within the EU is likely to have to increase over next decades, if EU biodiversity policies and targets are to be achieved.

Finally it is important to bear in mind that when a decision is taken and applied at EU level, which is a major wood producer, these decisions have effects at global level. This is particularly true for forest conservation, which can lead to some withdrawal of production within the EU and in consequence to importation of wood to cover the EU needs. This means that protected forest in the EU could lead to some pressure on forests elsewhere.

Overall, the present Rural Development measures are aligned with and sufficiently opened to match these future needs. Nevertheless, it is not entirely sure that the available budgets will cover all the needs, which will increase over the period and in the future, particularly in terms of carbon sequestration and biodiversity, besides the supply of wood and other forest products which should normally be covered by the market, even in MS/Regions that have chosen to replace or complement Rural Development FM with State Aids.

EU ADDED VALUE

The evaluation results reveal that the quality and quantity of funding for FM would decrease without EU support. This would also be the case for other climate- and environment-related measures that affect forests. The evaluation has furthermore identified a direct relationship between the FM and other pertinent EU policy objectives, including targets for restoring and enhancing forest ecosystems, biodiversity conservation, 2020/2030 climate and energy targets, forest monitoring and the timber trade.

More could be done to improve networking and exchange of best practices, across and within Member States. Managing Authorities often do not utilise the options offered by the current M1.

The EU could become better at harnessing positive developments in areas where Member States see added value. This could include further improvements in the regulations surrounding the RDP FM. For example, reducing the red-tape and Administrative Burden. Legislative changes may however face opposition, given the wide range of opinions on increased regulation by Member States as well as the perceived role of the MA, the national forest sector and the emphasis on freedom of choice.

Even though there is room for improvement, it is fundamentally clear that the EU Rural Development Fund has been important in the uptake of FM by Member States. In other words, there are forest measures that would either not have been funded to the same extent, or not implemented at all, in the absence of RDP support.

RECOMMENDATIONS

Based on the above conclusions the main recommendations of this evaluation are to:

- 1. Maintain the forestry measures under RD**, as they are critical to establish and maintain sustainable forest management within the EU and enable MS/Regions to choose measures covering their economic, environmental and social needs.
- 2. Design RDP support for forests on a timescale adapted to forest cycles by:**
 - a. When reviewing/revising the RD Regulations considering the need for long term thinking regarding support to forest.
 - b. Limiting changes in the measures and their implementation procedures.
- 3. Ensure a coherent budget is allocated to forest priorities in the RDPs, by:**
 - a. Ensuring that the share of the RDP budget that is allocated to forest is in coherence with the present and the future needs of the forest sector and the environmental and climate commitments of the EU and Members States.
 - b. Encouraging Managing Authorities to allocate balanced means to the FM to enable creating and maintaining multifunctional forests projects allowing to support simultaneously the economic, social and environmental functions of forests. For example, the share of 11 % of the planned expenditure allocated to the competitiveness of the sector (mainly through M 8.6: support for productive investment) is considered as too low by the evaluators, compared to the role of the EU in the timber world market. In the same order, the share of 1% of M15.1 (payments for environment and climate services), is far from what would be required for MS to meet their legal obligations under the Habitats and Birds Directives to restore and maintain the Natura 2000 habitats and species of forests and traditional agroforestry systems.

