

European Commission  
Directorate-General for Competition  
Unit H.6  
1049 Bruxelles/Brussel  
**Belgium**

BAVARIAN  
FOREST  
OWNERS

11.03.2022

**“Public consultation on revised State aid rules for the agricultural and forestry sectors and in rural areas”**

**Directorate-General for Competition — Unit H.6**

**HT.5788**

Participation as an organisation

Dear Sir or Madam,

As the Bavarian Forest Owners' Association, we welcome the possibility of providing feedback on the following two documents.

The Bavarian Forest Owner's Association is the representative of the forestry interests of forest ownership in Bavaria. There are approximately 750 000 forest owners in Bavaria with a forest area of around 1.8 million hectares of private forest. Bavaria is thus a land of small private forest. On average, each forest owner has 2.4 ha of forest ownership.

Directly and through membership of a forestry association (in Bavaria's forestry holding-association or association of forest owners), the Bayerische Wald Ownerverband e.V. (Bayerische Wald Ownerverband e.V.) is organised for the 350 000 forest owners.

## **1. COMMUNICATION FROM THE COMMISSION**

### **Guidelines for State aid in the agricultural and forestry sectors and in rural areas**

The comments in *Chapter 2: Aid in the forestry sector* is to be welcomed in principle.

Private forests in Germany and the EU are characterised by small-scale structures. The average

farm size in Germany is 3 ha and in the EU 13 ha. As forest owners' self-help facilities, inter-company cooperation within the framework of forest management systems will be of increasing importance in the future in the management of the small and very small forest bees. The aim and purpose of the support must be to build as autonomous and structurally efficient FEZs as possible. The economic viability of the FEZs can only be drawn from a wide range of services for the entire range of forest ownership. It should be noted that, unlike in the case of agriculture, forestry associations do not primarily act as marketing organisations. Forestry associations provide small and micro-private forests with a range of services, such as support/advice in forest management, training events and an information platform on topical policy issues, which are essential in particular for future forest conversion. The fact that climate change affects existing forests, says that the owners of small and micro-forests (0.5 to 20 ha) in particular will receive technical and technical support and advice from the forestry associations. The adaptation of forests to climate change and the development of climate-tolerant forests are a priority.

Support for FEZs is essential because:

- Given the small-scale ownership structure, it is only possible to optimise the value and structural development of rural areas;
- It is the only way to maintain the management of small private forest and, therefore, the multifunctional nature of forest assets;
- The Paris Agreement on climate change defined sustainable forest management and conservation as an important tool for achieving climate change objectives at the latest;
- Small-scale private forest without technical and financial support does not meet this objective, nor does it meet other objectives such as diversity of functions, stability and performance of the useful, protective and recreational function;

The decisive factor is that the limitation of the aid to seven years is not sufficient to fulfil the above-mentioned tasks. Accordingly, it would be useful to add the following to *Chapter 2.6 Aid for cooperation in the forestry sector* (566): 'Aid must be limited to a maximum period of seven years, except in the case of activities referred to in point 561( c) and (g)...'.

## 2. COMMUNICATION FROM THE COMMISSION

**Approval of a draft Commission Regulation 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 and repealing Commission Regulation (EU) No 702/2014**

We expressly welcome the further development of the content of the exemption regulation referred to above. In particular, we would like to highlight **positively** the following points:

The content of **recital 46** indicates that the existing national funding measures have already complied with the Commission's requirements. The exemption from notification is an important step towards reducing red tape and a significant gain of time compared to the notification procedure.


In the interests of *simplification and procedural economy*, the presentation in **recital 51** recognises the need for extensive EAFRD measures to be exempt from the notification requirement. This makes it possible to take account of the diversity of forests and their hospitality

in the Member States.

**Article 11( 1)** is fully supported, as the 20-day scheme contributes significantly to legal certainty for the beneficiaries of the aid.

Thank you very much for taking into account our comments from practice.

Yours sincerely,

A handwritten signature in purple ink, appearing to read 'Hans Ludwig grains', with a stylized flourish at the end.

Hans Ludwig grains Managing Director