

Forest Management Associations – value from cooperation for forest owners

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In Finland, where family and small-scale forestry prevails, a well developed network of Forest Management Associations provides information, advice and management support to forest owners.

Finnish forestry is often family forestry: private individuals and families own 60 percent of Finnish forests, and the average holding is only 23 ha



Sustainable forest management requires the expertise and advice of forestry professionals and motivation of forest owners. Information on forest resources, effective communication and supportive organizational structures are also necessary.

In Finland, a three-tiered network links private forest owners at and beyond the local level (see Figure). This article highlights the role of local Forest Management Associations in management of private forests and in providing services for forest owners. It also gives some examples of how the Finnish model is being adopted in other countries.

FINNISH FORESTRY – CHARACTERIZED BY PRIVATE OWNERSHIP

Finnish forestry relies heavily on privately owned forests. Private individuals

and families own 60 percent of Finnish forests. There are 440 000 private forest holdings owned by almost 1 million forest owners, including those who own forest holdings jointly. Finnish forest holdings are small; the average area of a holding is only 23 ha. Finnish forestry is commonly termed family forestry: small-scale forestry run by individuals and families, and passed on as a legacy from one generation to the next. Still, private forestry produces about 80 percent of the domestic raw wood bought by industry.

In recent decades, dramatic socio-economic changes, particularly the changing age structure of the rural population, increasing urbanization and passage of ownership through inheritance, have influenced the structure of family forest ownership. Among private forest owners the proportion of farmers has

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decreased, while the number of wage and salary earners and pensioners has increased. Non-farmers now own 81 percent of family forests, and pensioners are the biggest forest owner group. Despite the general move to towns and cities in Finland as a whole, most forest owners still live in sparsely populated rural areas.

The fragmented and changing forest ownership pattern creates a special challenge for viable forest management and logistics; networking and cooperation are essential for efficient communication and operations.

FOREST MANAGEMENT ASSOCIATIONS – SELF-ORGANIZATION OF FOREST OWNERS

In Finland, Forest Management Associations have a crucial role in promoting sustainable forest management and communicating information among family forest owners. There are 150 local associations with more than 300 offices around the country. These associations are independently organized for providing support for forest owners on request. As non-profit organizations specialized in the management of private forests, they employ about 1 000 forestry professionals offering services and guidance to forest owners, and 650 forest workers performing practical silvicultural and harvesting work as required by the forest

owners. A vast resource for networking and communication are the 4 500 forest owners in positions of trust in Forest Management Association Councils and Boards.

Vast range of services

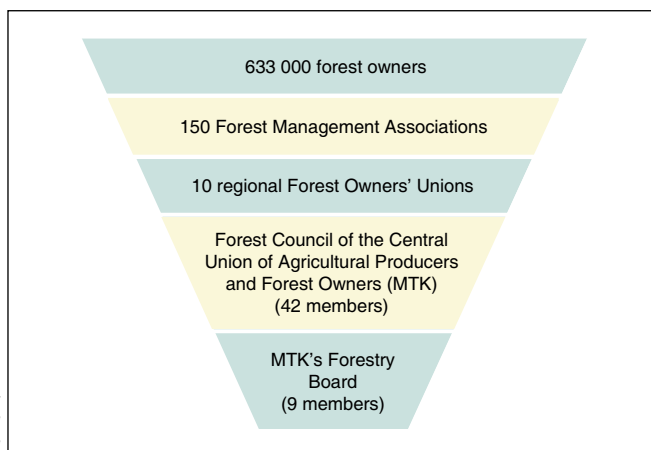
Forest Management Associations work in close cooperation with forest owners in all matters related to forests (see Box). They offer training and advice and provide professional assistance in forestry issues, thus protecting forest owners' interests and helping them to achieve their objectives. The associations' advisers provide individual guidance to the owners of almost 130 000 forest holdings every year; this represents about 40 percent of Forest Management Association members. With a growing number of female forest owners – 40 percent of forest owners are now women – special courses on forest management are organized for women.

