

Rural Development Programme 2014 – 2020 Forestry Grant Schemes State Aid Information Booklet May 2021



An Agency within the Department of
**Agriculture, Environment
and Rural Affairs**
www.daera-ni.gov.uk



'The European Agricultural Fund
for Rural Development: Europe
investing in rural areas'.



**INVESTORS
IN PEOPLE**

Rural Development Programme 2014 – 2020

Forestry Grant Schemes Information Booklet

Section	Section Name	Page
1	Introduction	3
2	Legal Basis	6
3	State Aid Details	7

1. Introduction

The Forestry Grant Schemes outlined in this booklet are administered by the Department of Agriculture & Rural Development and offered through the Rural Development Programme 2014-2020.

Forest Policy

The Northern Ireland Forestry Strategy (DARD 2006) re-stated forest policy as:

- A steady expansion of tree cover to increase the many diverse benefits that forests provide; and
- The sustainable management of existing woods and forests.

The [Forestry Act 2010](#) gave the Department modern powers to implement the policy. The Explanatory Notes to the Act explain that modern forestry has developed from policies intended to create a strategic reserve of timber and to maintain a timber supply to something that is “*a complex and multi-functional enterprise, with increasing economic, social and environmental purposes and benefits*”, in which “*the modern Forest Service must balance these diverse and sometimes competing functions in an integrated and balanced way, and strive to maximise the benefit of the public estate*”. The Act placed a general duty on the Department to promote forestry, so that the traditional role of developing afforestation, the supply of timber, and the maintenance of growing trees which was the emphasis of the 1953 Act was extended to include protection of the environment, biodiversity, climate change and social and recreational use. The Rural Development Programme Forestry Grant Schemes provides funding for the delivery of the Forest Strategy in the private sector.

The delivery of forest policy is underpinned by the [UK Forestry Standard](#) (UKFS) which describes the Governments' approach to sustainable forest management. Therefore all forestry work undertaken through any of the Forestry Grant Schemes and the subsequent management of grant aided woodlands must meet the requirements of the UKFS and its supporting guidelines.

Rural Development Programme – Forestry Grant Schemes

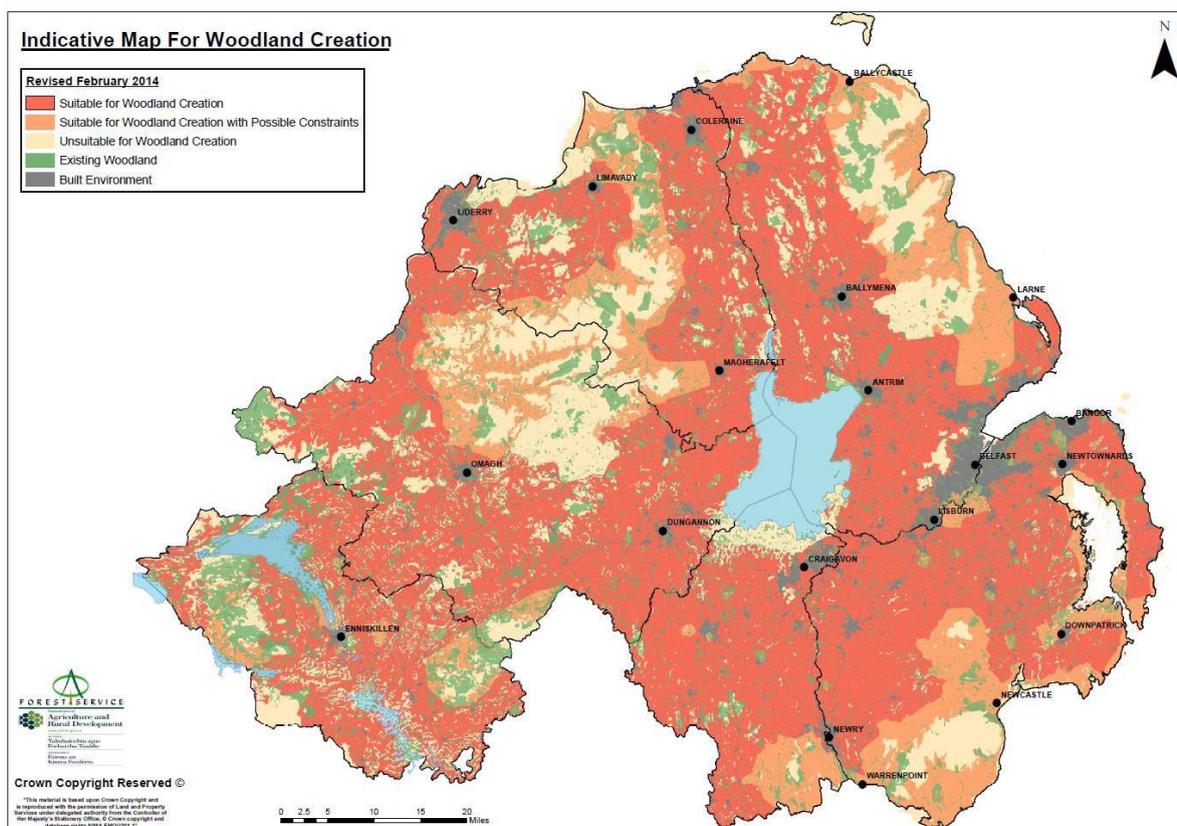
Support for woodland expansion and the management of existing woodland under the Rural Development Programme (RDP) Forestry Grant Schemes is designed to provide both woodland owners and the general public with a wide range benefits obtained from ecosystems. These services include: social/health benefits related to public access to forests, particularly those close to settlements; environmental benefits such as carbon capture (sequestration), protection and conservation of biodiversity, improved water quality and flood mitigation; and, economic benefits such as timber/wood production and tourism businesses. Sufficient funding has been allocated under the RDP to create up to 1,800 hectares of new woodland and sustain approximately 4,000 hectares of woodland created under previous programmes. This will make a small but positive contribution towards the aim of the Forestry Strategy to achieve 12% woodland area by the middle of this century.

