Forestry measures in agriculture: Community aid scheme (implem. regul. 2080/92/EEC). Report

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The Committee adopted the report by Jyrki OTILA (EPP, Fin) on the EU scheme to boost forestry measures on farmland. This is one of the flanking measures under the reform of the CAP (others include environmental measures and early retirement schemes). The scheme is supposed to promote afforestation as an alternative use of farmland and encourage the development of forestry activities so as to compensate farmers for income losses due to lower agricultural production. There should also be spin-offs in the form of a better ecological balance and other environmental benefits. The committee says the main aim has not been achieved, there being little evidence that it has helped farmers. It claims there has been only a small reduction in farmland - mainly the least productive land. It argues that the scheme has focused more on changing or improving the existing forestry industry rather than on introducing flanking measures for agriculture. It also says that implementation of the scheme has been uneven (four Member States alone account for more than 50 000 hectares, i.e. 81% of the total area involved). It is therefore important to establish better priorities for the use of EU funds. The committee criticises the Commission's distinction between farmers (25% of whose income must derive from farming their land) and non-farmers. Aid is granted differently on the basis of this distinction. As a result, the premium intended to cover income losses has not been granted in regions with large numbers of part-time farmers (southern Europe) or to small farms linked to large forestry estates (northern Europe). In such cases, the distinction varies and is difficult to justify. The committee argues that the Commission's report, which is simply a progress report, is not enough and that an evaluation report is needed to assess the effectiveness of the scheme, which costs ECU 2.9bn (1.3bn from EU funds and 1.6bn provided by the Member States). It therefore calls on the Commission to publish an evaluation report as soon as possible, containing more information on the operation of the scheme (e.g. premiums granted, sectors in which the scheme has been applied, types of forestry or of afforested regions created or improved, the amount of funds contributed by the Member States) as well as other technical data. Lastly, the committee says the Court of Auditors should review the operation of the scheme and submit to Parliament a cost/benefit assessment (with a comparative analysis of the other flanking measures - agri-environmental measures and set-aside) so as to give a better overall picture of how far these schemes, which have cost the EU several billion ecus, have succeeded.