

EUROPEAN PARLIAMENT

Working Documents

1983-1984

4 October 1983

DOCUMENT 1-783/83

SECOND REPORT

drawn up on behalf of the Committee on Agriculture

on Community forestry policy

Rapporteur: Mr V. GATTO

At its sitting of 18 April 1980 the European Parliament referred the motion for a resolution tabled by Mr MAHER, pursuant to Rule 47 of the Rules of Procedure, on Community forestry policy (Doc. 1-122/80), to the Committee on Agriculture as the committee responsible, and to the Committee on Regional Policy and Regional Planning and the Committee on the Environment, Public Health and Consumer Protection for opinions.

At its meeting of 3 June 1980 the Committee on Agriculture decided to draw up a report and appointed Mr GATTO rapporteur.

At its sitting of 13 September 1982 the European Parliament referred the motions for resolutions tabled pursuant to Rule 47 of the Rules of Procedure by Mrs THEOBALD-PAOLI, on the protection of Mediterranean forests (Doc. 1-517/82), and Mr KYRKOS, on urgent measures for the reafforestation and protection from fire of forest areas in Greece and other European countries (Doc. 1-562/82), to the Committee on Agriculture as the committee responsible and to the Committee on the Environment, Public Health and Consumer Protection, the Committee on Regional Policy and Regional Planning and the Committee on Budgets, for opinions.

At its sitting of 15 November 1982 the European Parliament referred the motion for a resolution tabled pursuant to Rule 47 of the Rules of Procedure by Mr COSTANZO and others, on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions (Doc. 1-815/82), to the Committee on Agriculture as the committee responsible and to the Committee on Regional Policy and Regional Planning, the Committee on Social Affairs and Employment, the Committee on the Environment, Public Health and Consumer Protection and the Committee on Budgets, for opinions.

At its sitting of 11 October 1982 the European Parliament referred the motion for a resolution tabled pursuant to Rule 47 of the Rules of Procedure by Mrs DE MARCH and others, on emergency aid following serious forest fires in the Mediterranean regions (Doc. 1-650/82), to the Committee on Agriculture as the committee responsible and to the Committee on Regional Policy and Regional Planning, to the Committee on the Environment, Public Health and Consumer Protection and the Committee on Budgets for opinions.

At its sitting of 7 March 1983 the European Parliament referred the motion for a resolution tabled pursuant to Rule 47 of the Rules of Procedure by Mr BOCKLET and others, on the death of woodlands (Doc. 1-1268/82), to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible, and to the Committee on Agriculture and the Committee on Energy and Research, for opinions.

At its sitting of 11 April 1983 the European Parliament referred the motion for a resolution tabled pursuant to Rule 47 of the Rules of Procedure by Mr von WOGAU and others, on the death of trees in the Black Forest (Doc. 1-27/83), to the Committee on the Environment, Public Health and Consumer Protection as the committee responsible, and to the Committee on Agriculture and the Committee on Energy and Research, for opinions.

At its meetings of 30 September - 1 October 1982, 2 December 1982 and 26 and 27 May 1983, the Committee on Agriculture decided to include these motions for resolutions in the GATTO report.

The draft report was considered during the meetings of 16-17 February 1981, 23-24 June 1981, 1-2 December 1982, 24-25 February 1983 and 26-27 May 1983. At this last meeting the motion for a resolution was adopted by 18 votes to 1, with 3 abstentions.

The following took part in the vote: Mr Curry, chairman; Mr Fruh, Mr Colleselli and Mr Delatte, vice-chairmen; Mr Gatto, rapporteur; Mrs Barbarella (deputizing for Mr Papapietro), Mr Blaney, Mr Clinton, Mr Cottrell (deputizing for Mr Provan), Mr Dalsass, Mr Eyraud, Mr Goerens (deputizing for Mr Nielsen), Mr Helms, Mrs Herklotz, Mr Klepsch (deputizing for Mr Bocklet), Mr Maher, Mr Marck, Mrs Martin, Mr Salzer (deputizing for Mr Ligios), Mr Thareau, Mr Vitale and Mr Woltjer.

At its sitting of 7 July 1983 the European Parliament referred the report back to the committee responsible, pursuant to Rule 85 of the Rules of Procedure.

At its meeting of 27/28 and 29 September the Committee on Agriculture considered the amendments tabled in plenary and adopted the new text of the motion for a resolution by 16 votes to 6 with 4 abstentions.

The following took part in the vote: Mr Curry, chairman; Mr Früh, vice-chairman; Mr Gatto, rapporteur; Mr Barbagli (deputizing for Mr Diana), Mr Blaney, Mr Bocklet, Mr Clinton, Mr Cottrell (deputizing for Mr Battersby), Mr Eyraud, Mr Helms, Mrs Herklotz, Mr Hord, Mr Ligios, Mr Maher, Mr Marck, Mr McCartin (deputizing for Mr Dalsass), Mr Mertens, Mr Papapietro, Mr Pranchère, Mr Stella (deputizing for Mr Colleselli), Mr Thareau, Mr Tolman, Mr Vgenopoulos, Mr Vernimmen, Mr Vitale and Mr Woltjer.

The report was tabled on 29 September 1983.

The opinions of the Committee on Regional Policy and Regional Planning and of the Committee on the Environment, Public Health and Consumer Protection are annexed to this report.

The Committee on Social Affairs and Employment decided not to deliver an opinion.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	12
<u>Annex I</u> : Motion for a resolution by Mr MAHER (Doc. 1-122/80).....	25
<u>Annex II</u> : Motion for a resolution by Mrs THEOBALD-PAOLI (Doc. 1-517/82).....	27
<u>Annex III</u> : Motion for a resolution by Mr KYRKOS (Doc. 1-562/83).....	29
<u>Annex IV</u> : Motion for a resolution by Mr COSTANZO and others (Doc. 1-815/82).....	30
<u>Annex V</u> : Motion for a resolution by Mrs DE MARCH and others (Doc. 1-650/82).....	32
Opinion of the Committee on Regional Policy and Regional Planning	33
Opinion of the Committee on the Environment, Public Health and Consumer Protection	43

The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on Community forestry policy

The European Parliament,

- having regard to the motions for resolutions:
 - by Mr MAHER on Community forestry policy (Doc. 1-122/80),
 - by Mrs THEOBALD-PAOLI on the protection of Mediterranean forests (Doc. 1-517/82),
 - by Mr KYRKOS on urgent measures for the reafforestation and protection from fire of forest areas in Greece and other European countries (Doc. 1-562/82),
 - by Mr COSTANZO and others on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions (Doc. 1-815/82),
 - by Mrs DE MARCH and others on emergency aid following serious forest fires in the Mediterranean regions (Doc. 1-650/82),
 - by Mr BOCKLET and others on the death of woodlands (Doc. 1-1268/82),
 - by Mr von WOGAU and others on the death of trees in the Black Forest (Doc. 1-27/83),
- having regard to the second report by the Committee on Agriculture and the opinion of the Committee on Regional Policy and Regional Planning and the Committee on the Environment, Public Health and Consumer Protection. (Doc. 1-783/83),

- having regard to the situation outlined in the report by Mr Albertini (Doc. 1-184/79, of 10 May 1979), the cases which inspired it and the action taken by the Council,
 - having regard to the Treaty establishing the European Economic Community and in particular Article 39,
 - having regard to its resolution of 15 October 1982, and in particular the provisions concerning the protection of forests against fire (1),
 - having regard to Regulation 269/79 of 6 February 1979 (2) establishing a common measure for forestry in certain Mediterranean zones of the Community,
 - having regard to the Communication from the Commission to the Council on Forestry Policy in the Community, 1 December 1978 (3),
 - having regard to the communication from the Commission to the Council concerning a Community action programme regarding forestry and forest-based activities and including a proposal for a Council resolution concerning objectives and lines of action for Community policy regarding forestry and forest-based industries (COM(83) 222 final of 2 June 1983),
 - having regard to the Commission proposal for a Council regulation establishing a Community scheme to provide forests in the Community with increased protection against fire and acid rain (COM(83) final of 14 June 1983),
- A. Considering the significance of forests and woodland areas for all the countries in the Community and for the well-being of the peoples both economically and environmentally,
- B. considering the Community's crucial foreign dependence on wood and wood products which rank second to oil on the list of imported raw materials,

(1) OJ No. C 292, 8.11.1982, p. 118 (Doc. 1-713/82)

