



Compensation Payments

Objective: Increase the number of forest owners successfully applying for conservation payments

Carpathian Mountains

status: improving



Problem: Compensation payment schemes for forest owners, which aim to reduce human disturbance in forests and promote low-impact forestry by supporting voluntary commitments beyond minimum legislative requirements, are an important incentive for small landowners to support protected area designations. However, applicants currently face significant technical and bureaucratic hurdles in applying for these payments.

Action: Foundation Conservation Carpathia are supporting landowners and landowners' associations in applying for payments.

Indicator: An increase in the number and proportion of forest owners who successfully apply for compensation payments indicate an increased area under restoration as well as increased [acceptance of restoration](#) by local landowners.



Carpathian forest. Photo: Călin Șerban.



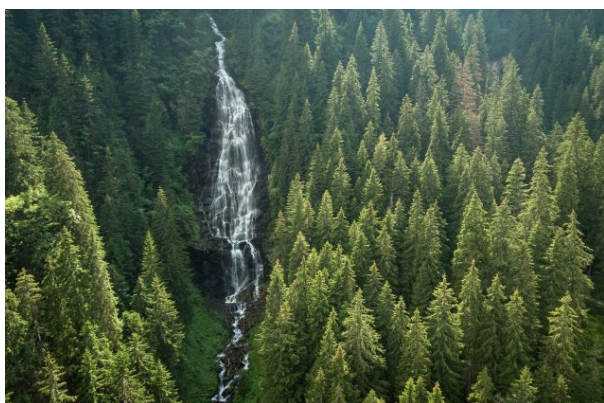
Forest deadwood. Photo: Liviu Ungureanu.

Methods

Data was requested from the Payments and Intervention Agency for Agriculture (APIA), under the Ministry of Agriculture and Rural Development, which was the responsible authority for evaluating and processing compensation requests. Information was collected on the number of applications submitted, the number of successful applications, the number of payments, and the hectares included in compensation schemes.

In December 2021, requests to APIA were made for data on the number of applicants for the compensation program and the corresponding land areas over a four-year period (2018, 2019, 2020, 2021). These requests targeted the four counties overlapping with the project area: Braşov, Argeş, Sibiu, and Vâlcea. Further data was requested in December 2023, extending the analysis to include 2022, using the same procedure as in 2021. However, in 2022, compensation schemes were recorded and approved only in Argeş and Sibiu counties.

Difficulties in the level of the standardisation of data provided by APIA payment agencies meant that interpretation was not always straightforward. For example, some agencies did not present the information overlapping with the project area but instead provided data recorded for the entire county.



Carpathian forest. Photo: Dan Dinu.



Carpathian forest. Photo: George Soare.

Results

Success rate of applications and the proportion of proposed areas that were accepted for compensation payments were generally high across the whole period, with no clear trends (Fig. 1). However, absolute numbers of forest owners receiving payments were relatively low, ranging from 24 in 2019 to 46 in 2020; the large increase in applicants from 2019 to 2020 is likely due to increased awareness of the compensation programme (Fig. 1). In addition, from the information provided it was observed that no new application sessions for these compensation schemes were opened to allow applications in 2022 or 2023. The low total number of applicants indicates that large forest owners were more interested in the programme than small landowners. This probably reflects the fact that large landowners were likely already to employ professional forestry service providers, and therefore had higher capacity to apply for

the payments.

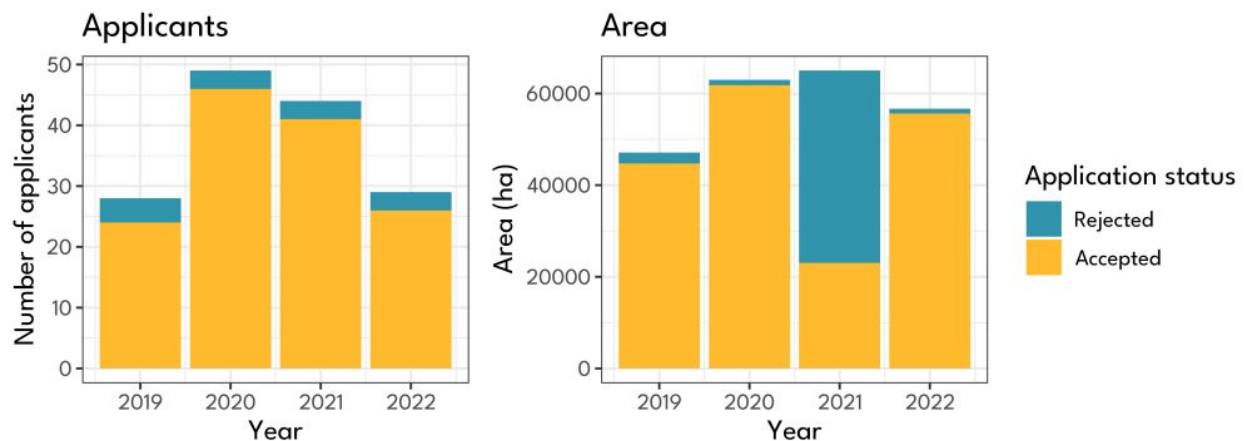


Figure 1: Number of forest-owning applicants and proposed area accepted or rejected for receiving compensation payments in each year.

Interpretation

The accepted area for 2021 was much lower than other years. The precise reason for this is unknown but may be due to forest owners overestimating the potential of their properties and their eligibility for this compensation scheme.

Otherwise, the success rate of applications across the reporting area was high throughout the monitoring period, but because this was larger than the project area and more fine-scale information was not available, it was difficult to precisely evaluate the success and impact of the compensation program in relation to the project area. Furthermore, the absence of new funding sessions for this compensation scheme in 2022 and 2023 suggests that, due to low interest, the scheme was discontinued. It is also possible that financing mechanisms associated with carbon certificates have influenced the compensation scheme, as an owner cannot receive multiple financial supports for the same area. Further research is required to evaluate the potential influence of alternative financing mechanisms, such as carbon certificates, on the observed trends.

Lessons learned

Barriers including high entry requirements and delayed payments mean the compensation programme was not attractive to all forest owners. Given these barriers, Foundation Conservation Carpathia will continue to offer support in accessing payments but sees limited opportunities for further action.

Partners

