



IRISH TIMBER GROWERS ASSOCIATION



Irish Timber Growers Association submission on Ireland's CAP Strategic Plan – Proposed Interventions

31st August 2021

The Irish Timber Growers Association (ITGA) was established in 1977 and is the national representative body of private woodland owners in Ireland. The membership of the Association mirrors the wide range of different timber growers in the country and current membership includes farm forest owners, forestry co-operative members, private woodland estates, forestry investors and forestry pension funds. This wide range of membership allows the Association to take a broad view of the industry and issues facing the sector.

The Irish Timber Growers Association welcomes the opportunity to make this submission to the Department of Agriculture, Food and the Marine on Ireland's next CAP Strategic Plan.

While the main national Forestry Programme is to be funded through State Aids, forestry and tree planting will form a key and integral part of achieving the aims and objectives of the CAP Strategic Plan (CSP) and is in fact a core part of the '*Green Architecture*' of the Plan. This is highlighted on page 8 of the draft CSP - Proposed Interventions, under '*1.4 The 'Green Architecture' of the CAP Strategic Plan*,' it states, '*Outside the CAP, other measures such as regulation (including an enhanced Nitrates Action Plan and revised Environmental Impact Assessment Regulations in Agriculture), the provision of national funding under the afforestation programme for alternative land use options such as woodland creation and agroforestry, the development of improved food industry standards and measures to be included in the Climate Action Plan 2021 will all combine with the measures set out in the CSP to achieve both Ireland's and the EU's environmental and climate objectives.*'

It is therefore critical that the CSP considers how forestry may be impacted by the various interventions and measures proposed. Tree planting is proposed to form part of the Pillar I Eco-Schemes and also Pillar II interventions in the new flagship Agri-Environmental and Climate Action scheme (AECM). Forestry and tree planting must therefore form an integral part of the CSP.

Given the importance of achieving the forestry and tree planting objectives incorporated in both Pillar I and II, it is concerning that there is no direct sectoral forestry representation on the national CAP Stakeholder Consultative Committee. This undermines the CSP and achieving its tree planting objectives and the aims of the next national Forestry Programme. The CSP document on page 12 states that, '*One of the challenges in designing a CAP Strategic Plan is to ensure that the final agreed list of interventions is clearly linked with national policies in the*

agricultural sector. Without appropriate sectoral representation for forestry on the national CAP Stakeholder Consultative Committee, this linkage will be particularly difficult to achieve.

This lack of sectoral forestry input is similarly not compliant with the recently launched new EU Forest Strategy for 2030 (July 2021), which states on page 17, *‘Further action needs to be undertaken by Member States for better involving forest stakeholders in the development of the CAP Strategic Plans at Member States level.’* It is imperative that adequate CAP representation is afforded to the forestry sector on the national CAP Stakeholder Consultative Group to address these issues in the upcoming draft of the CSP as timetabled for mid-September, outlined on page 11.

The recently launched new EU Forest Strategy also states, *‘The recommendations to Member States on the CAP Strategic Plans, for the 2023-2027 period, have encouraged due consideration of forests. Member States received specific recommendations on forests and the forestry sector.’* Further in the document, it outlines that this will involve the Commission (and consequently the CSPs), promoting, *‘forest-related remuneration schemes in an action plan for both carbon farming and carbon removal certification, to be adopted by the end of 2021.’* This critical issue is not addressed in the current outline CSP -Proposed Interventions. The CSP should address these requirements in order for forestry and tree planting to play an appropriate role in achieving the aims and objectives of the next CSP.

Other central themes in the New EU Forest Strategy that are not adequately addressed in the current outline CSP -Proposed Interventions include:

The New EU Forest Strategy notes on page 17, *‘In the assessment of CAP Strategic Plans the Commission will notably pay attention to forest related measures, which have strong synergies with the EU’s climate and biodiversity objectives.’* in addition, *‘Member States are also encouraged to accelerate the roll out of carbon farming practices, for instance via eco-schemes on agroforestry or rural development interventions to cover biodiversity-friendly re- and afforestation investments, agroforestry and other non-productive investments for environment- and climate-related objectives.’*

The lack of any structural or outline detail on proposed tree planting interventions in the outline CSP -Proposed Interventions document, despite its acknowledged importance to both Pillar I & II is notable and should be addressed in the draft CSP.

