

Briefing Note on Interim Afforestation and Forest Road Schemes (via General De Minimis)

1. What is the status of the new Forestry Programme 2023-2027?

The process is ongoing to get State Aid approval for the new Forestry Programme 2023-2027. The Department hope that the new programme will come into force in Q1 2023. However, until the new programme has been approved <u>no new afforestation or forest road applications</u> can be accepted or processed by the Department.

So that some planting and forest road construction can continue pending the State Aid approval the Department have published an Interim Afforestation and Forest Road Schemes (via General De Minimis).

2. Who can avail of the Interim Afforestation scheme and/or Forest Road scheme?

- The schemes are being offered to farmers that hold a valid technical approval on 31st December 2022 for Afforestation or Roads, but who have not commenced work on planting or road construction in 2022, and do not wish to wait until the launch of the Forestry Programme 2023 – 2027.
- The terms and conditions of the Interim Afforestation and Forest Road Schemes are available here.
- There is no option to revert to the new Forestry Programme 2023 2027 if a farmer opts for the General De Minimis schemes.
- There are approx. 1,000 afforestation applications to plant 7,600 hectares currently in the system that satisfy this requirement.

3. What is General De Minimis?

General De Minimis aid is small amounts of State Aid given to a farmer, which cannot exceed €200,000 over any three year period. Therefore, under the Interim Afforestation Scheme and Forest Road Scheme a farmer can receive total grant aid and premiums of up to €200,000 over a rolling three-year period.

Participants of the schemes should be aware that they will be obliged to declare any other de minimis aid they are receiving and that they may not be eligible for payment of grants and premiums if the total sum of De Minimis payment received exceeds €200,000 over a rolling three year period.

4. What existing forestry payments issue under De Minimis aid?

The following forestry schemes have De Minimis payment elements:

- Reconstitution of Woodland (Windblow) Scheme 2016.
- Reconstitution of Woodland (Drought) Scheme 2019.
- Afforestation Scheme 2014-2020, premiums payment for year 13 to 15.
- Afforestation Scheme 2014-2020 Forestry for Fibre GPC 12 (5 years of premiums only).

5. What rates will a farmer receive who plants under the Interim Afforestation Scheme?

A farmer who opts to plant under the Interim Afforestation Scheme (via General De Minimis) will receive new grants and premiums rates for 20 years as outlined below:

Old category	New Forest Type	Grant (€/ha)	Premium (€/ha)
GPC 2 & 3	FT12 (Mixed high forests with mainly spruce, 20% broadleaves)	€3,858	€746
GPC 4	FT11 (Mixed high forests conifer, 20% broadleaves).	€4,452	€863
GPC 5, 7 & 8	FT7 (Other Broadleaf)	€4,314	€973
GPC 6	FT6 (Broadleaf, mainly oak)	€6,744	€1,037
GPC 9 & 10	FT1 (Native forests)	€6,744	€1,103
GPC 11	FT8 (Agroforestry)	€8,555	€975*

* FT8 premium is paid for 10 years.

6. How does a farmer apply for the Interim Afforestation Scheme or Forest Road Scheme (via General De Minimis)?

If a farmer with a valid approval wishes to opt-in to the interim schemes they must:

- Sign up to the terms and conditions of the Interim Afforestation Scheme (via General De Minimis) or the Interim Forest Road Scheme (via General De Minimis). The terms and conditions are available <u>here</u>.
- Sign a De Minimis declaration.
- Declare which Forest Type(s) they are applying for.

Relevant forms are in the Appendix 1 and 2 in the Forestry Early 2023 Interim Arrangements – FAQs document, which are available <u>here</u>.

Example 1 – FT12 (mixed high forests with mainly spruce, 20% broadleaves)

A farmer could plant a maximum 38 hectares under FT12 (mixed high forests with mainly spruce, 20% broadleaves) under the Interim Afforestation Scheme, *subject to not being in receipt of any other de minimis payment and satisfy the* €200,000 *threshold over three years*.

	FT12 Rate	Payment based on area planted (38 hectares)
Establishment Grant	€3,858/ha	€146,604
1 st Instalment (75%)	€2,893.50/ha	€109,953
Premium (per annum)	€746/ha	€28,348
Premium (x 3 years)		€85,044
Total		€194,997

Example 2 - FT11 (mixed high forests conifer, 20% broadleaves)

A farmer could plant a maximum 33 hectares under FT11 (mixed high forests conifer, 20% broadleaves) under the Interim Afforestation Scheme, *subject to not being in receipt of any other de minimis payment and satisfy the* €200,000 *threshold over three years*.

	FT11 Rate	Payment based on area planted (33 hectares)
Establishment Grant	€4,452/ha	€146,916
1 st Instalment (75%)	€3,339/ha	€110,187
Premium (per annum)	€863/ha	€28,479
Premium (x 3 years)		€85,437
Total		€195,624

Example 3 - FT1 (native forests)

A farmer could plant a maximum 23 hectares under FT1 (native forests) under the Interim Afforestation Scheme, subject to not being in receipt of any other de minimis payment and satisfy the €200,000 threshold over three years.

	FT1 Rate	Payment based on area planted (23 hectares)
Establishment Grant	€6,744/ha	€155,112
1 st Instalment (75%)	€5,058/ha	€116,334
Premium (per annum)	€1,103/ha	€25,369
Premium (x 3 years)		€76,107
Total		€192,441

Ends.