

# Deer Tree Shelter, Hare and Deer Fencing Scheme



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# 1. Grant aid for installation of Deer Tree Shelters (DTS) at Afforestation

#### **Afforestation (Pre Planting)**

- 1.1. Funding for DTS, will be available to private landholders or companies. Funding is available for all Forest Types (FT) in addition to fencing allowances made in the afforestation scheme, see the Forestry Standards Manual for details. Funding is capped at €1,600/ha for Forest Types 1 to 7.
- 1.2. Participation in the DTS is voluntary but can be used on all suitable sites where there is a risk of deer damage to trees. Note: Where the risk of deer damage is low, planting without shelters should be considered the first option.
- 1.3. The DTS is available for broadleaf plots, FT1 to 7. The maximum area for receipt of DTS grant is 3 hectares for FT 1 7. This limit does not apply for broadleaves planted in ADBs FT 10 12. Note: Alder is not eligible.
- 1.4. The minimum stocking where trees are in the DTS is 625 trees / hectare in broadleaf plots (FT 1 to 7) and not the 2,500/ha normally required. This is achieved by planting trees at 4 metres X 4 metres spacing. The maximum grant in pure broadleaf plots is €1,600/ha.
- 1.5. DTS can be used in the 20% additional broadleaf areas (ADB) of conifer plots FT 10 12.
- 1.6. The maximum grant payable for DTS on ADB is €625/ha. Trees in the ADB are to be planted at 4 metres x 4 metres spacing, equating to 625 stems per ha. 20% of the ADB stems per ha equates to 125 trees in the ADB.
- 1.7. ADB max grant for DTS is €625/ha for whole FT10 -12 plot area, not just the ADB treated area. The reduced grant rate for ADB reflects the lower treated area where 80% of the plot is conifer and the other 20% broadleaf (DTS treated area).
- 1.8. For example: A 10ha plot of FT 12 will have a minimum ADB of 2ha along a stream, adjoining public road or house setback. These areas will be planted at 4 metres by 4 metres spacing. ADB is 20% of the area, the trees and Deer Tree Shelters required in this area is 125, so overall for this example this will equate to 1,250 trees over the 10ha. The claimed area at Form 2 stage for the DTS will be 10ha and be eligible to receive a grant of €6,250.
- 1.9. Apart from the reduced stocking level all other requirements of the forests remain the same at Form 2 and Form 3.
- 1.10. On-going maintenance of tree shelters will be required to ensure stakes and shelters are secure, upright and adequate weed control is carried out until trees are established. Shelters will breakdown over time and it will be necessary to remove larger pieces of debris to prevent unsightly litter issues post-establishment.
- 1.11. Species map for tree shelters should use "X's" to give the general location of the shelters within each relevant plot.

- 1.12. The Form 1 will include provision to apply for approval for DTS. Form 2 will allow for the total area under tree shelters to be recorded against each FT or GPC where applicable.
- 1.13. See Appendix 1 for DTS at establishment stage details

#### **Existing forests**

- 1.14. Support and standards for DTS in existing forests are the same as for new Afforestation sites (see above).
- 1.15. Where deer are present in an area and have caused tree damage in the forest, Form 3 payment can be made where 60% or more of the broadleaf trees, evenly dispersed over the site are free growing and free from deer damage.
- 1.16. Damage levels must be greater than 40% in order to receive support for DTS in existing forests.

# 2. Grant aid for Deer Fencing post Form 2

- 2.1. Existing provisions available at Form 1 for deer fencing will now apply for FT 1 7 forests prior to 2nd instalment payment where there is evidence of deer damage greater than 40%. To achieve adequate stocking for 2nd Instalment purposes the use of Deer Tree Shelters (DTS) should be considered an option before deciding on the installation of deer fencing. DTS can be installed at a spacing of 4 metres X 4 metres to achieve full stocking. They will have to be free growing at 2nd instalment stage.
- 2.2. Deer fencing provision €18/m, for IS436 @ 160m/ha = €2,880/ha. Non IS436 €14/m @ 150m/ha = €2,100/ha
- 2.3. Upgrade Deer fencing rates €9/m, for IS436 @ 160m/ha = €1,440/ha. Non IS436 €8/m @ 120m/ha = €960/ha
- 2.4. The following criteria applies to deer fencing;
  - In order to be eligible for funding broadleaved sites must have greater than 40% deer damage on the areas proposed for enclosure by deer fencing.
    - Sites eligible for application under the Reconstitution of Ash Dieback 2023 -2027 will have access to Section 2 of this scheme.
  - ii. All fencing material must be in accordance with fencing specifications as set out in the Forestry Standards Manual.
  - iii. Fencing upgrades and new fencing must be clearly shown on a fencing map and must show the total length in metres.
- 2.5 Deer fencing specifications are set out in Table 12.1 of the Forest Standards Manual.

  Alternative construction types for deer fencing will be considered on a case by case basis e.g.

  'A' frame deer fencing.

Note: Forests are ineligible to enter this scheme post second instalment grant (Form 3), with the exception of Ash Reconstitution.

## 3. Upgrade to hare fencing post Form 2

- 3.1. A contribution of €4/m up to a maximum of 160m per ha (€640/ha) is available for forests that have been subject to hare damage after Form 2 payment and up to approval for Form 3 payment.
- 3.2. Eligible forests must have 30% hare damage.
- 3.3 Sites eligible for application under the Reconstitution of Ash Dieback 2023 -2027 will have access to Section 3 of this scheme.

Note: Forests are ineligible to enter this scheme post second instalment grant (Form 3), with the exception of Ash Reconstitution.