The EU have stated that, *‘the new CAP contains a number of policy reforms to support the transition towards sustainable agriculture **and forestry** in the EU’.* These include a greener CAP and the new CAP supports agriculture in making a much stronger contribution to the goals of the European Green Deal, which include:

- **higher green ambitions:** CAP plans will be in line with the environmental and climate legislation. In its CAP strategic plan, each EU country will be obliged to display a higher ambition on environment and climate compared to the previous programming period (no “back-sliding”) and will be required to update the plan when climate and environmental legislation is modified;
- **contribute to the Green Deal targets:** the national CAP strategic plans will contribute to the Green Deal targets;
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- **eco-schemes:** at least 25% of the budget for direct payments will be allocated to eco-schemes, providing stronger incentives for climate-and environment-friendly farming practices and approaches (such as organic farming, agro-ecology, **carbon farming**, etc.) as well as animal welfare improvements;

- **rural development:** at least 35% of funds will be allocated to measures to support climate, biodiversity, environment and animal welfare;
- ...
- **climate and biodiversity:** 40% of the CAP budget will have to be climate-relevant and support significantly the general commitment to dedicate 10% of the EU budget to biodiversity objectives by the end of the EU's multiannual financial framework (MFF) period.'

Other than very general mention of, 'maintenance of existing carbon stores and enhancement of carbon sequestration' 'through targeting of relevant "agricultural practices" there is only one specific proposed intervention relating to carbon farming, namely the proposed, 'Suckler Carbon Efficiency Programme' as outlined on page 37 of the draft CSP- proposed interventions document. This sole proposed specific intervention falls significantly short of the stated objectives and ambitions of the new CAP and the related Green Deal targets. Carbon farming specifically includes 'Planting new forests, restoring degraded forests, and improving the management of existing forests.'¹ Despite its potential impact, as highlighted in the Marginal Abatement Cost Curve (MACC) for agriculture for 2021-2030, (carbon sequestration associated with land management and land use change), there is no proposed intervention relating to tree planting detailed in the draft CSP. One of the principal recommendations of the 'Analysis of Abatement Potential of Greenhouse Gas Emissions in Irish Agriculture 2021-2030,' prepared by the Teagasc Greenhouse Gas Working Group (2019) was, 'Enhancing C sinks and reducing soil C losses are key strategies to reducing sectoral emissions. This will principally be achieved **through increased afforestation**, reducing losses on organic soils and enhancing pasture sequestration.' (Page 38).

It is critical that the significant issue of the contribution of forests and trees to 'carbon farming' as highlighted in the EU CAP requirements is directly addressed in proposed interventions. This will be central to the success of our next CAP programme and should be addressed in the upcoming draft CSP.

In order for forestry and tree planting to be able to deliver on the above and its significant potential and to support the objectives of the European Green Deal, the EU Biodiversity Strategy and the new EU Forest Strategy for 2030, amongst others, the CAP Strategic Plan must be designed to ensure that it supports objectives including sustainable afforestation, active forest management and facilitate the potential of our woodlands to grow our wood harvest as forecast and contribute to rural development and the bioeconomy.

On page 13, under the heading 1. A Climate Smart, Environmentally Sustainable Agri-Food Sector, it is stated, 'As per the current Programme for Government, it is also important to better align the CAP initiatives with those under our National Forestry Programme in order to help meet our environmental ambitions. With this in mind, significant tree-planting measures are proposed under the new Agri-Environment Climate Measure in particular, as well as in the Eco-schemes.' These schemes must be carefully designed so as not to negatively affect the adoption of afforestation under the next national Forestry Programme. It is important that such tree-planting measures under any new Agri-Environment Climate Measure in particular, in addition to the Eco-schemes will contribute to national carbon balance under LULUCF regulation.