4. Improve the coherence of the FM and the horizontal measures, and of their implementation rules, by:

- a. Reducing the risks and initial cost for beneficiaries in applying for support, in particular by fostering the use of digitalisation and centralised databases, and the provision of technical support in the application phase.
- b. Ensuring the inclusion of small holders and private holders in RD schemes, through better support from advisers and/or a bonus in premiums for small holdings (e.g. by extending the availability of transaction costs for M15 from 20% to 30% for group applications, limiting the administrative documentation for them). For all beneficiaries, develop at Member States/Regions level on line applications.
- c. At RDP level, restricting the use of calls for proposals/projects and competitive procedures to significant projects (e.g. above a financial threshold),
- d. Making it easier to apply for projects with clearly defined environmental objectives, to be targeted and implemented in the most appropriate locations.
- e. Review/revise payment control and verification procedures for forest stands, to remove irrelevant annual controls and replace them with requirements and procedures designed to ensure the durability of the afforested or restored stands.
- f. Improve the geographical identification of plots afforested or converted to agroforestry with FM support, to enable monitoring of the impact of the FM on land use change and the effect on wood production and on environmental and climate priorities.
- g. Improve monitoring/evaluation systems to provide better information a) on the use of RDP horizontal measures in forests and b) the impact of the implementation of the FM on EU RD priorities
- h. Require Member States to demonstrate the coherence of their definition of Pillar 1 rules for direct payments with their programming of RDP measures to foster the establishment and long-term maintenance of forests and agroforestry systems.

5. Increase the uptake of FM that jointly deliver private and significant public goods, by:

- a. Review/revise the basis for calculating payments of M8.1, 8.2 and 15.1 to increase both uptake and the joint production of wood and other forest products alongside improved ecosystem services, carbon sinks and biodiversity, whilst improving resilience to climate change and maintaining a dynamic forest sector in rural areas.
- b. Ensure that the afforestation targets for 2014-2020, representing 30 to 55% of the increase in forest area at EU level,, will be achieved (by 2023) in order to improve implementation of sustainable forest management, and optimise provision of ecosystem services and carbon sequestration/sinks in new forests.
- c. Combine M8 and M15 with the necessary horizontal measures, such as M.1, M.2, M4, M16, to improve their effectiveness and efficiency.

6. Improve contribution of FM and related measures to EU biodiversity targets:

- a. In the EU CAP implementing regulations and Commission guidance for both Pillars, establish a clearer link between the objectives for the FM as a whole and Member States' Priority Action Frameworks to meet their obligations under the Habitats and Birds Directives, in forests and other wooded land.
- b. Where RDPs have programmed M8.5 and M15.1, require these measures to prioritise identified needs of Natura 2000 habitats and species both inside designated Natura 2000 sites and elsewhere.
- c. Improve the uptake of the FM for establishing agroforestry (especially on economically marginal farmland) and require the RDP funded Farm Advisory Services make farmers aware of the economic and climate adaptation benefits of introducing agroforestry.

7. Improve the resilience of forest to climate change, and their contribution to the EU's long-term climate commitments by:

- a. Reviewing/revising the measure descriptions in the Regulation to ensure that all the FM support inter alia the implementation of management practices/actions which contribute a) to the adaptation of forests to climate change and b) to the long-term management of forests as a carbon sink, particularly in relation to supporting Member State actions under the LULUCF Decision.
- b. Requiring Member States to report on the contribution to climate commitments made by their implementation of the FM, in order to support and complement reporting under the EU's climate accounting framework.

8. Increase EU Added value, by:

- a. Improving networking and exchange of best practices, across and within Member States, by making more use of the options under M1, streamlined with activities of the European Network for Rural Development (ENRD). For example, improved exchange of experience with scientific and practice experts, between national and EU levels, and through other kinds of organised information exchange under the current RDP framework.
- b. Addressing the impact from other sectors where the EU has competence, and the direct and indirect effects these are having on forests. This refers to both policy incoherence and cross-sectoral trade-offs leading to unsustainable and uncoordinated use of forest resources, and in terms of the FM adding value to other key EU policy objectives.

9. **Improve global impacts**, by designing measures and their implementation rules at EU level, taking into account that the EU is a major wood producer whose forest management have a direct impact at global level, and that the EU policies may have an indirect impact in other regions of the world, producing food and wood which is then imported by the EU. Also bearing in mind that EU regulations such as the EU Timber Regulation or the FLEGT partnerships mainly regulate the legality of timber exports and that the sustainability of the forest resource utilization of these exporting countries is generally not really evaluated.