Woodland creation will take place on both agricultural and non-agricultural land, subject to environmental safeguards and taking into account the social, environmental and economic benefits of new woodland. Since farmers are the largest agricultural land-owning group, they are in a unique position to lead woodland creation. However it will

also be possible to support afforestation of land owned by public authorities and non farming landowners.

Forest Service has published an indicative map of land suitable for woodland creation. The map is available on the Forest Service website and is reproduced below

www.daera-ni.gov.uk/publications/indicative-map-woodland-creation



2. Legal basis

The national legal basis for the Forestry Grant Schemes is the Forestry Act 2010 section 2¹. The Schemes operate in accordance with the Rural Development Programme 2014-2020 and are regulated by Commission Regulation (EU) No.1305/2013, Articles 21-22, 24-26 and under Measure 8. Funding is provided to the maximum permitted under the Commission regulation. This programme is part-funded by the European Agricultural Fund for Rural Development (EAFRD).

The Forestry Grant Schemes have been notified to the European Commission under Commission Regulation (EU) No. 702/2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (TFEU).

Articles 32, 34, 35 of Commission Regulation (EU) No. 702/2014 will be utilised by the Forestry Grant Schemes and are granted subject to assessment against the detailed conditions of the Regulation and will not exceed the €7.5 million limit per investment project.

Specific State Aid requirements for each scheme are specified in the State Aid section at the back of this Information Booklet.

¹ www.legislation.gov.uk/nia/2010/10/section/2/enacted

3. State Aid Details

Small Woodland Grant Scheme – State Aid Reference SA.61907

State aid

All State Aid under this scheme will comply with Article 32 of Commission Regulation (EU) 702/2014 [as published in the Official Journal of the European Union, L193 pages 1 – L193/75, 1.7.2014]. The aid is granted in the framework of the Northern Ireland Rural Development Programme 2014-2020 (NIRDP) in accordance with Commission Regulation (EU) No 1305/2013 and the delegated and implementing acts adopted by the Commission pursuant to that Regulation.

The aid will be provided either as: (i) aid co-financed by the European Agricultural Fund for Rural Development (EAFRD); or (ii) as additional national financing to the aid referred to in point (i). The Scheme will be identical to the underlying rural development measure provided for in sub-measure 8.1 of the NIRDP. The NIRDP was adopted by the European Commission on 18th October 2020.

Aid Intensity

The aid intensity shall be limited to 100 % of the eligible costs.

De Minimis Aid

Where aid is not paid in accordance with the Small Woodland Grant Scheme (Northern Ireland) 2015 – SA.61907 it will be paid in accordance with de minimis Regulation (EU) 1407/2013 [Official Journal, L 352, pages 1-8 , 24.12.2013]

Forest Expansion Scheme - State Aid Reference - SA.62456

State Aid

All State Aid under this scheme will comply with Article 32 of Commission Regulation (EU) 702/2014 [as published in the Official Journal of the European Union, L193 pages 1 – L193/75, 1.7.2014]. The aid is granted in the framework of the Northern Ireland Rural Development Programme 2014-2020 (NIRDP) in accordance with Commission Regulation (EU) No 1305/2013 and the delegated and implementing acts adopted by the Commission pursuant to that Regulation.