(2) OJ No. L 38, 14 February 1979

(3) COM(78) 621 final - Doc. 542/78

- C. considering that the dangers of this dependence will increase dramatically towards the end of this century because of deforestation and increasing demand for timber from developing countries,
- D. whereas only 40% of Community timber requirements are met from its own production and Community consumption of forestry and woodland products is currently increasing at twice the rate of production,
- E. whereas Community forests are ageing and it is necessary to protect future supplies by ensuring the availability of forests at all stages of growth,
- F. whereas there is a massive wastage of wood at all stages of both harvesting and processing, and the waste is a potential source of energy production,
- G. considering that there are close links between forestry policy and agricultural and regional policy, as large areas of marginal and sub-marginal agricultural land suitable for forestry occur in the poorest regions of the Community,
- H. considering the effect reforestation is likely to have on direct employment and ancillary activities - both upstream and downstream - connected with forestry and wood processing,
- I. having regard to the fact that in certain regions the income deriving from timber could be greater than that provided by the present use of the soil, and that forestry, in particular short rotation forestry for energy production, could provide crucial additional income for smaller farmers thus helping to stem the exodus from outlying areas,
- J. considering the importance of this sector in relation to the environment, recreation and tourism and the need to take account of the requirements of productive forestation in the drawing up of programmes to safeguard and protect nature, in order to make them compatible,
- K. considering the long growth cycle of trees,

- L. in view of the fact that forests are being increasingly damaged and stocks jeopardized by the effects of civilization, forest fires, atmospheric pollutants etc.,
- M. considering the progress made with the development of biomass as an energy source, the potential of low-quality timber industry surpluses and waste as such a source, and the potential of short rotation forestry,
- N. aware of the obstacles to improved exploitation of Community forestry resources which are constituted by the pattern of forest ownership, the low returns on investment in forestry development, the disincentives resulting from patterns of taxation and the inadequate availability of information on forestry methods and potential,
1. Vigorously criticizes the Council's complete failure to act in response to the Commission's forestry proposals of 1978(1);
 2. Strongly regrets that the Commission has sent the Council a communication on a Community action programme regarding forestry (COM(83) 222 final, 2 June 1983) which fails to take account of work in progress in Parliament on a Community forestry policy, and a proposal for a Council resolution on objectives and lines of action for Community policy regarding forestry with no provision for consultation of Parliament; urges the Council to consult Parliament without delay on the aforesaid proposal for a resolution;
 3. Urges the Commission and the Council to draw up as soon as possible a comprehensive policy on forests and woodlands embracing the various aspects of the problem and its economic, commercial, regional, ecological, social and cultural implications and to present it with a proposal taking into account:
 - I. overall and national production figures, actual requirements and the extent of reliance on imports;
 - II. the surface areas currently under forestation and the scope for planting new areas, bearing in mind the crisis in certain marginal agricultural zones, the need for creating employment in forestry, farming and related activities and for greater rationalization of forestry and farming activities;

(1) COM(78) 621 final

- III. the potential for direct or indirect employment both in the sphere of immediate production and the more rational use of natural resources;
- IV. the role of forestry in regulating the water table, preventing erosion and improving climatic conditions;
- V. the scientific problems relating to production methods, diseases affecting trees (cypress, elm, chestnut, poplar) their use in the domain of secondary energy and biomass and research into the causes of the death of extensive areas of forest;
- VI. the coordination with an overall rural and regional policy which would take account of natural, territorial, climatic and precipitation factors;
- VII. the problems of forestry protection particularly from fire, windblow and measures to combat the death of extensive areas of forest;
- VIII. the coordination within the Community of legislation - in particular at the fiscal level - of transactions, incentives, technical aids and national projects and initiatives, also of the particular burdens of capital transfer taxes and death duties in certain Member States;
- IX. the coordination within the Community of the specifications governing the emission and immission of air-borne pollution which threatens forest stocks, e.g. in the form of acid precipitations (acid rain);
- X. the encouragement of investment in the forestry sector and the study of the guarantees for these investments, which are productive only in the medium/long-term, recognizing that a system of regular payments on account in advance of profits will be necessary for any worthwhile scheme of small farm production in low grade land areas;
- XI. a comprehensive strategy with regard to imports of timber to prevent dumping practices, manipulation of prices, monopolies, etc.;
- XII. the financial commitments necessary for establishing by at least the year 2000 the general conditions for remedying the Community forest and woodland deficit;

- XIII. the long-term prospects for wood as a natural and renewable alternative to artificial products such as plastic whose production requires high energy consumption and causes pollution, and uses principally non-renewable raw material;
- XIV. the expansion of Community services responsible for forestry policy;
- XV. the qualitative improvement of damaged woods, cultivation safeguarding existing top-soils, conversion of copses, service roads, hydrogeological protection, forestry planning, general and special inventories, development of regional knowledge;
- XVI. the participation of the regions concerned in the elaboration of the Community forestry policy;
- VII. the investment of resources and the creation of jobs in forest areas themselves so as to enable them to participate to a greater extent in the industrial processing of forestry products and by-products;
- 4. Acknowledges the legal and budgetary difficulties which inhibit the implementation of a genuine Community forestry policy but feels that they can be overcome if an effective political will exists;
- 5. Calls on the Commission to develop an active policy of improved information on forest management and new techniques, intended in particular to assist small private owners to develop their resources;
- 6. Calls on the European Investment Bank and the Commission to take steps to ensure that the Bank in future makes loans to encourage afforestation, forest development and energy plantations, as well as the provision of facilities for use in the fight against forest fires in the Mediterranean area (irrigation, access roads, etc.);
- 7. Calls on the Council, on the basis of proposals from the Commission, to devote increased resources to research and pilot projects on biomass, in particular energy from forest wastes and short rotation forestry;

8. Feels that until a comprehensive forestry policy is formulated the Commission and the Council could take immediate and specific initiatives in this sector, for example:

- (a) intergrated programmes for individual regions of the Community with coordinated aid from the various Community funds;
- (b) special programmes for agricultural and forestry development for specific regions and producers;
- (c) measures by the EAGGF - Guidance Section for structural improvements
- (d) strengthening of the aforementioned regulation for afforestation in certain arid zones of the Mediterranean and its extension to other zones, particularly to mountain areas, with suitable instruments to combat erosion and avalanches;
- (e) harmonization of national legislation in this field;
- (f) financial and fiscal aid for the utilization of copses and their conversion into forests;
- (g) aid through insurance companies and other means for protection against risks arising from natural disasters and fires;
- (h) a flexible Community-wide arrangement to fight major forest fires occurring in any given country from the air;
- (i) adoption of appropriate public instruments to support the marketing of timber;
- (j) effective measures to research and combat the death of forests in Europe;

0

0

0

9. Instructs its President to forward this resolution to the Council and the Commission of the European Communities.

Explanatory statementINTRODUCTION

Various detailed surveys have been carried out by the Commission on different aspects of forestry policy, notably:

- forestry problems and their effects on the environment in the Member States of the EEC in the series 'Information on agriculture' November 1976;
- forests and forestry in the Member States of the EEC, June 1978;
- the communication from the Commission to the Council concerning forestry policy in the EC, December 1978.(1)

This last document included a draft proposal for a Council resolution concerning the objectives and principles of forestry policy and a draft proposal for a Council decision to set up a Standing Forestry Committee.

In addition in July 1978 the Economic and Social Committee of the EEC presented a particularly interesting report by Mr MAHER on the future of forestry in the Community. Other major publications on this issue include those by the FAO and the ECE (Economic Commission for Europe) of the UN in Geneva. The aims and scope of this report are not therefore to provide an exhaustive picture of all the general aspects of Community forestry policy since they have been examined in depth in the above documents, although these should be referred to for a thorough analysis and all the relevant facts.

The first part of this report will merely outline the most important general aspects of the problem and will take account of the discussions which have taken place in the committee.

(1) COM(78) 621 final, 1 December 1978, Doc. 542/78

In the second part the rapporteur will dwell at greater length on what he considers to be the essence of the entire debate on forestry policy. given the vital importance of such a policy (briefly referred to in the first part of the report), what substantive possibilities are there for action at Community level?

Should the responsibility for policy initiatives be left almost entirely to the individual Member States as has so far been the case, should attempts be made to harmonize and consult at Community level, or are specific, detailed measures called for such as the regulation establishing a common measure for forestry in the arid zones of the Community?

Should a common market organization for timber be established similar to those for most other natural products? If so, how should the legal, financial and political problems of such an organization be resolved?

