

Briefing Note

02

AUTHOR: Veerle Dossche

## The Lack of coherence between national rural development programmes and EU environmental commitments



Great grey owl (*Strix nebulosa*), Oulu, Finland  
Image: Bernard Van Elegem

The European Union (EU) is signatory to several environmental commitments, including the Göteborg commitments to reserve biodiversity decline by 2010 and the Kyoto Protocol targets for climate change mitigation. These commitments should be supported by EU policies such as the Rural Development Regulation. This briefing note looks at the expected effect of six EU Member States<sup>1</sup> rural development programmes, and finds that, all too often, they are likely to undermine rather than support the EU's environmental commitments.

## 1. History - The Rural Development Regulation

Forests cover more than 42 per cent<sup>2</sup> of EU land, almost as large an area as is covered by agricultural production. Most support for forest practices in the EU comes from Rural Development policy, the second pillar of the EU's Common Agricultural Policy (CAP). In 2000, a process called Agenda 2000 CAP reform<sup>3</sup> split funding for agriculture into two pillars: pillar one covering 'market and income support measures' and pillar two covering 'rural development'. Financing for EU forests comes mainly from the rural development pillar of the CAP. The current Rural Development Regulation<sup>4</sup> (RDR) for the period 2007 until 2013, was adopted in 2005, with the aim of, among others, regrouping and streamlining forestry measures. It was hoped this would promote better integration of forestry in rural development. The Regulation includes over 40 possible measures of which a total of 20 have direct or indirect relevance to forestry. These measures aim to contribute to the objectives of the RDR and are grouped in the following four axes:

1. Improving the competitiveness of agriculture and forestry by supporting restructuring, development and innovation;
2. Improving the environment and countryside by supporting land management;
3. Improving the quality of life in urban areas and encouraging diversification of economic activity;
4. The leader community initiative, providing funds contributing to three objectives for local action groups.

All Member States have developed national strategy plans in which they outline the national priorities for rural development in line with the priorities, laid down in the Community Strategic Guidelines.<sup>5</sup>

In addition to this, Member States also developed rural development programmes (RDPs) which will implement the national strategies through a set of measures, grouped together in accordance with the

four axes of the RDR. The RDPs need to be in line with the national strategy plans, the implementation rules<sup>6</sup> developed by the European Commission, and the State Aid Guidelines.<sup>7</sup> Member States were able to decide which measures to put forward for EU funding although there were some mandatory elements:

1. At least ten per cent of requested funds need to be spent under axes one and three, at least 20 per cent of requested funds under axis two and at least five per cent under axis four;
2. Member States must consult relevant stakeholders (including NGOs) in the development of national programmes;
3. Member States must match the EU funds with their own funds.

## 2. Rural Development Regulation and EU environmental policies

Member States' national RDPs have to be consistent with, among others, the Community Strategic Guidelines.<sup>8</sup> These Guidelines set the priorities for rural development for this programming period with a view to achieving the goals of each of the axes laid down in the RDR. According to the Guidelines, all measures in the RDPs should be potential 'good' measures, i.e. measures which will use natural resources sustainably and maintain biodiversity.

In particular, these Guidelines state that to protect and enhance the EU's natural resources and landscape in rural areas, funding devoted to Axis two should contribute to three EU-level priority areas:

1. Biodiversity and the preservation and development of high nature farming and forestry systems, and traditional agricultural landscape;
2. Water; and
3. Climate Change.

The measures available under axis two should be used to integrate these environmental objectives and contribute to the implementation of:

- The agricultural and forestry Natura 2000 network;
- The Göteborg commitments to reserve biodiversity decline by 2010;
- The objectives laid down in Directive 2000/60/EC of the European Parliament and the Council of 23 October 2000 establishing a framework for Community action in the field of water policy and;
- The Kyoto Protocol targets for climate change mitigation.