The aid will be provided either as: (i) aid co-financed by the European Agricultural Fund for Rural Development (EAFRD); or (ii) as additional national financing to the aid referred to in point (i).

The Scheme will be identical to the underlying rural development measure provided for in sub-measure 8.1 of the NIRDP.

The NIRDP was adopted by the European Commission on 25 August 2015.

Objectives

The scheme will provide aid for afforestation and the creation of woodland granted to public and private land holders and their associations which shall be compatible with the internal market within the meaning of Article 107(3)(c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in the following paragraphs.

Entitlement Conditions

Aid shall be granted for afforestation and the creation of woodland on agricultural land and on non-agricultural land. Aid for the afforestation of State-owned land shall only be granted if the body managing such land is a private body or municipality.

The species planted shall be adapted to the environmental and climatic conditions of the area and comply with minimum environmental requirements.

In areas where afforestation is difficult due to severe pedo-climatic conditions aid may be provided for planting perennial woody species such as shrubs or bushes suitable to the local conditions.

The aid shall be conditional on the presentation of the relevant information from a forest management plan or equivalent instrument in line with sustainable forest management as defined by the Second Ministerial Conference on the Protection of Forests in Europe of 1993.

The aid for afforestation and the creation of woodland shall cover the costs of establishment and an annual premium per hectare.

The aid for afforestation and the creation of woodland may cover investment operations.

Aid for afforestation of land owned by public authorities or for fast growing trees shall cover only the costs of establishment.

Excluded Items

Aid shall not be granted for planting the following trees: (a) trees for short rotation coppicing; (b) Christmas trees; or (c) fast growing trees for energy production.

Investment Operations - Eligible Expenditure

Aid for afforestation and the creation of woodland related to investment operations shall cover the following eligible costs:

Investment Operations – Conformity to Environmental Legislation

The investment operations shall be in conformity with Union legislation and with national laws of the Member State concerned on environmental protection. For investment operations requiring an environmental impact assessment under Directive 2011/92/EU the aid shall be subject to the condition that such assessment shall have been carried out and the development consent shall have been granted for the investment project concerned before the date of granting the individual aid.

Establishment Costs – Eligible Expenditure

The following costs of establishment may be eligible: (a) the costs of the plantation and propagation material; (b) the plantation costs and the costs directly linked to the plantation; (c) the cost for other related operations such as storing and treatments of seedlings with the necessary prevention and protection materials; (d) the costs for replanting necessary during the first year of afforestation.

Annual Premium – Eligible Costs

The annual premium per hectare shall cover the costs for the agricultural income foregone, and shall be paid for a maximum period of 10 years from the date of granting the aid.

Aid Intensity

The aid intensity shall be limited to 100% of the eligible costs.

Publication and Information (Article 9 of Commission Regulation (EU) 651/2013)

From 1 July 2016 information on each individual award exceeding €500,000 will be published on a comprehensive State aid website.

De Minimis Aid

Where aid is not paid in accordance with the Forest Expansion Scheme (Northern Ireland) 2015 – SA.62456 it will be paid in accordance with de minimis Regulation (EU) 1407/2013 [Official Journal, L 352, pages 1-8 , 24.12.2013]

Forest Protection Scheme – State Aid Reference – SA.62458

State Aid

All State Aid under this scheme will comply with Article 34 of Commission Regulation (EU) 702/2014 [as published in the Official Journal of the European Union, L193 pages 1 – L193/75, 1.7.2014]. The aid is granted in the framework of the Northern Ireland Rural Development Programme 2014-2020 (NIRDP) in accordance with Commission Regulation (EU) No 1305/2013 and the delegated and implementing acts adopted by the Commission pursuant to that Regulation.

The aid will be provided either as:

- (i) aid co-financed by the EAFRD; or
- (ii) as additional national financing to the aid referred to in point (i).

The Scheme will be identical to the underlying rural development measure provided for in sub-measure 8.1 of the NIRDP.

The NIRDP was adopted by the European Commission on 25/08/2015.

Objectives

The scheme will provide aid for the prevention and restoration of damage to forests from plant pests pursuant to Article 24 of Commission Regulation (EU) No 1305/2013 granted to private and public forest holders, and other private law and public bodies and their associations.

Entitlement Conditions

In the case of aid for prevention of damage to a forest from plant pests, the risk of occurrence of the plant pest shall be supported by scientific evidence and acknowledged by a scientific public organisation. The list of species of harmful organisms which may cause a plant pest shall be provided for in the NIRDP. The aided activities or projects shall be consistent with the forest protection plan established by the Member State.

The aid shall be conditional on the presentation of the relevant information from a forest management plan or equivalent instrument in line with sustainable forest management as defined by the Second Ministerial Conference on the Protection of Forests in Europe of 1993, detailing the preventive objectives.

