



FAO/CZECH REPUBLIC FORESTRY POLICY WORKSHOP
TRENDS IN FOREST USE AND CONSERVATION – POLICY OPTIONS FOR ACTION
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Regional Trends in Forest Use and Conservation – Policy Implications and Options

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Focus of Analysis

- ◆ **Forest sector in Central and Eastern European countries (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia)**
- ◆ **Past policy choices and options for the future**



Forest Area

Country	Forest	Proportion of forest of total land	Forest per capita
	1000 ha	%	ha
Bulgaria	3 590	33	0.43
Czech Republic	2 630	34	0.26
Estonia	2 016	48	1.41
Hungary	1 811	20	0.18
Latvia	2 884	46	1.22
Lithuania	1 978	32	0.54
Poland	8 942	29	0.23
Romania	6 301	27	0.28
Slovakia	2 016	42	0.37
Slovenia	1 099	55	0.55
	33 267	32	0.32
EU-15	113 567	36	0.30

- ◆ Indicators on forest area on average comparable to those in EU-15
- ◆ Hungary and Estonia represent extreme ends of variation



Status of Forest Policy Making

- ◆ **Early policy changes in forest sector (beginning of 1990s) were a spillover from policies outside the sector**
 - **restitution**
 - **privatization of forest industries**
- ◆ **By year 2000, all Central and Eastern European countries had gone through a policy exercise focused on forestry sector**



Restitution strategy

- ◆ **Poland**
 - no restitution
- ◆ **Bulgaria, Estonia and Slovenia**
 - restoration of former ratio of public/private ownership
- ◆ **Czech Republic, Hungary, Romania, Slovakia**
 - increase of public ownership
- ◆ **Latvia and Lithuania**
 - increase of private ownership



Projected Distribution of Forest Ownership

Country	State	Municipalities	Other public (parishes, etc.)	Individual owners	Other private (associations, etc.)	In the process of restitution	Total	Average size of private forest holdings
								ha
								%
Bulgaria	84	6	1	8	0	1	100	1.1
Czech Republic	62	15	0	17	0	7	100	1
Estonia	45	0	0	36	0	19	100	12
Hungary	60	0	0	23	1	16	100	3
Latvia	46	4	0	42	0	9	100	8.2
Lithuania	50	0	0	23	0	28	100	3.4
Poland	83	0	0	17	0	0	100	2
Romania	59	10	0	6	7	13	100	0.9
Slovakia	35	10	3	15	25	13	100	2.7
Slovenia	21	2	3	67	1	5	100	2.7
	63	5	0	19	3	8	100	3.2
EU-15	30	0	0	70	0	0	100	12-14

- ◆ share of non-state ownership projected to be less than 40%



Private Forests



Felling Intensity

Country	State forests	Non-state forests	Total	State forests	Non-state forests	Total')
	%			m ³ /ha		
Bulgaria	..	..	100	..	..	1.2
Czech Republic	..	..	100	..	..	8.1
Estonia	26	74	100	3.1	13.0	5.7
Hungary	64	36	100	4.1	5.7	3.8
Latvia	36	64	100	2.6	5.7	3.6
Lithuania	74	26	100	3.9	3.1	2.6
Poland	88	12	100	3.9	2.6	3.7
Romania	..	..	100	..	..	2.1
Slovakia	..	..	100	4.8	4.1	4.5
Slovenia	38	62	100	2.8	2.0	2.2

*) includes also non-restituted areas

- ◆ no major difference in felling intensity between state and non-state forests (except in Estonia)



Impacts of private ownership

- ◆ **Economic**
 - **small average size, large number of absentee of private holdings reduce economic efficiency and timber production**
- ◆ **Environmental**
 - **lack of knowledge and skills among private owners hampers environmental management of forest**
 - **low intensity of management benefits biodiversity**
- ◆ **Social**
 - **difficulty to combine recreation and private interests**
 - **local ownership contributes to greater democratisation, empowerment of rural areas and improved distribution of benefits**



Current Policies

- ◆ **Restitution**
 - initial strategies remain largely unchanged
 - process nearing completion
- ◆ **Public support**
 - free-of-charge services (e.g. forest management plans, extension)
 - direct subsidies (to e.g. reforestation, afforestation, environmentally friendly technologies, forest owners' associations)
 - large variation between countries but free-of-charge services predominant
- ◆ **Environmental management**
 - enforcement of legal norms (e.g. size of clearcuts, protection of habitats)
 - compensation for foregone benefits (e.g. key biotopes)
 - large variation between countries but legal norms predominant



Future Options

- ◆ **Environmental**
 - available funds do not allow full compensation for foregone benefits ⇒ to enable significant protection, part of the cost should be absorbed by forest owners
 - voluntary schemes potential option
- ◆ **Social**
 - extension, public support
- ◆ **Economic**
 - increasing size of management unit key issue
 - promotion of cooperation ineffective
 - market-based consolidation more effective but entails environmental risks



State Forests



Current Policies

- ◆ **General goal: Higher efficiency**
- ◆ **Principal strategies**
 - **administrative separation of normative and productive functions ⇒ establishment of state forest enterprises (e.g. in Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland and Romania)**
 - **introduction of improved technology, methods of work**