The associations take care of most of the planning of forestry measures and their implementation in private forests, working together with forest owners; in 2006 they prepared or updated forest management plans for almost 200 000 ha. About 80 to 90 percent of the activities related to timber production in private forests are carried out by Forest Management Associations. They also carry out approximately 75 percent of preliminary planning of timber sales and



*In Finland's boreal climate the time between stand establishment and final felling is long, 60 to 120 years depending on the tree species and site quality – but family forests are passed on as a legacy from one generation to the next; only indigenous tree species are used, usually Norway spruce (*Picea abies*), Scots pine (*Pinus sylvestris*, shown here) and silver birch (*Betula pendula*)*

How private forest owners are organized in Finland



Forest Management Association services

Forestry services

- Forest regeneration and seedling material brokerage
- Management of seedling stands and young forests
- Forest nature management
- Forest certification

Timber trade services

- Drawing up a plan for timber sales
- Power of attorney for timber sales
- Supervision of harvesting and timber measurement
- Timber harvesting and procurement service

Advisory and evaluation services

- Training, guidance, forest work guidance
- Forest tax service
- Evaluations of forest holdings
- Forest damage assessment
- Drawing up and updating forest plans

provide significant assistance in sales transactions.

The associations implement and supervise almost 90 percent of forest regeneration in private forests (80 000 ha every year). Much emphasis is placed on the profitability of forestry owing to its direct impact on the vitality of the countryside and the viability of other rural sources of livelihood.

Forest owners who do not have enough time or opportunity to participate actively in the management of their forests or timber sales have the option of granting the associations power of attorney. Urbanization has increased the proportion of owners who make use of this option; at present, approximately 45 percent of timber sales from private forests are carried out through power of attorney.

A growing area of activity for Forest Management Associations is in services related to protection of nature. For example, they provide advice in the management of protected forest ecosystems and help forest owners identify and manage valuable habitats. The associations also act as umbrella organizations for forest owners in group certification of forest management.

To reach all their members, Forest Management Associations publish newsletters and special information bulletins. In 2006 almost 500 issues were sent to forest owners. Most Forest Management Associations have Web sites that give information on, for example, new forest management practices, timber markets, forest legislation and decisions made in international forest policy processes.

Independent governance and financing

Forest Management Associations are governed and financed completely by forest owners, who also elect their administration. The Act on Forest Management Associations enables them to receive a forest management fee from forest owners. Every forest

owner, except those with very small holdings (less than 4 ha), pays a forest management fee and is thus automatically a member of the association in the area where his or her forest is located. Membership is also open to the owners of small forest holdings that are exempt from the fee. The total number of owners in the associations is now 633 000, with nearly 320 000 holdings.

A member of a Forest Management Association can influence both its decisions and the way it operates. The Council of the Association is its highest decision-making body. Members elect the Council by postal ballot, and all members have equal rights to participate in the elections and nominate candidates.

The statutory forest management fee paid by forest owners represents approximately 15 percent of the associations' income and is to be used primarily for advising, training and dissemination of information directed to forest owners to promote forest management. Other sources of income include service fees, payments for planning and supervision of silvicultural operations, and delivery sales fees.

Forest Management Associations have established quality control and customer feedback systems to ensure the quality of their work, and are responsible for any loss caused if they fail to follow the agreed management plan – although in practice this has not been an issue.

Forestry Centres, which are the regional forestry authorities, supervise the Forest Management Associations to ensure that they operate according to the Act on Forest Management Associations and that the forest management fee is used for the purposes defined in the Act.

NETWORKING HAS LONG ROOTS

Voluntary silvicultural guidance and cooperation among private forest owners in Finland have a long history and tradition. The first Forest Management Associations were founded as early as the end of Russian rule in 1907. They were established for the same reasons



Individual guidance and field visits are an integral part of Forest Management Association activities: a forest owner and a Forest Management Association adviser compare measures proposed in the forest management plan to the real situation in the forest

that justify their work today: concern about the condition of forests and about the interests of forest owners in forest management and timber sales.