In the rapporteur's view these are the most important questions to be considered: if the European Parliament intends to contribute towards a dynamic Community policy it will have to put forward realistic proposals on these points.

First part

The importance and problems of forestry policy

1. The importance of forests and of proper management by the authorities or private owners can be considered from various angles. The major consideration is probably economic: the Community has to import roughly 60% of its requirements, 200 million cubic metres of wood annually, which amounts to between 8-9,000 million ECU, second only to its expenditure on oil imports.

Production

2. Community production falls short of requirements. It is currently around 74 million cubic metres (1); France is the major producer with 29 million cubic metres followed by Germany (27 million) far ahead of Italy (8 million) and the United Kingdom (4 million).

(1) Source. EUROSTAT, Forestry statistics for 1979.

Forest land in the Community of the Nine covers about 32 million hectares, with France accounting for 14.7 million hectares followed by Germany (7.2 million) and Italy (6.3 million).

The average Community yield per hectare is roughly 2.3 m /ha with high rates in Germany, Belgium, and Denmark (3.7 -3.8 m /ha) and very low rates in Italy (1.2 m /ha) and Ireland (0.9 m /ha).

High forest trees make up 66.4% of Community forests. They represent nearly all the forests in Denmark (99%), United Kingdom (98%) and Germany (94%).

Imports

3. The Community trade deficit in wood is increasing. According to the Commission's estimates between now and the year 2000 requirements will increase by 2% every year while production, which covers less than half these requirements, will only increase by about 1% annually. Massive imports due in part to the relatively low cost of timber from third countries and to the high production costs of Community wood are exposing the Community to considerable risk as is the case with other raw materials, particularly oil: the inevitable trend towards uncontrolled price increases, the exhaustion or blocking of some of the regular sources of supply (Northern Europe, USSR, Canada, tropical countries); the tendency on the part of third countries to increase exports of semi-processed or finished products instead of rough timber thereby depriving the Community of the added value of processing.

Thus, in order to reduce the Community trade deficit, it is essential to expand wood production, not in the hope of achieving absolute self-sufficiency but in order to protect the Community as far as possible from the uncertainties of a world market in which even renewable raw materials such as wood are becoming scarcer and more expensive.

Social problems and employment

4. It is difficult to give an accurate figure for the number of people engaged in the production of wood, either directly involved in forestry operations or more especially in furniture production and the many other branches of wood utilization. In Italy alone there are an estimated 500,000 people employed in this sector. It is widely accepted that for every worker employed in the forestry sector there are at least three in downstream industries.

The rational exploitation of forests as a means of combating unemployment, now around the 12 million mark in Europe, should form one of the major objectives of a Community forestry policy.

Some Member States have already set up schemes for the re-deployment of workers temporarily made redundant by firms in difficulties to forestry maintenance, cutting paths, clearing the undergrowth and so on. This temporary stop-gap which is often merely another form of welfare could be converted through a rational forestry policy into a useful and permanent source of productive employment for many people.

Aside from its major function of providing jobs the forest also plays a significant social function in recreation, leisure, tourism and improving the quality of life particular in proximity to heavily populated urban areas.

Ecology and the environment

5. At least as significant as its economic value is the indispensable role played by the forest in the preservation and protection of the human environment.

- protection against erosion by water and wind;
- prevention of flooding and landslips;
- climatic improvement;
- counteracting atmospheric pollution;
- habitat for many species of wild life;
- beautification of the countryside, etc.

These factors are of particular significance in the Mediterranean regions of the Community where they are linked to the protection of the water table and of grazing lands. It should be mentioned that one of the main causes of deterioration and erosion of Mediterranean forests is indiscriminate grazing. This calls for rational and comprehensive management of wood- and farmland in order to prevent irreversible damage to forest areas and to remedy the current conflict in certain areas between forestry and wild life needs.

The ecological function of the forest is also of vital importance, albeit in different ways, in non-Mediterranean countries where it acts in providing windbreaks, controlling sand dunes, and draining the soil etc.

Renewable energy

6. The build-up of new forestry resources for energy requirements is an issue which at present appears to concern only the Third World. A survey carried out by the FAO on the situation of firewood in developing countries shows that in 1980 roughly 2,000 million people, three-quarters of the population of these countries, depended on firewood for their daily domestic energy needs (cooking, heating). About 100 million people were suffering from shortages of wood while forestry resources are practically exhausted in the case of 105 million. These countries face a deficit of about 400 million m³/year. By the year 2000 the FAO estimates that 2,500 million people will be affected by shortages or lack of firewood with a deficit of 960 million m³/year.

But although the situation in the developing countries is precarious, the EEC is also looking increasingly to wood as a source of renewable energy as a result of the increasing costs and shortages of traditional energy sources. The exploitation of forests for energy means calls for a fuller use of lower quality varieties of wood, of marginal woodland, of residues, branches, bark and underbrush for producing energy (biomass) and an improvement in the technological and economic process of energy conversion. A study carried out in Sweden forecasts that by the year 2000 roughly half the country's energy requirements could be met by these so-called 'energy factors'. Whatever the estimates, this is obviously a vital element of forestry policy. A further element to be borne in mind is the substitution of wood for products such as plastic where production requires large amounts of energy.

Need for a forestry policy

7. There are at least five valid reasons to support an expansion of forestry policy:

- the inadequacy of Community production and the foreign trade deficit;
- the creation of jobs and the improvement of living standards in depressed rural areas;

- the protection of the environment and the provision of recreational areas;
- worsening energy problems;
- the prevention of forest fires.

While these considerations clearly indicate the need for a new approach towards forestry policy, there are many serious obstacles even leaving aside those of a financial and legal nature which we shall consider in greater detail in the second part. Some of the main difficulties are outlined below.

Problems of afforestation

8. The greatest difficulties in the successful implementation of a forestry policy are the slow growth cycle which by comparison with agriculture takes at least ten years and sometimes several decades to become productive; the diversity of ownership - both public and private - with highly fragmented private ownership; legal, administrative and fiscal obstacles.

Ownership of forestry

9. 60% of forests are privately owned while the remaining 40% is divided more or less evenly between the state and other public bodies as shown in the following table for the 9 Community countries (data for Greece not available):

Table of forest ownership in the nine EEC countries

STATE	Areas 1 000 Ha			
	State	Other public bodies	Private	Total
Belgique	75	220	320	625
Danemark	135	50	285	470
Deutschland	2,250	1,800	3,150	7,200
France	1,720	2,480	9,750	13,950
Ireland	250	-	80	330
Italia	350	2,150	3,800	6,300
Luxembourg	5	30	50	85
Nederland	85	50	175	310
United Kingdom	880	-	1,140	2,020
EEC	5,750	6,780	18,750	31,280

Private forests are highly fragmented: there are an estimated 3 million woodland owners who actually depend little on forestry for their livelihood.

While publicly owned woodlands are often managed more efficiently and provide opportunities for long-term investment, private owners tend only to make improvements or investments for guaranteed short-term returns and otherwise are likely to neglect the property entirely.

It is difficult for governments to impose compulsory measures on private owners: they can but provide incentives for setting up associations of woodland owners to combat the effects of fragmentation of ownership and to encourage rational management.

Legal, administrative and fiscal obstacles

10. Problems of a legal, administrative or fiscal nature prevent the expansion of an effective forestry policy in the Member States, particularly in the case of private ownership. Regulations vary from one state to another and the absence of any harmonization at Community level creates distortions in the conditions of competition. Legal regulations usually involve restrictions or bans on the exploitation of forests or the diversion of its use, and various constraints on free utilization by the owners which are often vague and inappropriate to providing a proper balance between production and conservation.

Administrative obstacles consist largely of over-restrictive planning and programming and in over-complex procedures and authorizations for owners.

Fiscal obstacles are undoubtedly the greatest: forestry investment is inherently productive only in the long-term and requires specific forms of taxation. Land taxes on the other hand, inappropriate forms of income tax and disparities in VAT rates conspire against a rational forestry policy in some Member States.

A dual plan of action is needed:

- within the Member States, the application of a system of taxation more consonant with the needs of forestry investment and, as far as possible, the elimination of other legal and administrative obstacles;
- in the Community as a whole, achieving some form of harmonization outlining the objectives to be achieved and the most appropriate fiscal measures in order to arrive at consensus on the forestry strategies of the different Member States and greater uniformity in the methods adopted.

