

**NEWSLETTER ON THE COMMON AGRICULTURAL POLICY**

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FORESTRY'S CONTRIBUTION TOWARDS  
A PROGRESSIVE LAND-USE POLICY  
IN THE COMMUNITY

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FORESTRY'S CONTRIBUTION TOWARDS A PROGRESSIVE  
LAND-USE POLICY IN THE COMMUNITY\*

INTRODUCTION

The Council of Ministers of the EEC is at present examining the draft Directive on Afforestation, recently submitted by the Commission of the Community.

In order to assess the importance of this proposal it should be stressed that it is not a document restricted to one sector, i.e., one which, if it is adopted, will be limited to the forestry sector, but it will be part of a much broader and far-reaching plan. It is with this in mind that it has been drawn up.

Three dates should be mentioned immediately: 1 January, 21 January and 16 February 1974. These coincide with three stages in the common agricultural policy and stress the coordination between various Community measures and actions for improving the structures of European agriculture.

1 January 1974: the first three Directives (farm modernization, cessation of farming activities and socio-economic information) came into force.

21 January 1974: the Council of Ministers of the EEC adopted the Directive on "Hill and Mountain Farming and farming in less-favoured areas" and now it only remains to determine the areas to which it will apply.

16 February 1974: the Commission forwarded to the Council of Ministers of the EEC a proposal for a Directive on measures for forestry.

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\* The text was prepared on the basis of a lecture given by Gianni Rosa -- Agricultural Information Division of the EEC Commission - on 29 April 1973 at Arco di Trento (Italy) at an international briefing session of the CEPFAR (European Centre for Progress and Training in Agricultural and Rural Areas).

There is no doubt that the various directives are interrelated and only when all five have been implemented will the first concrete step have been taken towards restructuring European agriculture. (The second and final step will be made with the measures on marketing structures which the Commission intends to submit to the Council during 1974).

#### AIMS

How was this document drawn up? First of all, the aims: the first, immediate and fundamental one is to improve agricultural structures; the other, which we may define as complementary and long-term, is concerned with both farming and forestry (rational use of land), industry (timber production) and ecology (protection of the environment).

#### IMPROVEMENT OF AGRICULTURAL STRUCTURES

The main aim of the directives on structures is to help farmers to restructure their holdings in order to make them modern and competitive for the ultimate purpose of increasing farm incomes and making them comparable to those of non-agricultural workers in the region. This implies that some farmland must be excluded because of certain natural disadvantages (too poor, altitude, gradients, etc.). Usually, such land, which is poor from a farming point of view, may successfully be converted to forestry. In other words, this means improving poor and often abandoned areas and employing

farmers who are no longer needed in farming, thereby preventing a decline in population in rural areas.

If uncultivated farm-lands, unproductive forest areas or forest areas with low production are added to this it can be seen how conversion or reconversion to woodland can, in the final analysis, be of great help to the economy of less favoured regions.

It is obvious that in improving both farming and forestry structures increased productivity is also dependent upon the acreage covered. Special encouragement will therefore be given to any enterprises of a cooperative nature, whether in respect of forestry or farming combined with forestry.

Though, in fact, the five directives on production are complimentary, the connection between those on afforestation and the ones on mountain and hill farming is particularly important. A large proportion of poor farm-land areas, which are therefore better converted into woodland, are, in fact, in mountain areas where the exodus from the land to the towns, especially by young farmers, has been particularly marked.

In the Directive on hill and mountain farming particular importance has been given to the increase in cattle and sheep farming. It is a well-known fact that a typical feature of mountain farming is stock rearing under free grazing or semi-free grazing conditions. This requires large single or associated holdings, especially of the combined forestry and farming or farming and pasture type. Afforestation therefore fulfills a twofold purpose of land reclamation and the reestablishment of a climatic balance. Another common point is aid for undertakings of an agricultural and touristic nature in mountain areas. Here re-afforestation as will be seen later, can play an essential rôle since mountain and hill farming and farming in other less favoured areas accounts for about 20% of the entire agricultural area utilised in the Community and takes in 12 to 14% of the farming population.

### INTEGRATION OF FARMING AND FORESTRY

The essential rôle of the Directive on reafforestation in the general context of structural measures is confirmed by the fact that there is no competition between forestry and agriculture but, on the contrary, essential integration, whose common denominator lies in the rational use of land.

Afforestation and reafforestation therefore mean:

- balancing irrigation,
- protecting soil from erosion,
- positively influencing climatic conditions,
- preserving flora and fauna,
- protecting neighbouring farm-land and increasing the productivity of farm-land by creating shelter belts and windbreaks, and improving the hydrological balance.

Europe, with a great deal of farm-land in difficult areas, would benefit considerably from large-scale combined forestry and farming operations. It should not be forgotten that forestry, unlike farming and stock rearing, does not require daily attention, and work on it which is often of a seasonal nature, may help to supplement, i.e. integrate, farm incomes.

### TIMBER PRODUCTION

Besides improving agricultural structures afforestation also means, in the medium and long term, satisfying to a greater degree the demand for timber. It may suffice to say that all nine member countries are timber importers and that the Community imports an annual total of 5 000 million units of account (equal to about Lit 3 560 thousand million or £2 310 million).

In other words, Community production only manages to cover just over half of internal consumption, and future forecasts are anything but bright. The fact should also be stressed that the traditional exporter countries tend more and more to sell "finished" products and not the raw material, in order to boost their industries and increase profits from manufactured goods. An increase in afforestation, from the timber point of view, therefore means:

- improving the balance of payments in what is, after the meat sector, the the most important agricultural "item" among imported raw materials,
- making the Community less dependent on the outside world in view of recent bitter experiences in other agricultural sectors,
- strengthening the Community timber industries and therefore encouraging the processing of timber in the areas where it is produced, thereby increasing the level of employment in poor and less-favoured areas.