#### 4. General Provisions

- 4.1. The terms and conditions of the Afforestation Scheme and standards set out in the Department's Forestry Standards Manual apply to this supplementary support scheme.
- 4.2. Only applications for individual Contract Numbers (CN) will be accepted, that is, one form for one CN number.
- 4.3. Applications for tree shelter grants, support for deer fencing and hare upgrades for established forests prior to 2nd Instalment payment, will be on first come, first served basis up to the budget ceiling. Once the ceiling is reached support for these elements is deemed closed for that year. Applicants that were unsuccessful for budgetary reasons may reapply the following year on condition that the Form 3 payment has not yet been made.
- 4.4. Payments in respect of tree shelters (after establishment), deer fencing and hare fencing upgrades will be made as an additional payment to the 1st and 2nd Instalment payment and will be paid on submission of Form 1SP and 2SP (Supplementary Payment).

# 5. Legal Basis

- 5.1 The Legal basis for the Scheme is established under Section 6 of the Forestry Act, 2014.
  - The Scheme is administered by the Department of Agriculture, Food and the Marine and operates throughout the State. The Scheme shall be operational from September 2023, for a period to be determined by the Minister for Agriculture, Food and the Marine.
  - The Scheme is 100% Exchequer funded under the following legal framework.

- Is operated pursuant to the European Union guidelines for State aid in the agriculture and forestry sector and in rural areas.
- The scheme is subject to <u>Council Regulation (EC) No 2015/1589 of 13 July 2015 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (codification)</u> the **Procedural Regulation** (Codification of Council Regulation (EC) 659/1999 as amended), which governs the procedure on recovery of aid.
- Participation in the Scheme is voluntary.

### 6. State Aid requirements

#### 6.1 The Incentive Effect

This applies only where the applicant is a small/medium enterprise SME. Small to medium sized enterprises (SMEs) are defined in the EU Recommendation 2003/361/EC) must confirm and declare on the Deer Tree Shelter, Hare and Deer Fencing Scheme Application Form that:

"The work described herein, would not have been undertaken if it was not for the financial support provided under State Aid rules. Without this aid, there would be no change to current activities."

For large companies, documentary evidence must be submitted in relation to the counterfactual (what would happen without the aid) for each of the measures proposed. This involves a credibility check of the counterfactual to establish that the company would not carry out the proposed work in the absence of aid. A counterfactual is credible if it is genuine and relates to the decision-making factors prevalent at the time of the decision by the beneficiary regarding the activity.

Large companies must submit an internal company document (separate to the application form) showing that the company has analysed the viability of the project – with and without aid – and showing the incentive effect. The document must clearly state what would have happened without the support available under this Scheme.

That means that the documentation (internal report) produced by the company must establish that the aid will cause at least one of the following:

- a material increase in the size of the project /activity, or
- a material increase in the scope of the project / activity, or
- material increase in the total amount spent by the beneficiary on the project/activity or
- a material increase in the speed of completion of the project/activity concerned

DAFM will require that the company document shows a credible analysis and demonstration of the incentive effect. The document should contain an analysis which answers the following questions:

- Would the project proceed without State Aid assistance?
- Would the level of project expenditure be less without State Aid support? If so, indicate by how much?

This information should indicate changes in the project size, scope and total spend. Where required, this incentive effect document should be submitted with the relevant Form 1. As part of its evaluation of the application, the Forest Service will assess whether or not the incentive

document meets the requirements set out above and is fully compliant with the European Union Guidelines for State 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.

#### 6.2 Proportionality of the aid

Aid granted under this scheme must be proportionate. Support is considered proportional only if the same result could not be achieved with less aid, in other words if the amount of aid is limited to the minimum necessary. The aid amount should not exceed the minimum necessary to render the project sufficiently profitable, for example should not lead to increase its IRR beyond the normal rates of return applied by the undertaking concerned in other investment projects of a similar kind or, when available, to increase its IRR beyond the cost of capital of the undertaking as a whole or beyond the rates of return commonly observed in the sector concerned. For example the IRR should be comparable with returns experienced by entities which are not large companies. Where the IRR exceeds this reference figure then the application may be refused.

Large Companies must provide documentary evidence that the aid is proportionate. This can be achieved by submitting an IRR and NPV analysis of the investment with aid and without aid with the Form 1. Only applications which are deemed proportionate will be grant aided by the Forest Service.

#### 6.3 <u>Transparency</u>

Ireland shall publish the following information on the State aid schemes: the full text of the notified aid scheme and its implementing provisions, the granting authority, the names of the individual beneficiaries, the form (in particular the aid instrument) and amount of aid granted to each beneficiary, the date of granting, the type of undertaking (SME/ large enterprise), the region (at Nomenclature of Units for Territorial Statistics or NUTS level II) in which the beneficiary is located and the principal economic sector in which the beneficiary has its activities, at NACE group level. This requirement only applies to individual aid awards greater than:

- (i) EUR 10,000 for beneficiaries active in the primary agricultural production;
- (ii) EUR 100,000 for beneficiaries in the sectors of the processing of agricultural products, the marketing of agricultural products, the forestry sector or activities falling outside the scope of Article 42 of the Treaty.

#### **7. VAT**

All grants paid under this Scheme will be exclusive of VAT.

# **Appendix 1 Deer Tree Shelter at Establishment**

FT	% Cover/ha	Stocking @ 4m X 4m	Grant
1	100%	625	€1,600
2	100%	625	€1,600
3	100%	625	€1,600
4	100%	625	€1,600
5	100%	625	€1,600
6	100%	625	€1,600
7	100%	625	€1,600
8	N/A	N/A	N/A
9	N/A	N/A	N/A
10	20%	125	€625
11	20%	125	€625
12	20%	125	€625