Incentives

11. The very nature of forestry investment which is inherently long-term and yields only low returns in the short term, requires an urgent effort on the part of the Member States to coordinate their intervention with the specific objectives of forestry policy. As in the case of taxation, the system of incentives will require a certain degree of harmonization at Community level to prevent distortions of competition.

Direct aids (subsidies, loans at reduced rates) and indirect aids (tax and other exemptions) vary both in size and nature from state to state, hence the need for some form of harmonization. New forms of assistance should be considered to encourage private owners to make investments with the prospect of returns only within a few decades. The Committee on Agriculture has put forward suggestions including the provision of guarantees, through appropriate insurance arrangements, for owners who create new plantations or to guarantee them a certain annual income as a kind of advance payment on future profits.

Other forms of aid for forestry work, prevention and combat of forestry fires, purchase of machinery, supply of seedlings, etc., could be provided on a wider and more permanent basis than the current discriminatory and piecemeal effort.

PART II

REALISTIC POSSIBILITIES FOR COMMUNITY ACTION

1. The forestry situation has changed little since the report by Mr Albertini (Doc. 184/79 of 10 May 1979) on the communication from the Commission to the Council concerning forestry policy in the Community.

This communication set out quite clearly the objectives of forestry policy, namely increased production of wood, in which the Community has a serious deficit, the conservation and improvement of the environment and promotion of the recreational function of forests. The Commission document went on to outline the national and Community instruments it considered necessary to achieve these objectives, ranging from a series of guidelines to be followed by the Member States at the national level to the coordination of legislation at Community level, systems of taxation and incentives, scientific research and statistical information. A Standing Forestry Committee was to have studied on a Community basis all the national and European initiatives in this sector and to have provided valuable assistance to the Commission.

2. However the Council of Ministers reacted to the Commission's proposal as it had done to similar proposals, notably that of 1974 for a directive for forestry measures to encourage and finance the afforestation of marginal agricultural land, the conversion of low productivity woodland into productive forest and the building and improvement of forest roads.

3. At various meetings last year of the Special Committee on Agriculture of the Council of Ministers one national delegation stated quite clearly that its agreement on the resolution in question concerning the objectives and principles of forestry policy would depend on the inclusion of a statement in the minutes that the resolution would impose no financial burden on the Community either within or outside the framework of the EAGGF. Two delegations subsequently vetoed the setting up of the proposed standing committee.

In view of this the European Commission had declared that it reserved the right to withdraw its proposals but to date the threat has not been followed up.

4. The only positive action taken by the Council in the forestry sector concerns certain Mediterranean regions of the Community (Mezzogiorno and South of France) (1). 184 million EUA have been allocated over five years for reafforestation, the improvement of damaged woodland, construction of forest roads and protection against fire.

Other action of a more limited scope has been taken in individual regions. For example, measures relating to forestry are laid down in Regulation 1820/80 on the stimulation of agricultural development in the less-favoured areas of the West of Ireland (2), and in two programmes for integrated development, one for the Western Isles of Scotland (3) and one for the French Department of Lozère relating to the renovation of chestnut plantations (4).

5. There are two main reasons why a forestry policy at Community level is still at the embryonic stage:

- the budgetary aspect, particularly in the current period of crisis when attempts are being made to keep to a minimum agricultural expenditure already decided under existing regulations and the consequent rejection of the idea of establishing new legislative measures which may prove costly;
- the legal aspect, invoked by the Member States who are reluctant to delegate responsibility for the forestry sector to the Community.

6. The financial objections require little further elucidation. The concern on the part of some Member States that new Community initiatives might prove to be an endless drain is understandable although the claim that shifting responsibility for mismanagement in some sectors of agriculture to new sectors which we should rely on in the long-term is curious to say the least.

(1) Reg. 269/79, 6.2.1979 - OJ No. L 38, 14.2.1979

(2) OJ No. L 180, 14.7.1980, p. 1

(3) Reg. 1939/81, OJ No. L 197, 20.7.1981, p. 6

(4) Reg. 1940/81, OJ No. L 197, 20.7.1981, p. 9

There are certain formal grounds for the second objection even though the strength of the case for for a Community forestry policy shows that the real obstacle is lack of political will rather than legal difficulties.

Your rapporteur is of course aware that the list of products governed by the Common Agricultural Policy contained in Annex II of the EEC Treaty includes cork but not wood in general which, in the view of some Member States, constitutes an insuperable obstacle to establishing a common forestry policy at least within the framework of the Common Agricultural Policy and the EAGGF.

7. The Albertini report (Doc. 184/79) pointed out that the main difficulty s was political rather than legal. If it genuinely desired to formulate a policy in this sector, apart from the fact that a precedent exists with the action already taken in Mediterranean areas, the Council could resort to Article 235 of the Treaty which provides for the possibility of a unanimous decision by the Council if action should prove necessary to attain one of the objectives of the Treaty even where the Treaty has not provided the necessary powers. The Council could also, where necessary, refer to other legal areas depending on the effect any measures might have on other sectors such as the environment, phytosanitary and structural sectors, free moveùent of goods, protection of forests and others.

The examples quoted of measures taken in Ireland and in certain limited areas of the Community are revealing: forestry measures connected with structural objectives have been included in more general regulations relating to the economic and agricultural development of these regions.

It should be added that if it was felt that Community action should be limited to the coordination of national policies and should not extend to the setting up of an actual common market organization for wood it would not be necessary to devise complicated legal mechanisms. And yet no attempt has been or seems likely to be made to do even this.

8. In conclusion, both the Committee on Agriculture and, subsequently, Parliament face an uphill task in Community terms. There is resolute opposition to a problem of enormous significance which calls for an urgent economic solution as well as a humane gesture of faith towards the future. The

Commission's latest proposals, which merely laid down general Community-wide objectives and left the Member States with the choice of the most suitable methods for attaining them, have been blocked within the Council and have scant chance of making progress. Although a sense of duty demands that pressure continue to be applied for more positive progress, no illusions should be entertained at the present time as to the likelihood of achieving at Community level the necessary common organization for forestry products boasting all the mechanisms governing the various agricultural products: import levies, export rebates, price supports.

9. The Community could be persuaded however to take a series of more limited but still useful initiatives. The following, while not representing an exhaustive list of the possibilities, might be considered:

- specific measures for given areas or regions of the Community providing for financial support for forestry activities, afforestation in marginal agricultural areas, plantation of windbreaks, improvement in local forestry products and so on;
- whenever possible, to include aid for forestry within structural programmes throughout the Community;
- to provide for Community aid to certain sectors: prevention of forest fires, combating disease in certain species (cypress, elm, chestnut, poplar), scientific research;
- to coordinate specific national measures on forestry e.g. with regard to imports, by formulating an overall long-term strategy;
- to issue directives where possible on fiscal harmonization in the forestry sector, national aids, investment;
- to promote within the Community joint research programmes in the different branches of biology and forest management;
- to extend gradually the aforementioned regulation on arid Mediterranean zones to include other zones and to increase the finance allocated.

o

o o

MOTION FOR A RESOLUTION (DOCUMENT 1-122/80)

tabled by Mr MAHER

on behalf of the Liberal and Democratic Group
pursuant to Rule 25 of the Rules of Procedure

on Community forestry policy

The European Parliament,

- having regard to the Treaty establishing the European Economic Community and in particular Article 39 thereof,
- having regard to the need for the rational development of the common agricultural policy,
- whereas imports of wood and forestry products come second after petroleum among the raw materials imported into the Community, and consumption of these products is rising twice as fast as production,
- whereas European forests are growing older and it will be necessary to protect supplies in the future in particular by ensuring the availability to the Community of forests at all stages of growth,
- having regard to the difficulties which industries based on forestry products are experiencing at present in the Community,
- having regard to the contribution afforestation can make in creating employment in particular underdeveloped regions as well as in other areas and also the possibilities for employment in the industries depending upon timber,
- having regard to the fact that in certain regions the income deriving from timber could be greater than that provided by the present use of the soil,
- having regard finally to the necessity to preserve the existing potential by reinforcing the laws for the protection of forests, by developing firefighting measures in particular in the dry areas of the Mediterranean,

1. Believes that forests, which cover 21% of the land surface of the Community, can make an important contribution to employment, regional policy, land use and environmental protection;
2. Hopes that the Community will reconsider its attitude towards forestry taking into account the essential part it will play in the future;
3. Therefore invites the Commission to put forward as quickly as possible proposals to establish a common forestry policy, making special provision for the creation of a common fund for forestry;
4. Instructs its President to forward this resolution to the Council and the Commission.