Aid shall not be granted for loss of income resulting from fire, natural disasters, adverse climatic events, which can be assimilated to a natural disaster, other adverse climatic events, plant pests and catastrophic events.

Eligible Expenditure

The aid shall cover the following eligible costs:

Restoring forest potential damaged from* fires, natural disasters, adverse climatic events, which can be assimilated to a natural disaster, other adverse climatic events, plant pests, catastrophic events and climate change related events.

The aid shall not be granted for agricultural related activities in areas covered by agri-environmental commitments.

In the case of the restoration of forest potential the aid shall be subject to the formal recognition by the competent authorities of the Member State concerned that:

(i) the fire, natural disaster, adverse climatic event which can be assimilated to a natural disaster, other adverse climatic event, plant pest*, catastrophic event or climate change related event has occurred; and

(ii) the event referred to above, including measures adopted in accordance with Directive 2000/29/EC to eradicate or contain a plant pest, has caused the destruction of at least 20 per cent of the relevant forest potential.

*Only restoration of forest potential damaged from plant pests will be supported.

Aid Intensity

The aid intensity shall be limited to 100 per cent of the eligible costs. Aid granted for the eligible costs above and any other payments received by the beneficiary, including payments under other national or Union measures or insurance policies for the same eligible costs shall be limited to 100 per cent of the eligible costs. The aid intensity shall be limited to 100 % of the eligible costs.

Publication and Information (Article 9 of Commission Regulation (EU) 651/2013

From 1 July 2016 information on each individual award exceeding €500,000 will be published on a comprehensive State aid website.

De Minimis Aid

Where aid is not paid in accordance with the Forest Protection Scheme (Northern Ireland) 2015 – SA.62458 it will be paid in accordance with de minimis Regulation (EU) 1407/2013 [Official Journal, L 352, pages 1-8 , 24.12.2013]

Woodland Investment Grant – State Aid Reference – SA.62457

State Aid

All State Aid under this scheme will comply with Article 35 of Commission Regulation (EU) 702/2014 [as published in the Official Journal of the European Union, L193 pages 1 – L193/75, 1.7.2014]. The aid is granted in the framework of the Northern Ireland Rural Development Programme 2014-2020 (NIRDP) in accordance with Commission Regulation (EU) No 1305/2013 and the delegated and implementing acts adopted by the Commission pursuant to that Regulation.

The aid will be provided either as :

- (i) aid co-financed by the EAFRD; or
- (ii) as additional national financing to the aid referred to in point (i).

The Scheme will be identical to the underlying rural development measure provided for in sub-measure 8.5 of the NIRDP.

The NIRDP was adopted by the European Commission on 25 August 2015.

Objectives

The scheme will support sustainable forest management and improve the environmental value of woodlands, build resilience to climate change and enhance public amenity value of forests. In particular this relates to the needs of improving the management of land resulting in improved environmental and/or climate outcomes by improving resilience of forest ecosystems, protecting priority habitats, action to remove non native invasive species and contributing to improving the ecological status of rivers and water catchments, for example by encouraging low impact silvicultural systems and addressing acid sensitive water catchments.

Eligibility Conditions

Investments shall be aimed at the achievement of commitments for environmental aims, for provision of ecosystem services or enhancement of the public amenity value of forest and wooded land in the area concerned or the improvement of the climate change mitigation potential of ecosystems, without excluding economic benefits in the long term.

The investment shall be in conformity with European regulation and with national laws of the Member State concerned on environmental protection. For investment requiring an environmental impact assessment under Directive 2011/92/EU the aid shall be subject to the condition that such assessment shall have been carried out and the development consent shall have been granted for the investment project concerned before the date of granting the individual aid.

Eligible Costs

- The direct costs associated with the implementation of the investments, this will include materials, services and labour.
- Support will be for the costs of labour and materials (where relevant) for a range of forestry operations such as costs for plants, tree protection by fencing and tree shelters, removal of trees, thinning and pruning to improve the ecological value of woodlands and the removal of non–native species such as rhododendron.

General maintenance and running costs will not be supported.

Aid Intensity

The aid intensity shall be limited to 100 % of the eligible costs.

Publication and Information (Article 9 of Commission Regulation (EU) 651/2013

From 1 July 2016 information on each individual award exceeding €500,000 will be published on a comprehensive State aid website.

De Minimis Aid

Where aid is not paid in accordance with the Woodland Investment Grant (Northern Ireland) 2015 – SA.62457 it will be paid in accordance with de minimis Regulation (EU) 1407/2013 [Official Journal, L 352, pages 1-8 , 24.12.2013

DAERA, Forest Service May 2021