It is critical to ensure that entry into and participation in any such Eco or Agri-environment schemes would not preclude or disadvantage any farmer who subsequently decides to afforest

¹ https://ec.europa.eu/clima/policies/forests/carbon-farming_en

some or all of their lands under the next national Forestry Programme. This was an unfortunate feature of previous CAP programmes which significantly reduced the take up of afforestation in recent national Forestry Programmes.

In order to better align the CAP initiatives with those under our National Forestry Programme in order to help meet our environmental ambitions, it will be necessary to ensure that;

- 1) there is adequate sectoral forestry representation on the national CAP Stakeholder Consultative Committee.
- 2) the CAP initiatives are fully aligned with current National Forest Policy, *Forests, Products and People – Ireland’s Forest Policy, a Renewed Vision*. (It is also important that it can accommodate the new National Forest Strategy when finalised in mid 2022).
- 3) the CSP provides the structure and flexibility to allow for the future design of a successful national Forestry Programme that is not disadvantaged by competing agricultural schemes funded or facilitated by the CSP.
- 4) forests retain their eligibility as crops for existing applicants under the current BPS and when determining applicants’ entitlements to the newly proposed Basic Income Support for Sustainability (BISS) scheme.
- 5) entry into and participation in any future Eco or Agri-environment schemes does not preclude or disadvantage any farmer who subsequently decides to afforest some or all of their lands under the next national Forestry Programme.
- 6) woodlands, which deliver highly valuable ecosystem services in relation the environment, carbon storage, water quality, biodiversity in addition to health and wellness benefits, are therefore favourably considered for a range of well-funded and competitive voluntary eco schemes under Pillar I and Agri-Environmental Climate Measures (AECM) under Pillar II.
- 7) potential voluntary eco schemes under Pillar I and Agri-Environmental Climate Measures (AECM) under Pillar II are also considered for existing woodlands to facilitate environmental and biodiversity enhancements on such sites.

On page 20 of the outline CSP- Proposed Interventions document, in the table describing the nine standards under the Good Agricultural and Environmental Condition (GAEC), under ‘*DAFM’s comments and possible implementation*’ for GAEC 9 it is stated that ‘**Non-productive features**’ include: land lying fallow, nitrogen-fixing crops, catch crops, **eligible forestry**, short rotation coppice, field copse, hedgerows, drains, buffer strips. This list will be subject to on-going review.’ It is suggested that an alternative term might be employed here other than, ‘*Non-productive features*’ as this may communicate a negative and inaccurate message to the farming community as to the productive and economic value of forestry.

Ireland currently has one of the widest differentials in the EU between farmers’ incomes and gross wages/salaries in the wider economy (as highlighted in the “Challenges and Objectives of the CAP-post 2020” presentation made by the EU Commission on the future of CAP at the CAP Consultative Conference dated 4th July 2018). Forestry income, which can be significant, will be critical in bridging the gap between Irish farmers’ incomes and incomes in the wider economy. Forestry income is direct market income and is a source of long-term sustainable revenue for farmers and landowners. Such direct market income from forestry will also ensure a better balance between the operating subsidies and market income per farm and will help ensure the longer-term economic sustainability of the wider agriculture sector through reduced reliance on subsidies and through the generation of a more diverse income source. It must therefore be a priority that the CSP would be fully aligned with the next national Forestry Programme and its specific aims and objectives and that our next Forestry Programme is not disadvantaged by competing agricultural schemes funded or facilitated by the CSP.

The Irish Timber Growers Association (ITGA) through its work and various information and representation initiatives is committed to supporting the sector and its critical role in the sustainable economic, environmental and social development of rural Ireland. ITGA is actively supporting and promoting forestry's contribution to the State and recognises the significant importance of developing and implementing a comprehensive and robust CAP Strategic Plan that underpins our national Forestry Programme.