Impacts of state forest management

- ◆ **Environment**
 - **forest management generally sustainable (stable harvesting volumes, expansion of timber certification)**
- ◆ **Social**
 - **significant reduction of workforce, trend may continue**
- ◆ **Economic**
 - **establishment of state forest enterprises generally successful in economic terms, transfers to state budget have increased**
 - **large variation of financial status among state forest management organisations**



Financial Status of State Forest Management Organizations

Country	Amount of revenue	Transfer to/from government (-/+)	Proportion of gov't transfer of revenue	Availability of funds per ha after transfer	Significant use of sub-contractors	Single organisation for all forestry functions	Major responsibility for protected areas
	EUR/ha	EUR/ha	%	EUR			
Bulgaria	12.1	1.4	11.67	13.5	yes	yes	no
Czech Republic	285.3	3.5	1.2	288.8	yes	yes	no
Estonia	69.1	-16.4	-23.72	52.7	yes	no	no
Hungary	185.7	-1.3	-0.74	184.4	?	no	yes
Latvia	22	-10	-45.67	11.9	yes	no	no
Lithuania	81	-6.2	-7.64	74.8	yes	yes	no
Poland	123.4	-0.7	-0.57	122.7	yes	yes	yes
Romania	28.8	-1.4	-4.94	27.3	yes	yes	no
Slovakia	120.3	5.8	4.79	126	no	yes	no
Slovenia	91	-9.1	-10	81.9	n/a	no	yes
Turkey	20.3	9.9	48.9	30.2	yes	yes	yes

- ◆ **Very large variation in availability of funds (and possibly efficiency)**



Policy Options

- ◆ **Environmental status of state forests satisfactory, current policies adequate**
- ◆ **Key question social impact vs. efficiency of operations**
 - **transparency of decisions should be increased**
 - **basic information often lacking, especially assessment of efficiency is inadequate**
 - **emphasis on social issues depends on significance of forestry for employment in rural areas**



Protected Areas



Characteristics of protected areas

- ◆ **Compared to EU-15 Central and Eastern European countries have**
 - **less forest protected with the objective of biodiversity conservation**
 - **higher proportion in the category “protective areas”**
- ◆ **Representativeness and protection capacity of existing protected area networks unclear**
- ◆ **Substantial room to improve protected area management**



Proportion of Protected Areas of Total Forest Area

Country	Main management objective						
	Bio-diversity	No active intervention	Minimum intervention	Conservation through active management	Protection of landscapes and specific natural elements	Protective functions	Total
	%						
Bulgaria	1.26	2.77	0.03	2.78	12.06	0.78	19.67
Czech Republic	0.57		2.54	22.19	7.58	1.60	34.49
Estonia	..	..	..	..	..	..	..
Hungary	0.16	3.76	0.58	16.21	9.92	2.84	33.49
Latvia	0.39	3.54	3.59	4.22	2.16		13.89
Lithuania	..	..	..	..	..	..	..
Poland	0.56		2.55	15.27	19.07	18.63	56.08
Romania	..	..	..	..	..	..	..
Slovakia	4.43	0.21	15.71	22.77	13.01	3.54	59.66
Slovenia	—	—	—	—	—	—	—
	0.64	0.82	2.18	8.79	8.54	5.59	26.57
EU-15	1.46	1.72	3.24	10.60	4.95	0.64	22.61



Current Policies

- ◆ **Restitution had different impacts on protected area**
 - In Lithuania and Romania most valuable areas excluded from restitution
 - In Latvia and the Czech Republic about half of protected areas in private hands
- ◆ **Variable management structures**
 - responsibility assigned either to specialized entities or organisations charged with management of state forest
 - large variation in availability of resources
- ◆ **Impact from Natura 2000 projected to be highly variable**
 - For example, in Slovenia protected areas would expand to 30% of total areas, in Latvia only limited expansion is projected
 - to some extent needs can be accommodated through multifunctional forest management (e.g. in Slovenia), but generally significant amount of additional funding needed



Policy Options

- ◆ **Increased resources necessary to secure adequate protected area management**
- ◆ **Opportunities to combine restricted use and protection should be explored**
- ◆ **More systematic approach to further development of protected area network is of crucial importance**



Funding for Forestry Sector



Net transfer of funds to forestry sector

Country	Reference year	Public functions	Protected areas	State forests	Net transfer	
					MEUR	EUR/ha
Bulgaria	2000	0.0	0.9	4.5	5.5	1.52
Czech Republic	2000	23.7	20.1	5.9	49.6	18.87
Estonia	2001	2.6	2.6	-13.9	-8.8	-4.37
Hungary	2002	42.6	*	-1.3	41.3	22.81
Latvia	2000	13.4	1.0	-13.7	0.7	0.24
Lithuania	2000	3.8	4.1	-6.2	1.6	0.82
Poland	2000	..	..	-4.8	..	..
Romania	2000	14.1	0.6	-7.5	7.2	1.14
Slovakia	2000	6.7	2.8	6.7	16.1	8.00
Slovenia	2001	19.6	*	-2.7	16.8	15.31

- ◆ **Forestry sector is a net beneficiary (except in Estonia)**



Conclusions

- ◆ **Status of forestry sectors in CEEC countries satisfactory, no immediate threats to sustainability**
- ◆ **Slow decline of timber production and environmental management may occur unless forest policies give them higher priority**
- ◆ **Social functions of forestry are under pressure owing to funding constraints and requirement of efficiency in forest management**
- ◆ **Monitoring and evaluation of forest policies is undeveloped**