MOTION FOR A RESOLUTION (DOCUMENT 1-517/82)
tabled by Mrs THEOBALD-PAOLI
pursuant to Rule 47 of the Rules of Procedure
on the protection of Mediterranean forests

The European Parliament,

- A. Aware of the wealth which the Mediterranean forests constitute for the economy, environment and quality of life of the regions of southern Europe;
- B. Noting that the Mediterranean forests are threatened more seriously than ever before by the increase in the number of fires since the beginning of 1982, owing to a persistent drought;
- C. Pointing out that in the French Department of the Var alone, 1,250 hectares of forest have been ravaged by fire during the last six months (that is more than double the annual average for this part of the year) and that rainfall for the last three years shows a deficit equivalent to one year's normal rainfall (1.5 litres of water);
- D. Noting that the French Government has made considerable budgetary appropriations available since July 1981 to combat at long last the deterioration of the Mediterranean forest and that the airborne fire-fighting fleet, whose efficiency is universally recognized, has been considerably reinforced;
- E. Noting that fires rarely break out at the same time in all the regions and that the effectiveness of the fight against fires therefore depends on the acquisition of a large amount of sophisticated equipment and above all on the pooling of this equipment by its owners;
- F. Noting that European measures to protect Mediterranean forests would constitute an appropriate and judicious application of the provisions of Article 235 of the Treaty of Rome;
- G. Noting that the Community's Mediterranean forests extend from the French coast to eastern Greece and that a pooling of resources in such a large area would benefit every region concerned;
- H. Stressing that the commitments undertaken by the Community to assist the Mediterranean regions must be translated into early practical action in as many sectors as possible;

1. Draws the attention of the Commission, the Council and the governments of the Member States to the severity of the drought affecting the Mediterranean regions and requests them to draw the conclusions of this by granting these regions Community funds as a matter of urgency;
2. Requests the Commission to compile a survey within three months of the resources available in the Community for the fight against forest fires and of present requirements;
3. Requests it to submit to the Council a programme for acquiring additional resources for the fight against fires which could be administered by a body common to the regions concerned under the supervision of Community or international authorities authorized to do so;
4. Suggests that it should encourage cooperation between all the Mediterranean States concerned by the matter;
5. Requests the Commission, the Council and the Member States to consider the safeguarding of European forests as a new priority policy during the discussions concerning the Community's enlargement and the negotiations with the countries which have applied for accession;
6. Instructs its President to forward this resolution to the Commission, the Council, the governments of the Member States and the countries which have applied for accession.:

MOTION FOR A RESOLUTION (DOCUMENT 1-562/82)
tabled by Mr KYRKOS
pursuant to Rule 47 of the Rules of Procedure

on urgent measures for the reafforestation and protection from fire
of forest areas in Greece and other European countries

The European Parliament,

- A. having regard to the large-scale damage caused to Greece's forest resources by the fires which broke out on 2 August 1982 in the Athens region and other regions of the country, ravaging more than 15,000 hectares of forestland,
- B. whereas forest fires caused by arson have been a regular occurrence in Greece and other European countries in recent years,
- C. whereas the preservation of forest resources is of major importance for a balanced ecological situation in Europe,
 - 1. Calls on the Commission to provide immediate financial aid for reafforestation work in the regions ravaged by fire;
 - 2. Calls on the Commission to help finance measures to reinforce the infrastructure for Greece's forest regions;
 - 3. Draws the attention of the Commission, the Council and the governments of the Member States to the need to coordinate their efforts to prevent and deal effectively with forest fires;
 - 4. Instructs its President to forward this resolution to the Commission, the Council and the governments of the Member States.

MOTION FOR A RESOLUTION (DOCUMENT 1-815/82)

tabled by Mr COSTANZO, Mr KAZAZIS, Mr BARBAGLI, Mr STELLA, Mr GIUMMARRA, Mr COLLESELLI, Mr MODIANO, Mr DIANA, Mrs CASSANMAGNAGO CERRETTI, Mr LIGIOS and Mr ZECCHINO

pursuant to Rule 47 of the Rules of Procedure

on specific Community action for the protection, enlargement and preservation of the forestry resources of the Mediterranean regions

The European Parliament,

- A. Recalling earlier debates and votes of the European Parliament on the need for an increased political and financial commitment on the part
 - of the EEC in the forestry sector,
- B. Considering the poor results obtained in this respect by means of the measures adopted so far by the Community under the Regional Fund, the directives for the reform of agricultural structures and the regulations forming part of what is known as the 'Mediterranean package',
- C. Considering that the benefits and products obtained from forests (healthy natural surroundings, water supplies, soil stability, wood and raw material for the manufacture of paper, etc.) are tending to become increasingly scarce, which should be a cause for concern to all countries of the Community and not only to the regions which are structurally more arid and have less forest,
- D. Considering that, especially in the southern regions of the EEC, forestry resources are clearly completely insufficient to meet ecological, hydrogeological and production needs,
- E. Considering that the limited forestry resources of these southern regions are the most exposed to and least protected against the destructive effects of fires,

F. Considering, finally, that, above all in the mountain and hill areas of less-favoured regions, work on fire prevention, on increasing the areas covered by forest, on the care and maintenance of the undergrowth and on hydraulic and hydrogeological installations in forests may represent an important source of employment for the local population,

1. Calls on the European Commission:

- To submit as soon as possible a report to Parliament on the results obtained so far by means of Community measures in the forestry sector,

- To draw up a proposal for specific Community action, to be financed by the various structural funds (Regional Fund, EAGGF, Social Fund) supplemented as appropriate by special funds, so as to launch in the southern regions of the Community, a series of multi-annual aid programmes designed to deal, in conjunction with the Member States and the regional authorities, with all the problems connected with forestry as a whole, with the aim of increasing the productive and protective function of woods and forests and of creating new and permanent sources of employment for the local populations;

2. Instructs its President to forward this resolution to the Commission and the Council of the European Communities and the Governments of the Member States.

MOTION FOR A RESOLUTION (DOCUMENT 1-650/82)

tabled by Mrs DE MARCH, Mr BUCCHINI, Mr MARTIN, Mrs POIRIER and
Mr MAFFRE-BAUGE

pursuant to Rule 47 of the Rules of Procedure

on emergency aid following serious forest fires in the Mediterranean
regions

The European Parliament,

- A. Considering that the Mediterranean forests constitute an important asset for the regions of southern Europe, both from the economic and from the ecological point of view,
 - B. having regard to the serious consequences of the exceptionally severe drought and of the fires which have ravaged the Mediterranean forests and caused considerable damage to agriculture,
 - C. fearing that these recurrent disasters are accelerating the process of desertification of the Mediterranean regions,
 - D. considering it necessary that efforts to prevent and combat fires and reafforest the areas affected should be continued and increased,
 - E. believing that it is necessary and possible to save the Mediterranean forests,
1. Again draws the attention of the Commission and the Council to the extent of the damage to the Mediterranean regions caused by forest fires and the persistent drought;
 2. Calls on the Commission to grant emergency aid to the regions hit by the fires and drought, as provided for under Community regulations in the event of natural disasters;
 3. Requests the Commission and the Council to strengthen the provision for fire-prevention in the Mediterranean regions;
 4. Instructs its President to forward this resolution to the Commission and the Council of the European Communities.

EUROPEAN PARLIAMENT

COMMITTEE ON REGIONAL POLICY AND REGIONAL PLANNING

OPINION

for the Committee on Agriculture
on the Motion for a Resolution (Doc 1-122/80)
on Community forestry policy
tabled by Mr Maher on behalf of the Liberal
and Democratic Group

Draftsman: Mr BLANEY

12.1.82

On 13 May, 1981 the Committee on Regional Policy and Regional Planning appointed Mr BLANEY as draftsman.

The Committee considered the draft opinion at its meeting on 26 November, 1981 and adopted it unanimously.

Present : Mr DE PASQUALE (President), Mr BLANEY (draftsman), Miss BOOT,
Mrs EWING, Mrs FUILLET, Mr GENDEBIEN, Mr O'DONNELL, Mr TRAVAGLINI,
Mr J.D. TAYLOR.