The first Forest Management Association Act was passed in 1950. It provided a solution to the key question in the operation of the associations, namely financing. Finnish society wanted to guarantee that training and advisory services were available for every forest owner. This principle was fixed also in the 1999 law; in Section 1 of the Forest Management Association Act, the task of Forest Management Associations is set out as follows:

“The Forest Management Association is a forest owners' body, the purpose of which is to promote profitability of forestry practised by forest owners and the realization of the other goals they have set for forestry, and to advance the economically, ecologically and socially sustainable management and utilization of forests.”

Advisory services have had an important role in Finland from as early as the end of the nineteenth century. Forestry advice and extension have been found to be the most effective means of promoting sustainable forestry and motivating forest owners. It is especially important that forest owners themselves have taken the responsibility of setting up the Forest Management Associations, as well as maintaining and developing the productivity of private forests.

LOBBYING REGIONALLY, NATIONALLY AND INTERNATIONALLY

A three-tier organization takes forest owners' networking beyond the local level, enabling their participation in forest sector development and policy processes. Ten regional Forest Owners' Unions provide a link between the local Forest Management Associations and the forest owners' national interest organization, the Central Union of Agricultural Producers and Forest Owners (MTK). The Forest Owners' Unions coordinate, develop and guide the activities of the local associations, promote private forestry and protect private forest owners' interests. They also provide guidance and assistance in marketing of forest products. As at the local level, forest owners are responsible for strategic decision-making at the regional and national levels; the Council and Board members of the Forest Owners' Unions and the MTK Forestry Council are all forest owners elected by the Forest Management Association members.

The MTK Forestry Council is the national central organization of private forest owners. It looks after private forest owners' interests in roundwood markets and influences forest policy nationally, within the European Union and internationally by participating in processes such as the Ministerial Conference on the Protection of Forests in Europe (MCPFE) and the United Nations Forum on Forests (UNFF). MTK reports

on developments in and results of these processes to Forest Management Associations through a monthly bulletin. The decisions of international forest policy processes thus influence Forest Management Associations' forest management planning, operations and information systems.

MTK also participates actively in European and international cooperation among family forest owners through its membership in the Confederation of European Forest Owners (CEPF) and the International Family Forestry Alliance (IFFA).

This organizational structure and the cooperation with international private forest owners' organizations enable forest owners to participate in global forest policy processes, and also help ensure that up-to-date information on international forest policy developments is disseminated to the grassroots level.

SHARING OF EXPERIENCE AMONG SISTER ORGANIZATIONS

The Finnish Forest Management Association concept has engendered interest among forest owners in other countries. Many delegations from Central and Eastern European countries that are reintroducing private forest ownership have visited Finland to study the associations' experiences. Even though conditions in these countries differ from those in Finland, many of the challenges are common: how to reach large groups of forest owners efficiently, how to motivate forest owners and involve them in forest management, how to promote sustainability and how to improve the economic viability of operations.

Many of the practices that have been effective in Finland could also be applied in other countries. Finland has cooperated with other countries in projects related to development of efficient group certification models based on forest owners' associations and advising forest advisers and forest owners on timber measurement. Cooperation has been closest with

the Baltic countries but has also extended beyond Europe.

One example is the development of forest owners' organizations in Mexico, where reformed forest legislation promotes sustainable private forestry and makes special provisions for promoting organizations that support private forestry. In 2003, a delegation of Mexican forest authorities and private-sector representatives visited Finland to study the Finnish private forest sector organizations and to establish links. The experiences were applied in structuring and developing private forest owners' organizations and advisory services in Mexico. The national central organization, the Confederation of Organizations of Forest Producers (Confederación Nacional de Organizaciones de Silvicultores, CONOSIL), was established in 2005. It has about 670 000 registered members in 218 local associations. The local associations are members of 32 state-level unions which are members of CONOSIL. In 2006, the CONOSIL Board visited MTK in Finland and the two organizations signed a memorandum of cooperation which lays the groundwork for exchange of information, publications, study tours and expertise.

The cooperation and networking with forest owners' organizations in other countries has provided useful information and feedback from experiences for all parties. The strengthened cooperation has also assisted forest owners' participation in international forest policy discussions. Common channels such as the IFFA Web site (www.familyforestry.net) have been used to disseminate information and experiences. ♦