The Guidelines<sup>9</sup> were amended as part of the Health Check of the CAP.<sup>10</sup> Due to this Health Check, additional funding was made available for rural development to reinforce efforts to face the new challenges and opportunities that European agriculture had to deal with, including climate change, renewable energy, water management and biodiversity. The amended Guidelines specified: 'Member States have committed themselves to halting biodiversity decline by 2010, a target which seems increasingly unlikely to be met. A large part of Europe's biological diversity is dependent on agriculture and forestry and the efforts to protect biodiversity will have to be increased, particularly in

the light of the expected adverse effects of climate change and increasing water demand.'

Furthermore, according to the Strategic Environmental Assessment (SEA) Directive,<sup>11</sup> all national RDPs need to have an SEA. If it were therefore determined that RDPs were likely to have negative environmental impacts, the European Commission could require Member States to amend the plans.

### 3. RDPs and the EU's environmental commitments

In 2008 and 2010, FERN produced two reports focusing on the forestry measures that were expected to be funded by rural development money and implementation of forestry measures in the RDPs. The reports also looked into whether national RDPs were in line with EU environmental policies such as the EU 2010 biodiversity target, the EU Forest Action Plan, Natura 2000 and the EU Biomass Policy. The reports focused at the situation in six countries: Czech Republic, Bulgaria, Finland, Hungary, Portugal and Romania. The reports concluded that there is a clear lack of coherence between EU environmental policies and RDPs.



Trees buried during a new road construction .

Image: Zdenek Postulka

### BOX 1: EU Environmental commitments

**Biodiversity target 2010:** The EU Heads of State adopted this target at the Göteborg EU Summit in June 2001. Their statement included that 'biodiversity decline should be halted with the aim of reaching this objective by 2010'. One year later, the United Nations Convention on Biological Diversity's sixth Conference of the Parties adopted the Strategic Plan for the Convention in Decision VI/26. The Decision states 'Parties commit themselves to a more effective and coherent implementation of the three objectives of the Convention, to achieve by 2010 a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on earth.'

**EU Biomass Action Plan and Biomass report:** the Biomass Action Plan<sup>12</sup> of December 2005 described various measures to encourage the use of biomass for renewable energy production and encouraged Member States to form national Biomass Action Plans (nBAP).

In 2010, the European Commission launched a Biomass Report as a follow up to the 2009 Renewable Energy Directive<sup>13</sup> which includes a target for the EU to use 20 per cent renewable energy by 2020. The Directive clearly incentivises the use of biomass as a step towards achieving the 20 per cent renewable energy target. This could have a negative effect however due to several issues including that the Biomass Report only proposed recommendations for Member States that wished to introduce biomass criteria at the national level. The Renewable Energy Directive also requires Member States to submit a national renewable energy action plan (NREAP) by mid 2010 in which they have to specify how they will reach the targets for energy from renewable energy sources in transport, electricity and heating.

As the nBAPs that were prepared in line with the 2005 EU Biomass Action plan were not prepared with the new Renewable Energy Directive in mind, Member States were asked to follow the new template that was provided for the NREAPs in which they had to explain how they would develop existing biomass resources and mobilise new biomass resources.

**EU Forest Action Plan:** As there is no specific forest policy in the EU, the EU Forestry Strategy,<sup>14</sup> adopted in 1998, acted as a response to concerns about the lack of coherence and coordination between national forest policies and different forest related EU policies. Though the non-legally binding Forestry Strategy represents the first significant attempt to create an EU-wide framework for forests, its development and implementation have left much to be desired. A review of the implementation of the Forestry Strategy in 2005 revealed that there was a need to strengthen coherence between EU policies, as well as coordination between the European Commission and Member States. It also suggested a more coherent and pro-active approach to governing the EU's forest resources. This led to the tabling and adoption in 2006 of the EU Forest Action Plan for the period 2007-2011. The document is however, fraught with internal contradictions. The vagueness of the concept of multifunctionality for example, raises serious questions about how the potential conflicts between environmental, social and economic components are to be resolved. In 2009, the mid-term evaluation<sup>15</sup> of the EU Forest Action Plan concluded that its activities have been ineffective on most counts.