1. In its Communication to the Council, on December 6, 1978, about "Forestry Policy in the European Community" the Commission stated that:

'Because of its multiple functions forestry policy influences and is influenced by other policies at both the national and Community levels There are strong links with agricultural and regional policy because large areas of forest and of marginal and submarginal agricultural land which is suitable for forestry occur in the poorest regions of the Community where forestry and the industries based on it provide opportunities for employment and help to ensure a reasonable standard of living for the local population.' (1)

and added that:

'Forests cannot be managed sensibly if their various functions and links with other policies are considered separately and piecemeal.' (2)

The Committee on Regional Policy and Regional Planning fully endorses that view.

2. Forestry is relevant to regional policy in the following ways:

- (i) as a source of employment, providing jobs without which many more people would be forced to leave outlying and country areas. Expansion of forestry can mean new jobs both in exploiting existing forests and in afforestation. In addition, it has been estimated that for one job in planting, five jobs result in exploitation and processing of wood;
- (ii) as a source of income for small farmers, enabling them to achieve a level of income sufficient for remaining on the land;
- (iii) as a source of energy. This is an aspect the significance of which has only been realised very recently, thanks to the growing volume of research into bio-mass. It is sufficient in itself to justify a new look at forestry potential and a new effort to stimulate its development;

(1) 'Forestry Policy in the European Community'. Communication from the Commission to the Council, 6 Dec. 1978.

(2) Idem para 4.

3. Forestry policy offers a unique chance to make a major contribution to the Community's balance of payments equilibrium, whilst at the same time helping with the economic development of many of the least-favoured regions. Wood is currently the second largest item after oil, in the Community's import bill: only 40% of timber requirements are met from Community sources, and consumption is rising twice as fast as production. Yet the Commission in its 1978 memorandum identified a potential for increasing wood availability from indigenous sources by over a quarter in the short run, and for more than doubling it in the long run. (3) In addition, the use of forestry for energy production - wood residues currently going to waste, forests not otherwise commercially exploitable, and short rotation forestry for bio-mass - can make a far from negligible contribution to energy needs, and thus indirectly also to reducing the energy import bill. By far the largest part of the potential for the development of forestry is in the poorer agricultural regions, and this fully justifies treating forestry policy as a priority instrument for regional development. An area of forestry which will also require particular attention, especially with Portuguese accession in prospect, is the production of cork, and this too can furnish an important element in the development of some of the most disadvantaged areas of the Community.

4. There are four main ways in which wood production could be raised, bringing direct advantages to the regions involved in terms of employment and level of economic activity, namely:

- (i) increased harvest from existing forests. According to the Commission there are 19 mi ha of 'productive high forest', where an immediate increase of 10 mi m³ of wood production (over the existing 80 mi m³ per annum) could be achieved by additional harvesting from mature stands and harvesting of thinnings in young stands. In the longer run careful choice of species, efficient management and use of research could yield a further 35 mi m³ per annum. The implications for the level of forestry activity in the regions involved are evident;
- (ii) rendering other forest productive. An estimated 4 mi ha of the Community's remaining 12 mia ha. could be made productive by clearance and re-planting with suitable species. Most of this is land owned by small woodland owners: 2,950,000 out of the 3 mi. woodland owners in the Community have less than 50 ha, and as most are farmers or local residents, so there would be an assured

(3) Idem Main elements para 37

impact both on the incomes of smaller farmers owning woodland, and on regional economies. The potential extra yield is estimated at 24 m³ per annum;

(iii) the use of bare land or abandoned former farming land.

The Commission estimates that there are at least 4 m. ha. of land that has become sub-marginal for farming but is eminently suitable for timber growing: this could be used either for afforestation or for bio-mass production using short rotation forestry. A considerable amount of this land is in Ireland and the United Kingdom. If the 4 m. ha. were to be afforested the Commission estimates an additional production of 24 m³ of timber per year. An afforestation programme of this kind would have considerable regional benefits in terms of employment and of stimulus to the regional economies.

(iv) conversion of agricultural land to forestry. Given the low return on capital value of land afforested, and the long timelags, there is little incentive to farmers to turn over part of their land to forestry. But the situation may have been radically altered by the rapid development of bio-mass techniques, in conjunction with rising energy prices. Partial conversion of land to forestry could provide farmers in poorer regions with a complement to their income from farming.

Forestry as a source of energy.

5. In its Communication of 1978 the Commission devoted only one line to forestry as a source of energy ('in the long run the use of wood ... as a source of energy may open up large and valuable new markets') adding with a caution characteristic of its approach to alternative energy sources that 'the desirability of a more intensive research effort in this field deserves close attention'. (4) There was no reference to energy in the draft Council resolution. Since then things have moved fast, and the small solar energy unit in the Commission's directorate-general for research has done pioneering work on the energy potential of bio-mass in the Community. (5)

(4) Idem para 30

(5) Cf Energy from Biomass: 1st EC Conference Ed. Palz & Chartier, applied Science Publishers

It is already clear that energy production, both from more efficient use of forest and wood waste and from energy plantations, must in future be an integral and important part of forestry policy. It brings with it further promise of development possibilities for the regions.

6. Forest and wood waste as energy source. Some 8-10 % of wood production in the Community is currently used directly as fuel. A recent Commission study notes moreover that with rising energy costs farmers in France have been having increasing resource to woodland which they own as a fuel source. (6)

However, there is massive wastage of wood at all stages of both harvesting and processing. Commission experts consider that large wood surpluses and wastes could be locally available for energy production (7). They quote claims that 25 % of the forests in France are under-exploited. (8) At present 'typically 45 % of the produce is left in forests on harvesting in the form of tops, branches, stumps and roots, etc! Large quantities of waste arise in the wood processing industries. Overall the estimate given for wood waste potentially available in the Community, expressed in terms of its energy potential, is 16.3 mi tonnes oil equivalent. (7)

To this may be added the fact that if a programme of clearance and up-grading of forests were embarked upon, there could be considerable additional supplies available for energy production on a once-off basis.

7. Planted forest sources of energy. Forest energy plantations are one of the 'energy crops' being investigated as part of current research on bio-mass as an energy source. Interest is concentrated on 'short rotation forestry' using tree species with high growth rates, and in particular deciduous hardwoods with renewable growth from cut stumps (as with traditional coppiced plantations for construction poles, and annual cuttings of willows for basket-making). (9).

Many complex factors determine the suitability of land for short rotation forestry: high annual rainfalls are vital, and the most promising areas are marginal land unsuitable for agriculture (uneven topography, sand dunes, marshes). In the Community it is only in Ireland

(6) The Role of Small Woodlands in Rural Areas. Commission of the EC DG for Agriculture Doc. VI/2345/80, pp 210-211. This document also contains valuable general comments on the value of forestry for regional development Cf pp 229 and 303 especially.

(7) Cf Energy from Biomass in Europe. Ed Palz & Chartier, Applied Science Publishers p 93.

(8) Commission of the European Communities, Energy Research and Development Programme 1978

(9) Energy from Biomass in Europe op.cit. p 121

and possibly Scotland and France, that substantial reserves of such land are available.

The Irish Central Statistical Office reports up to 2.2 mi. ha of land unused for agriculture, (10) and with high rainfall much of it could be suitable for short rotation forestry, especially worked-out peat land, where forestry work is already being carried out. Ireland already has the highest rate of afforestation in the Community, running at 10,000 ha per year. But this figure itself indicates the potential that remains to be exploited.

From the regional point of view it is important to note that short rotation forestry offers the best prospects in large-scale projects, in low-population areas. But because of the cultivation, fertilisation, irrigation and harvesting needed, it is a labour-intensive activity offering serious employment prospects for the regions.

8. Energy plantations, and in particular short rotation forestry, thus offer new perspectives. Further research is needed on the relative advantages of conventional forestry (which has its own yield in biomass terms from use of wastes) and of energy plantations, taking into account the full range of considerations: employment, regional development, environment, etc. This would seem to be a task to be undertaken by the Commission, in close cooperation with the national authorities, as a prolongation of its existing research work on bio-mass. A full picture of the potential of the Community for additional wood and energy production, under an optimum scenario, would be a useful background to national and Community programmes.

There is a link that should not be neglected between the use of cork for insulation, as part of widespread energy saving campaigns, and the expansion of cork production with its potential contribution to employment and to regional development in certain areas.

Action so far by the Community.

9. The Commission's first proposals on forestry, (for a directive on measures to encourage afforestation and conversion of forests) were tabled in 1974, but little progress was made by the Council. In a Communication with a draft Council resolution, tabled in December 1978, the Commission expressed its intention "to propose the development of a common forestry policy, but only in the sense of having some clearly defined objectives and principles of national forestry policy which are common to all member states." (11)

(10) Idem p 123

(11) Forestry policy ... op cit Intro para 4

By May 1981 agreement seemed near, but with the Federal German delegation insisting that the Resolution must involve no extra charge on the Community budget, 'either within or without the EAGGF'....