#### ECOLOGICAL PROTECTION OF THE ENVIRONMENT

Essential as it is for improving agricultural structures and the balance of payments (with the help of increased timber production) the final objective of afforestation is environmental and recreational.

It is a complete illusion to wish to draw up a programme of ecological rebalance without planning an efficient, rational and wide-spread development of woodland.

Industrial development, especially in recent years, has brought about, not only greater prosperity but also gradual deterioration in environmental conditions. The polluting effects of industrial waste have considerably aggravated physical and environmental conditions in many areas of the Community. Moreover, the transformation of large farming areas into industrial zones, together with chaotic urban development, has resulted in population concentrations of impossible proportions in restricted areas.

In other words the increase in incomes has been counterbalanced by a decline in the quality of life.

A large-scale reforestation plan, in mountain and hill areas and flatland, at a distance from and close to built-up areas, could therefore make a decisive contribution towards solving the problem of the environment, which is of special interest to all the main industrial areas of the European Community.

Preservation (or improvement) of the environment is therefore another consequence of afforestation, outside of the economic sphere but no less important than the other consequences, since nowadays, unfortunately, recreational aims are not a luxury but are essential to the health of the millions of people who are obliged to spend the major part of their lives in conditions which are anything but ideal.

The use of forestland as a recreational feature is therefore not incompatible with timber production or preservation of the environment.

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Having examined the purposes of the Directive, let us now examine its subdivisions, i.e. the measures provided for the criteria demanded and the proposed aid measures.

Measures provided for

- Afforestation of farm-land and waste land.
- Conversion of unproductive plantations or plantations with low production, into productive forest areas.
- Establishment and improvement of protective measures for agriculture and the environment.
- Creation of recreational facilities.

Criteria requested

- Aids are granted, first of all, subject to measures being part of a general development provided for in the region under consideration, and also to their complying with measures or other plans concerning the utilization of land.
- At least three-quarters of the land in each project must be farm-land, woodland and farm-land, or land released as a result of the cessation of farming.
- Land destined for forestry, as well as that which will continue to be used as farm-land, must form holdings large enough to permit of rationalized farming.
- The timber yield (envisaged where this production is a major objective) should be at least equal to the average yield of comparable plantations in the same areas.
- Establishments destined mainly for market gardening shall not receive aid.

Proposed aid measures

- These will range between 60% and 90% of the eligible expenditure and will be granted, in various forms: lump-sum payments, tax exemption,

and low-interest subsidies. Provision is also made for using a combination of various types of aid.

- In addition to the aid (from 60% to 90%) there is a lump-sum payment (a maximum of 200 u.a. equal to about Lit. 142 400 (£92.405) per hectare) for acreages destined for use as woodland, and utilized as farm-land and for a continuous minimum period of ten years before conversion.
- Larger amounts of aid should be granted to regions eligible for the measure provided for in the Directive on "farming in mountain and hill areas and other less favoured areas".
- The Community will reimburse member countries 25% of the eligible expenditure if this amounts in the first five years to 680 million u.a., equal to about Lit 484 000 million (£313 million).
- The scheduled duration of the aid measures is ten years and the total estimated costs to be borne by the EAGGF is 170 million u.a. (equal to Lit 121 000 million or £78 million) for the first five years.

#### CONCLUSION

Implementation of the Directive will not be easy, either from the technical or the economic point of view. For these two reasons the Commission considers that the concept must be one at Community level but the implementation must be at national level, taking account of local conditions. Legislation in the individual member countries should therefore make it possible, on the basis of Community criteria, to adapt provisions to the requirements of the various regions and concentrate to a greater extent on aids to areas naturally suited to woodland, where conditions are more favourable for the efficient integration of farming and forestry and forestry and environment.

Not only is afforestation technically difficult, because the operation cannot be carried out over small areas but only on completely functional parcels

of land, it is also costly. It is therefore clear that implementation will be conditional upon a large part of the costs being covered by subsidies, taking into account above all the fact that investments will take several years to become profitable.

But the technical and economic difficulties can be overcome if they are counterbalanced by a political desire to implement this Directive. In other words, if the Council of Ministers, which is at present examining the proposal from the Commission, approves and thereby makes possible its implementation. The problem, although in another form, has been under discussion for some years. In 1968 the importance of the forestry sector was acknowledged. In the Mansholt plan it was clearly integrated into the process of farm modernization and required to make major contribution.

On 25 May 1971 the Council, in its Resolution on the new guide-lines for the common agriculture policy, decided to adopt measures designed to encourage afforestation operations.

In April 1972, in the first directives approved by the Council of Ministers of the EEC, clear reference is made to afforestation operations. The Community proposals intended thereby to stress the relationship between the General Directives (modernization, cessation of farming, socio-economic information) and specific directives (afforestation and mountain and hill farming).

Lastly, in November 1973, the Council of Ministers in its "declaration" on the Community action programme for the environment, approved the principle of a proposal for a Directive on forestry - for the improvement of agricultural structures - within the general context of environmental policy.

In the light of these acknowledgements it is reasonable to expect a favourable response to the Commission proposal. Thus:

- the series of Directives on the structures of production will be completed,
- the essential contribution of the forestry sector to the improvement of Community agricultural structures will be recognized both from a technical and economic point of view,
- the basis will be laid for ecological protection of the environment thereby stressing the fundamental role of the farming and forestry sector.