**Natura 2000:** Natura 2000 is the EU-wide network of nature protection areas established under the 1992 Habitats Directive,<sup>16</sup> which aims to safeguard the long-term survival of Europe's most valuable and threatened species and habitats. It is composed of Special Areas of Conservation (SAC) designated by Member States under the Habitats Directive, and also incorporates Special Protection Areas (SPA) designated under the 1979 Birds Directive.<sup>17</sup>

**BOX 2: Lack of coherence between national RDPs and EU environmental commitments****Bulgaria<sup>18</sup>**

The measure on improving and developing infrastructure for agriculture and forestry (measure 125) is still undeveloped. It was planned for 2009, but in May 2009, the monitoring committee decided to postpone it to 2010, when a working group on the issue has to be established. The potential impact is negative, as forest road construction could have a detrimental impact on nature and biodiversity – for instance due to increased access to and destruction of old-growth forests and other important habitats, increased fire risk due to human activities, and forest fragmentation.

**Czech Republic<sup>19</sup>**

Some of the measures in the Czech RDP could both benefit the environment and cause major damage to biodiversity – depending on the individual projects and the specific criteria that they will be subject to. There is a big concern that completely contrary to axis two's purpose and goals, some of the proposed axis two measures will fund activities that will lead to further loss of biodiversity and damage important habitats.

**Finland<sup>20</sup>**

The Finnish RDP gives money to traditional rural habitats and species, but not to forests. As forests are the most important habitat for endangered species in Finland, and for protecting and enhancing biodiversity, it can be concluded that the rural development programme is not contributing to stopping biodiversity loss.

**Hungary<sup>21</sup>**

The overall objective of the EU Forest Action Plan is to support and enhance sustainable forest management and the multifunctional role of forests. The Hungarian RDP contributes to this objective in many ways, though it would be more effective with a budget concentrated more on environmental issues.

**Portugal<sup>22</sup>**

The Portuguese RDP does not offer sufficient finance for the Natura 2000 network. The Natura 2000 network represents one fifth of the Portuguese territory, but will receive only 3.5 per cent of funds available under the European Agricultural Fund for Rural Development (EAFRD). This means that these areas will continue to suffer from land abandonment and loss of biodiversity.

## 4. Conclusion

The Community Strategic Guidelines set the priorities for rural development. These Guidelines state that strong economic performance must go hand in hand with the sustainable use of natural resources and maintaining biodiversity. The possibilities offered by the RDR are not always being used by Member States to work towards the environmental commitments

that have been made. Several national RDPs are, for example, clearly not in line with stated EU environmental policies.

The Guidelines must be followed in a stricter and more transparent manner if support under the RDR is to effectively contribute to achieving EU environmental commitments.