10. Under a Council Regulation of February 1979 (12) 184 mi. EUAs are being spent over five years on programmes for afforestation, improvement of forests, forest roads and fire protection in the Italian mezzogiorno and the French Midi. This might have seemed the start of a regional approach to forestry policy, but has not been followed by other measures.

11. The programme for the improvement of farm structures in the Western counties of Ireland (13), adopted by the Council in 1980, includes provision for the afforestation of 24,000 ha. of marginal agricultural land over ten years. The aim is to stimulate farmers to undertake private forestry schemes on parts of their land marginal for farming; grant aid ranges from 70 to 85 % of approved costs.

12. Under the Commission's solar energy research programme, a series of projects under the heading bio-mass deal with the energy potential of forestry: use of forest waste, thinnings, and coppice wood for bio-mass; and short rotation forestry.

Recommendations.

13. The Committee on REgional Development and Regional Planning notes with regret the failure of the Council to make any real progress towards a common forestry policy for the Community, along the lines proposed by the Commission. The major differences in the structure and the relative importance of forestry from one member country to another offer only a partial explanation. There seems to have been a systematic reluctance on the part of national authorities to see greater Community involvement. To this must be added specific reticence on the part of some governments about the prospect of additional burdens on the Community budget - whatever the potential benefits to the Community as a whole. The Commission for its part has done less than it might have done to promote its point of view.

(12) Official Journal of the EC No 117 of 20.5.1978

(13) Official Journal L 38 of 14.2.1979

14. The Committee considers that in these circumstances the Commission should be urged to approach forestry pragmatically, from the triple angle of wood production (and its relevance to the balance of payments), regional policy and energy policy. An up-dated Communication from the Commission should be produced as a matter of urgency, assessing the potential of forestry from these three angles. Such a document should make allowance for the differing situation and potential of the different regions. It should recommend measures to be taken nationally, and should outline specific proposals for Community action (research, development projects, etc.) to promote the expansion of forestry.

15. Whilst the potential of forestry is not difficult to identify, the obstacles to expansion of production are considerable. The economics of conventional forestry, with low return on capital, make it unattractive to investors. Adequate measures to ensure that the returns in the sector were comparable to those in other sectors could unleash considerable resources from institutional investors (insurance funds, pension funds, etc.). Study needs to be made of the scope for a formula involving annuities. By contrast with other major wood-producing countries, there is little forest ownership by forest industries. The wide spread of ownership of private forest among some three million owners is not conducive to rapid change. It is the view of the Committee that the Commission should be asked by the Parliament to study, and if possible make practical recommendations or submit formal proposals on, the following:

- tax structures and their impact on forestry, in particular the scope for removing disincentives to the exploitation of forests
- measures to overcome the particularities of the forestry sector which render it less attractive to institutional and other investors
- subsidies for thinning, in particular to permit conversion of coppice to more productive high forest. This has a particular regional angle, for as the Commission has pointed out, while the price of wood of small dimensions may be low in relation to the cost of harvesting, the value added in processing and the impact on the economy of a region can be great. (14)
- transfer to public ownership. The Commission should examine the possibility of extending the system applying in several Länder of the Federal Republic, whereby a private owner is allowed the choice between transferring his forest on advantageous terms to the public authority, or monetary compensation, subsidies or tax reliefs. This system applies in the Länder to measures owners are required to take for environmental reasons, but its extension to more efficient forest exploitation should be examined. (15)

(14) Forestry policy, op cit. Main elements para 32

(15) The role of small woodlands op cit. p 303

- improved information. Greater availability of information on forest management, new techniques, and new possibilities now opening up (e.g. short rotation forestry) is vital if small private owners are to be stimulated to contribute to a major expansion of forestry.

16. The European Investment Bank has so far made no loans specifically for forestry. The Bank should be encouraged to include both forestry development, afforestation and energy plantation in the range of projects which it finances.

17. The Commission and Council should be encouraged to allocate more funds to bio-mass research, where the number of projects submitted far exceeds current resources. The Committee wishes to emphasise the advantages in terms of regional development, as well as of energy policy, that are to be expected from this research.

18. The relevance of forest care and maintenance, and of afforestation, to the development of tourism as an economic activity in outlying and disadvantaged regions is considerable. With pollution, irresponsible development and over-crowding reducing the appeal of the coasts on the one hand, and the trend to longer holidays increasing demand on the other, there is a potential here that should be taken fully into account in regional planning, and in assessing the social as well as the economic viability of forestry programmes. Given the Europe-wide dimension of tourism, it should fall within the competence of the Commission to ensure that this aspect (even if dealt with primarily in other institutional contexts, such as the Council of Europe) is taken fully into account in approaches to forestry policy.

19. The Committee for Regional Development and Regional Planning is of the opinion that the Parliament should express its regret at the restrictive and piecemeal approach of the Council towards action in the forestry field. It should express the hope that a new approach from the Commission, stressing the urgent need for a major expansion of forestry activity, from the point of view of wood production (and the foreign trade balance), regional policy (employment, farm incomes, tourism) and energy policy, will meet with a positive response from the Council and from the Member States. It should urge the Commission to adopt this new approach and to do so with a sense of urgency matching the challenge and the opportunities existing for the Community in this field.

EUROPEAN PARLIAMENT

COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND CONSUMER PROTECTION

OPINION

for the Committee on Agriculture

on the motion for a resolution tabled
by Mr Maher on behalf of the Liberal
and Democratic Group on Community
forestry policy (Doc. 1-122/80)

Draftsman: Mr M. Mertens

5 October 1982

OPINION

of the Committee on the Environment, Public Health and Consumer Protection

Draftsman: Mr M. MERTENS

On 5 February 1982 the Committee on the Environment, Public Health and Consumer Protection appointed Mr M. MERTENS draftsman. It considered the draft opinion at its meetings of 25 May and 21 September 1982 and at the latter meeting adopted it unanimously with one abstention.

The following took part in the vote: Mr COLLINS, chairman; Mr McCARTIN, vice-chairman; Mr JOHNSON, vice-chairman; Mrs WEBER, vice-chairman; Mr MERTENS, draftsman; Mr ALBER, Mr BERKHOUWER, Mr BOMBARD, Mr CERAVOLO (deputizing for Mr Spinelli), Mr DEL DUCA, Mr EISMA (deputizing for Mrs Spaak), Mr FORTH, Mr GHERGO, Mrs VAN HEMELDONCK, Miss HOOPER, Mrs KROUWEL-VLAM, Mrs LENTZ-CORNETTE, Mr MUNTINGH, Mr REMILLY, Mrs SEIBEL-EMMERLING, Mr SHERLOCK and Mrs SQUARCIALUPI.

1. The objectives of a common or coordinated Community forestry policy, viz:

- to preserve and improve the environment,
- to promote the recreational function of forests,
- to increase wood production,

will naturally be considered by our committee from the point of view of the environment.

2. It can generally be assumed that forestry and silviculture are equivalent to environmental protection and soil conservation. Wood production and the preservation of natural growth are not only compatible, they are dependent on each other. The more naturally silviculture and forestry exploitation are pursued - exploitation in this case of course being taken to mean 'in accordance with the rules of forestry' - the easier it is for environmental considerations to be respected. In other words, the more naturally forests are exploited, the more valuable they are from the ecological point of view.

3. In this context it is encouraging that in some Community countries the area covered by forests, even in densely-populated regions, has not receded in recent years and has, in fact, slightly increased. This means that the local recreational facilities for people living in densely-populated areas have not only been preserved but improved. The importance of forests in providing recreational facilities cannot be overestimated. However, it is regrettable that in other countries the areas covered by forests have been reduced or jeopardized by the uncontrolled influence of the human population.

4. From the point of view of environmental protection forests are extremely important on account of:

- (a) the formation and preservation of specific eco-systems,
- (b) the stabilization of the soil,
- (c) their role in shaping the landscape and nature,
- (d) formation of oxygen and the filtering of the air,
- (e) the absorption of pollutants,
- (f) water cleaning, assimilation and retention after rainfall,
- (g) their contribution to soil fertility through humus formation,
- (h) the protection of the land from hydrogeological disturbances,
- (i) the conservation of a wide variety of game and specific fauna.

