

PRESS RELEASE

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Report to the Flemish Parliament

Deforestation and compensation



The Belgian Court of Audit has examined whether the ANB (Agentschap voor Natuur en Bos), a Flemish agency aiming to protect nature, fulfils its advisory role effectively and follows up properly the obligation to compensate when it comes to deforestation. It has also determined whether the Forest Compensation Fund (Bossencompensatiefonds) is used efficiently. The Court now recommends that the minister seeks other measures or more comprehensive ones in order to achieve an actual deforestation compensation. The ANB must harmonize or integrate its databases as much as possible, which would give it a better overview of land purchases and deforestation.

Introduction

Flanders is one of the least forested regions in Europe. Therefore, the Flemish government has banned deforestation on principle. Exceptions to this ban are only possible given a building permit and, as a rule, compensation of the sanctioned deforestation. In some cases building permits cannot even be applied for unless the ANB allows for a suspension of the deforestation ban. In recent years such suspensions by the ANB have amounted to 50 hectares of deforested land per year. Additionally, the ANB issues opinions for over 1,000 building permit applications and the associated compensation proposals to the issuing authorities every year.

Suspension, permission and compensation

The principles concerning deforestation are embedded in decrees and regulations. The responsibilities of the ANB are sufficiently specified, as well. However, the internal guidelines regarding their advisory duties were not up-to-date and the ANB has not performed any quality checks on compliance with the guidelines in recent years. The risk of unauthorized small-scale – and therefore unnoticed – deforestation by citizens remains real and difficult to control. The issuing authorities – usually the municipality – tend to follow the ANB's advice, which is predominantly positive, since it receives many applications pertaining to residential and industrial areas. The ANB lacks the necessary assessment framework to decide for or against an appeal if the issuing authorities do not take its advice into account. The ANB registers all of its data, advisory notes and decisions on deforestation in a deforestation database. However, the registration is not done meticulously enough, resulting in a risk of inaccurate overviews and practical problems during their follow-up of compensation duties.

Execution of compensation duties

The party responsible for the deforestation generally provides in-kind compensation – that is, the creation of new green space elsewhere – on its own premises, but it is possible on the premises of third parties. There were some delays in field checks of the in-kind compensation at certain provincial departments, but those have shrunk in recent years. Mid 2015 a positive afforestation result was recorded for 81% of the already checked files and for 68% of the files that the ANB should already have checked. The in-kind compensation duties thus are in fact fulfilled, but that fulfilment does not always lead to a good result despite the plans having been silviculturally sanctioned during the application phase. There is still a risk of the citizen dodging his responsibilities.

Financial compensation – i.e. monetary payments – is much more frequent than in-kind compensation. For its accounts monitoring the ANB uses two software applications: the deforestation database and an accounting system called Orafin. It is uncertain whether the deforestation database, which serves as the basis for the accounting system, in fact contains all the files it is supposed to contain. The data exchange between databases is done manually, not electronically, which amplifies the risk of mistakes and misstatements. Despite corrective actions it remains all but impossible to find a solid conformity between databases. Therefore, it is uncertain whether the financial compensation duties were and are being fulfilled.

Forest Compensation Fund

Since 2002, the monetary compensation payments go to the Forest Compensation Fund, which is intended for the creation of compensational forests (the afforestation duty). The received forest conservation contributions are not enough to buy sufficient compensational land: over half of the available funds were used, yet only 30% of the goal was attained (25.5 million euros in expenses out of a total of 46.9 million in available funds, i.e. 54%). The licensed deforestations from 2000 until 2014, where the responsible parties chose financial compensation, should have resulted in 2,340 hectares of compensational forests, but the ANB and local authorities only purchased 700 hectares in that period. The acquisition of lands is hindered by several hurdles: high soil pressure, the exclusion of reconfirmed agricultural area, prior agreements with possible tenants, the lack of an agreement on estimates with the Flemish Tax Service, their limited authority over the Fund, disagreement over the spatial planning processes or the nature of the conservation goals.

The ANB has several databases for the registration of its purchasing process, its expenses and the patrimony. The data registration and quality checks leave much to be desired. It is impossible to derive a report on the state of affairs of the purchases directly from the databases. Because of the various registration methods of the distinctive services and because the registration in its database is conducted inaccurately or has only just been started up, the ANB can only provide an approximation of the afforestation level of the lands that were purchased using the Forest Compensation Fund.

Since 2011 the Flemish government has called on local authorities through project appeals to fulfil the afforestation duty: it subsidizes the land purchases of local authorities intended to create new green space. Every project proposal is presented to a provincial department and definitively assessed by a jury. There are some remarkable differences between the assessments of different provincial departments, and even more so between provincial departments and juries. That inconsistency is owed to the often vague

descriptions in the assessment guidelines. Due to their recent nature, it is not yet possible to assess the execution of the subsidized purchases altogether. The preliminary figures, however, indicate that the lands purchasing process is rather slow-paced, with the exception of the first project appeal in 2011.

Response of the minister

The minister responded that she and her administration would carefully assess and implement the recommendations.

Information for the press

The Court of Audit exerts an external control on the financial operations of the Federal State, the Communities, the Regions and the provinces. It contributes to improving public governance by transmitting to the parliamentary assemblies, to the managers and to the audited services any useful and reliable information resulting from a contradictory examination. As a collateral body of the Parliament, the Court performs its missions independently of the authorities it controls.

The report *Deforestation and compensation* has been sent to the Flemish Parliament. The full version (in Dutch) and this press release can be found on the Court's website (www.rekenhof.be).