## Endnotes

1. Bulgaria, Czech Republic, Finland, Hungary, Portugal and Romania.
2. Including other wooded land.
3. The second pillar of the CAP was only formally created under the Agenda 2000 reforms. However, some of the measures which make up the current rural development policy of the CAP were already introduced in the years before.
4. Council Regulation (EC) No 1698/2005 on support for rural development by the EAFRD.
5. Council Decision of 20 February 2006 on Community Strategic Guidelines for rural development (programming period 2007 to 2013). 2006/144/EC.
6. Commission Regulation N° 1974/2006 of 15 December 2006 laying down detailed rules for the application of Council Regulation N° 1698/2005 on support for rural development by the EAFRD.
7. Community guidelines for state aid in the agricultural and forestry sector 2007 to 2013 (2006/C 319/01).
8. Council Decision of 20 February 2006 on Community Strategic Guidelines for rural development (programming period 2007 to 2013) (2006/144/EC).
9. Council Decision of 19 January 2009 amending Decision 2006/144/EC on the Community strategic guidelines for rural development (programming period 2007 to 2013).
10. In November 2008, the EU's agriculture ministers reached agreement over the Health Check, designed to modernize, simplify and streamline the CAP. Under one of its measures, it was decided that extra money would be shifted from direct aid (pillar 1) to rural development (pillar 2). The funding may be used by Member States to respond to new challenges and opportunities faced by European agriculture, in the field of among others climate change, renewable energy, water and biodiversity.
11. Directive 2001/42/EC of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment.
12. Biomass Action Plan. COM(2005)628.
13. Directive 2009/28/EC on the promotion of the use of energy from renewable sources.
14. Council Resolution (1999/C 56/01) on a forestry strategy for the European Union.
15. Pelli, P. Et all (2009). Mid-term evaluation of the implementation of the EU Forest Action Plan. A study for DG Agriculture and Rural Development (AGRI-2008-EVAL-07).
16. Directive N° 92/43/EEC on the conservation of natural habitats and of wild fauna and flora, designated Special Areas of Conservation.
17. Directive N° 79/409/EEC on the conservation of wild birds, designated Special Protection Areas.
18. FERN (2010). What changes are needed? The implementation of EU's Rural Development Policy. <http://www.fern.org/sites/fern.org/files/What%20changes%20are%20needed.pdf>
19. FERN (2008). Funding forests into the future? How the European Fund for Rural Development affects Europe's forests. The case of Czech Republic. Zdenek Postulka. Hnutí Duha (Friends of the Earth Czech Republic). [http://www.fern.org/sites/fern.org/files/media/documents/document\\_4180\\_4181.pdf](http://www.fern.org/sites/fern.org/files/media/documents/document_4180_4181.pdf)
20. FERN (2008). Funding forests into the future? How the European Fund for Rural Development affects Europe's forests. The case of Finland. Tapani Veistola. Suomen luonnonsuojeluliitto – Finnish Association for Nature Conservation [http://www.fern.org/sites/fern.org/files/media/documents/document\\_4182\\_4183.pdf](http://www.fern.org/sites/fern.org/files/media/documents/document_4182_4183.pdf)
21. FERN (2008). Funding forests into the future? How the European Fund for Rural Development affects Europe's forests. The case of Hungary. Gabor Figezky. WWF Hungary. [http://www.fern.org/sites/fern.org/files/media/documents/document\\_4190\\_4191.pdf](http://www.fern.org/sites/fern.org/files/media/documents/document_4190_4191.pdf)
22. FERN (2008). Funding forests into the future? How the European Fund for Rural Development affects Europe's forests. The case of Portugal. Domingos Leitao. Sociedade Portuguesa para o Estudo das Aves. [http://www.fern.org/sites/fern.org/files/media/documents/document\\_4186\\_4187.pdf](http://www.fern.org/sites/fern.org/files/media/documents/document_4186_4187.pdf)

**Published by FERN, the campaigning NGO for greater environmental and social justice, with a focus on forests and forest people's rights in the policies and practices of the EU.**

1C Fosseyway Business Centre  
Stratford Road  
Moreton-in-Marsh, Gloucestershire  
GL56 9NQ UK  
t +44 (0)1608 652 895  
f +44 (0)1608 652 878

26 Rue d'Edimbourg  
B-1050 Brussels  
Belgium  
t +32 (0)2 894 4690  
f +32 (0)2 894 4610

e [info@fern.org](mailto:info@fern.org)

For more briefing notes visit <http://www.fern.org>

FERN is grateful to the following for providing the information and case studies from the individual countries: Veronika Ferdinandova and Vanya Ratarova (BSPB, Birdlife Bulgaria), Gabor Figezky (WWF Hungary), Domingos Leitao (SPEA, Portugal), Monia Martini (WWF DCP Romania), Zdenek Postulka (Hnutí Duha, Czech Republic) and Tapani Veistola (FANC, Finland)

This briefing note was prepared with the financial assistance of the Dutch Ministry of Environmental and Spatial Planning (VROM) and the European Commission. The views expressed do not however imply the expression of any opinion on the part of any of the donors. VROM and the European Commission are not responsible for any use of the information contained within this briefing note.