5. From the point of view of environmental protection, forestry implies:

- (a) the conservation of natural woodlands,
- (b) tending the forests, thinning-out existing forest areas and avoiding high fire risks, especially during periods of drought,
- (c) reafforestation of de-forested areas,
- (d) reafforestation of bare land,
- (e) conversion into forests of agricultural areas yielding marginal returns.

6. Reafforestation measures involve a careful selection of tree varieties and the application of research for these purposes. It is important for the knowledge of those concerned with silviculture and forest exploitation in Europe to be improved. In this connection the idea of ecological mapping agreed in the Second Environment Programme should be used for Europe's woods and forests to provide surveys and maps drawn up scientifically which take account of the various regional characteristics of the forests and indicate all important data.

7. In each case it is essential to select tree varieties which the latest research has shown to be the best suited to the climate and soil of the region concerned. These criteria indicate deciduous trees as being particularly suitable, all the more so since they have great recreational and ecological value and are comparatively resistant to forest fires. Their cultivation should therefore be promoted.

8. Reafforestation programmes can also be coordinated with projects for the active involvement of the local population in the preservation of forests or for the use of available land for agriculture combined with forestry (agro-forestry), which can yield economically favourable results while respecting ecological requirements-

9. Consideration should also be given to the vast tracts of forest, often under multiple ownership, which are no longer economically viable because of the steep gradient of the land and the lack of infrastructures and which are therefore abandoned, creating areas of high risk for man and nature.'

10. The production of hardwoods will in the long term reduce the need to import exotic varieties of hardwoods. At the same time, the last remaining tropical rainforests, which are the richest ecosystems in the world, will consequently stand a greater chance of survival since they will no longer have to serve as a source of hardwoods for the Community.'

11. Reafforestation is of particular importance in the Mediterranean area, although the situation there is quite different from that of Northern Europe. In that area the problem is not to preserve beautiful forests - although that would be desirable - but, on account of erosion and for the conservation of flora and fauna, it is also important to plant brushwoods.

Greater efforts also need to be made in the Mediterranean region to prevent the gigantic forest fires that occur every year. What is the point of years of painstaking reafforestation when every year thousands of hectares are lost because of forest fires? There surely remains much to be done in this area to make the forests more productive or to encourage their purchase by the public administrations in order to ensure their maintenance and surveillance, appropriate infrastructures and also selection of the right method of planting.

12. Given their importance for the environment, the life of forests should be extended as much as possible (in terms of sustained yield and cutting cycles). Particular care must be taken to preserve those areas of forest which are of special value (protective, recreational and natural woodlands). Since they provide a suitable environment (ecosystem) for biotopes or for symbiosis, they should be accorded the appropriate treatment and necessary minimum surface areas.

13. The European Community's requirements of wood and wood products are considerable. After energy imports these products represent the second largest negative item in the European balance of payments. If the tropical forests continue to shrink at the present rate - according to the Global 2000 report one third of the present tropical rain forests will have disappeared by the year 2000 - the countries outside Europe will soon no longer be in a position to meet the rising demand for wood and wood products.

14. The European Community should now start using its influence to ensure that political measures and development aid prevent the grubbing-up and de-forestation of the tropical forests with all the negative ecological and economic consequences resulting from the exhaustion of natural resources.

15. The above consideration also implies an immediate need to plant forests everywhere in Europe where it is possible to do so and for this purpose the most appropriate method of planting should be sought, taking account of soil and climatic conditions and all other important ecological factors.

16. In this connection there are, from the point of view of environmental protection, three problem areas:

- (a) The preservation of the overall forest stand appears to be jeopardized by increasing environmental pollution, in particular SO₂ emissions and the formation of 'acid rain' resulting from the cumulative effects of various pollutants and chemical reactions. The precise causes of the formation of 'acid rain' are not yet fully known. Nevertheless, European legislation on emissions and nuisances should be introduced to put a stop to atmospheric pollution. This legislation should include, in addition to SO₂, the other main gas compounds and heavy metal dusts, such as cadmium, zinc, chromium, nickel and lead.

These problems can no longer be solved by individual states on their own responsibility. Atmospheric pollution knows no frontiers. It would therefore seem urgent from the point of view of forestry policy for regulations to be introduced at Community level.

Reports of the death of spruce, pine, fir and beech trees in the Black Forest, the Bavarian Forest and the Solling have recently become increasingly frequent and show that this problem is particularly urgent.

- (b) Chemicals are used in forestry as in agriculture, albeit to a much lesser extent, to destroy weeds and combat pests. After the all-too-incautious use of these products in the past it is now important for the use of chemicals to be kept to an absolute minimum. Exceptions should be made only in cases where the massive presence of pests makes their use unavoidable. In such cases only the absolute minimum amount should be used and the greatest caution should be observed. It would also seem appropriate for those using these substances to be appropriately informed and trained and for the equipment used for this purpose to be subject to technical supervision.
- (c) The inadequate care and attention which most European forests receive is to be regretted for ecological as well as for other reasons and above all because of the fire risks. It must be the aim of forestry policy to use the specific structure of this economic sector, characterized by a large number of small forest owners, for the conservation and care of the forest. The utilization of brushwood obtained during deforestation and which is particularly labour-intensive and unproductive is a problem here.

17. The Committee on Agriculture is requested in its opinion to take account of the following requirements for a European forestry policy from the environmental point of view:

- (a) The coordination of forestry policy in the Community would seem urgent from the point of view of environmental protection. It is necessary to obtain a scientific basis for subsequent measures by implementing the ecological mapping provisions of the Second Environment Programme in respect of Europe's woods and forests.
- (b) The reforestation of deforested areas (particularly in the Mediterranean regions), of bare land and agricultural land yielding marginal returns should be encouraged.
- (c) Equal importance should be attached in all forestry measures to the protection of nature and ecological conservation, but overlapping between nature protection legislation and forestry legislation should be avoided.
- (d) The protection and conservation of Europe's forests should be ensured by appropriate legislation on emissions and nuisances at european level.
- (e) The withdrawal of ground water, which has a destructive influence on the viability of forests, must be stopped by responsible planning.
- (f) The same applies to the cross-cutting of forest stands by roads, supply pipelines and housing development.
- (g) It would be highly desirable for the Commission to make a proposal for joint action to combat forest fires, involving:
 - the pooling and coordination of manpower, equipment and technical resources and
 - a programme of mutual assistance to combat major fires (similar to the disaster relief programme which has been called for).

Aware of the great damage which is caused by forest fires, the committee stresses:

- the urgent need to achieve a quantitative and qualitative improvement in essential forest fire-fighting equipment and techniques,
 - and, specifically in order to finance such measures, to earmark funds in proportion to the danger and damage which may be caused.
- (h) The practical training of forest owners, especially in the use of pesticides and in the field of utilization and marketing of brushwood should be encouraged.

- (i) Better agricultural structure, especially in the Mediterranean countries, is essential for the success of economic measures. This means that there must be no more overutilization of forests and agricultural areas as is constantly happening at present, because of poverty, in the form of overgrazing in agricultural and wooded areas.
- (j) The only practical measure so far implemented at European level - the regulation in favour of certain zones in the Mediterranean area of the Community (southern Italy and the south of France) - makes available 184 million EUA over five years for afforestation, improvement of deteriorated woodlands, the laying of forest paths and protection against fire. The fire protection measures are of particular importance from the environmental point of view, firstly because gigantic forest fires release enormous quantities of CO₂ and secondly because the destruction of woodlands has ecologically adverse consequences.
- (k) These measures - especially fire protection measures - should be intensified, their renewal guaranteed after five years and extended to other regions of the Community.
- (l) The Committee on the Environment, Public Health and Consumer Protection draws particular attention to the fact that the Albertini Report (1979) on the communication from the Commission of the European Community to the Council on the forestry policy of the Community covers all the main points of a common forestry policy in detail. The same applies to the opinion drawn up by Mrs Squarzialupi on behalf of the Committee on the Environment, Public Health and Consumer Protection for the Albertini report.
- All the environmental problems set out in those documents and the resulting demands can still be reiterated today.
- (m) It seems utterly incomprehensible to the Committee on the Environment, Public Health and Consumer Protection that the same demands have been made by Members of Parliament year after year without any results being achieved, that the Commission has devoted so much work and effort to relevant programmes, proposals and communications to the Council and the Council is still unable - or unwilling - to take the appropriate decisions.